



PlanSource Plus Proposal Prepared for

City of Olathe

Mercer

Expires on 06/08/2019

Chris Lee / Regional Sales Representative / [chris.lee@plansource.com](mailto:chris.lee@plansource.com) / 407-793-0971



May 8<sup>th</sup>, 2019

Melissa Haskins  
Principal  
Mercer

Re: PlanSource Proposal for City of Olathe

Dear Melissa,

We understand that finding the benefits technology partner that meets your client's specific and unique needs is critical to City of Olathe's success. We are confident that PlanSource is that partner, and we look forward to providing their team with powerful and easy-to-use technology for benefits shopping, enrollment, billing, compliance and administration.

As a recap of our strengths, PlanSource offers:

- A flexible and intuitive cloud-based benefits technology platform that supports comprehensive benefits programs, with a complete package of complementary services
- A customizable and [mobile-friendly employee experience](#)
- Strong partnerships with leading insurance carriers such as Cigna
- An engaged and experienced support team with low turnover

At PlanSource, our customers are at the heart of everything we do. We measure our Net Promoter Score in real time and our current score is +70, which is double the industry average for software companies. We are honored to serve leading brands across all types of industries such as Greenville County, City of Santa Monica, Johns Hopkins Healthcare, Panera Bread, and The Salvation Army. Together, we provide an intuitive and enjoyable benefits experience that helps millions of employees and their families find coverage that is right for them.

Thank you for the opportunity to earn your business. Please contact me at 407-793-0971 or [chris.lee@plansource.com](mailto:chris.lee@plansource.com) at your convenience to discuss further.

Best,  
Chris

Chris Lee  
Regional Sales Representative  
PlanSource



## About PlanSource

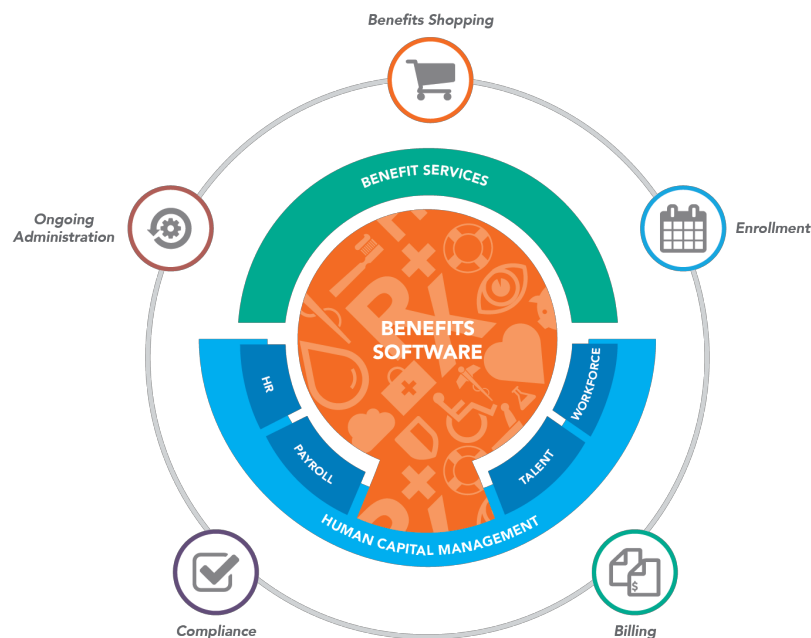
PlanSource was founded in 2008 by technology veterans whose roots stretch back to the late 1990s and the dawn of cloud computing. Our CEO, Dayne Williams, was driven by a singular vision to modernize how companies manage benefits and the way employees gain access to valuable coverage. He knew that SaaS technology was the way forward.

Today, PlanSource has more than 600 employees dedicated to providing a cloud-based solution for benefits administration that is affordable, intuitive and highly configurable to support any benefits strategy. Combined with a range of complementary benefit services, PlanSource is an employer's single and complete source for benefits software. Check out the [PlanSource Fact Sheet](#) for more information.

## Introducing the PlanSource Platform

PlanSource provides a cloud-based solution for benefits administration that is affordable, intuitive and highly configurable to support any benefits strategy. Combined with a range of complementary benefit services, PlanSource is an employer's single and complete source for benefits shopping, enrollment, billing, compliance and administration.

Through a community of brokers, carriers and consultancies, PlanSource delivers benefits software and services to companies of all shapes and sizes. For teams small or large, hourly or salaried, PlanSource helps employees get the coverage that is right for them. Learn more at [www.plansource.com/products](http://www.plansource.com/products).





## PlanSource Benefits Administration

Benefits technology is at the center of the PlanSource universe. We believe that, given the complexities of the health care system, it is important to approach benefits with laser-like focus. That is where we can provide the greatest value in an increasingly complex market. It's why employers, employees, brokers and carriers use the PlanSource platform to automate processes, engage employees, maintain control of business processes, ensure compliance and keep an accurate record of benefits partners and transactions.

Learn more at [www.plansource.com/benadmin](http://www.plansource.com/benadmin).

## A Friendly Employee Experience

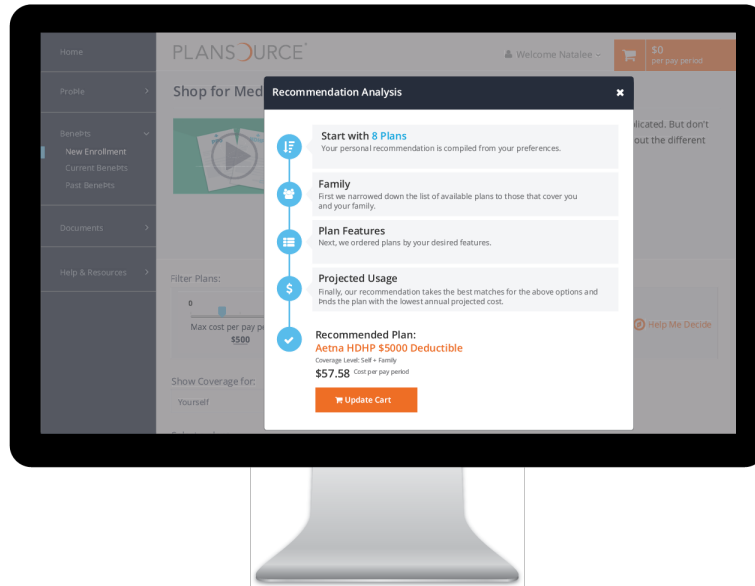
The PlanSource system uses responsive design, which means that employees can enroll in benefits on any device, whether it is on a laptop, tablet or phone. And unlike a mobile app that consumers have to download, the site will simply adapt and look great on any size screen.



Our employee experience applies concepts that consumers are already familiar with such as a shopping cart and checkout process. The experience is visual and interactive, with easy-to-read cards that display plan options and family members, sliders for making selections, and subtle animations that help employees feel a sense of progress along the way. With responsive, easy-to-use screens and a free smartphone app, employees can enroll in and access their benefits from anywhere and on any device.

See the mobile-friendly employee experience in action at [www.plansource.com/mobileexperience](http://www.plansource.com/mobileexperience).

Insurance products are complex and confusing, so educating employees on what the products are and why they need them is a big challenge. With personalized content and intelligent plan recommendations woven into an intuitive and mobile-friendly experience, PlanSource helps consumers understand the benefits that are offered to them and make the right choices based on their unique needs. Throughout the shopping experience, PlanSource asks relevant questions and surfaces meaningful information to provide personalized recommendations aligned to employee preferences.

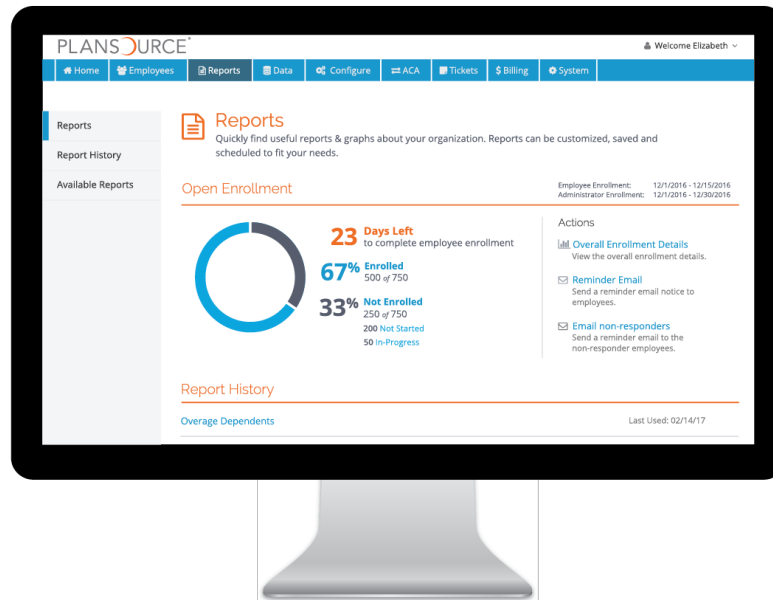


## *An Admin-Free Administrative Experience*

It's becoming increasingly costly and complex for employers to manage their benefit programs and ensure compliance. Companies need technology to facilitate employee education and communication, manage eligibility, automate enrollment, manage carrier billing and adhere to ACA and other regulations. PlanSource provides HR teams with one technology platform to efficiently manage all aspects of their benefits programs.

- Benefits are a significant spend that PlanSource helps manage through eligibility, cost calculations and carrier billing and reconciliation.
- With government oversight and regulations increasing with the ACA, PlanSource has the requirements built into its features and workflow to ensure that processes and procedures are kept compliant from the start.
- By giving employees technology tools like PlanSource that save them time, respect their circumstances and help them make the right decisions at the right moments, team members will be happy, productive and engaged.

Learn more at [www.plansource.com/admin](http://www.plansource.com/admin).



## *A Partner-Friendly Approach*

PlanSource works well with others. Whether it's an insurance carrier offering their products and services to employers nationwide or a strategic HCM partner working to deliver a niche human resources offering, PlanSource collaborates and delivers. Learn more at [www.plansource.com/partners](http://www.plansource.com/partners).

## *The PlanSource Advantage (PSA) Program*

PlanSource has national partnerships with leading insurance carriers, such as Cigna, who participate in the PlanSource Advantage Partner (PSA) program. The PlanSource Advantage Program is an exclusive partnership arrangement between PlanSource and leading national insurance carriers that makes our system quicker to implement and more affordable. Insurance carriers in the program distribute their products on our platform and provide credits that offset the cost of using PlanSource, making it even more affordable for HR teams to automate benefits administration and provide a better benefits experience for their employees. By investing in deeply integrated relationships with these carriers, we're making it easy for you to offer the benefit products that are right for your workforce. Learn more at [www.plansource.com/psa](http://www.plansource.com/psa).

## *HCM Partners*

A benefits platform is an integral part of any human capital management strategy. And while we might be experts in benefits administration, we know we aren't experts in everything. That's why we have also chosen to build deep integrations with select, preferred HCM partners, including Ultimate Software, Kronos, BambooHR and Oracle NetSuite, to bring to you a fully integrated HCM and benefits platform.

Learn more at [www.plansource.com/partnersource](http://www.plansource.com/partnersource).

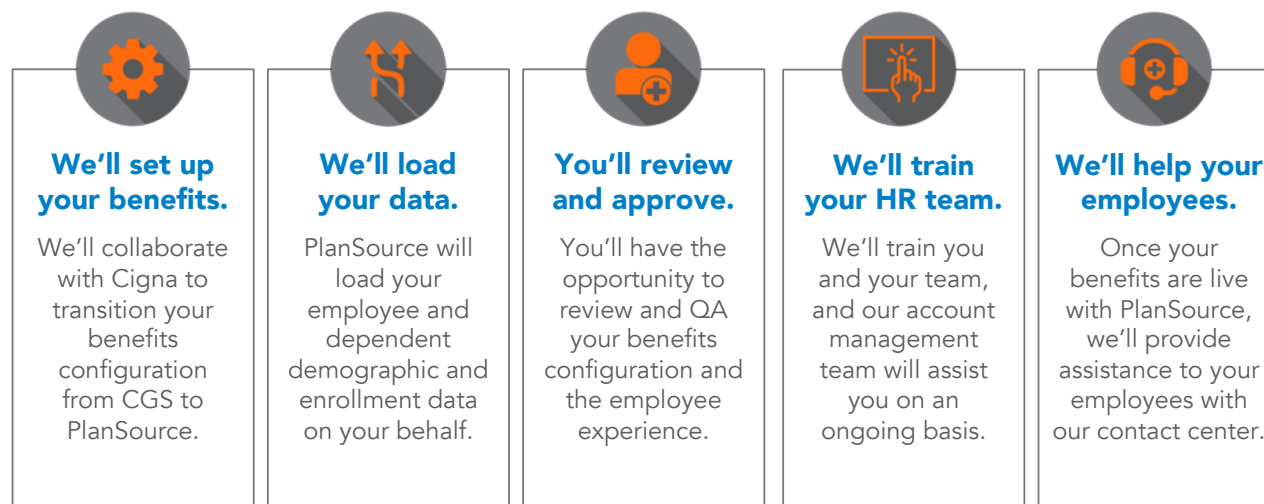


## Cigna Guided Solutions Transition

PlanSource and Cigna have partnered to provide you with an industry-leading solution to manage your employee benefits, and we're committed to making transitioning from Cigna Guided Solution as easy as possible for your employees and your HR team.

### Cigna Guided Solutions - Ensuring a Smooth Transition

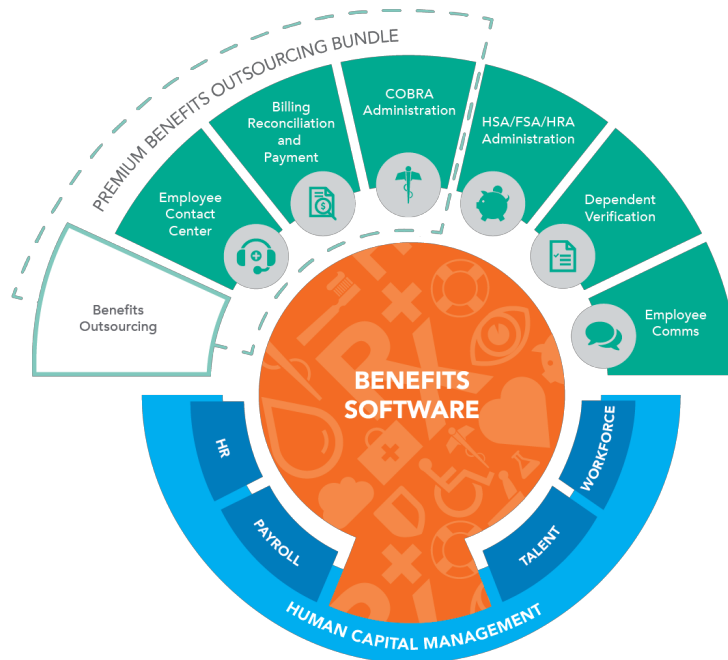
*Our objective is to make the process simple and easy **for you***



## PlanSource Benefit Services

At PlanSource, we believe that the best way to build a better benefits experience is by combining best-in-class software with a range of high-touch benefit services. This simple equation provides HR teams with a complete solution that can help busy HR departments work more efficiently and focus on strategic initiatives rather than tedious tactics.

With PlanSource, you can choose from range of time-saving services, including employee contact center, billing reconciliation and payment, COBRA and HSA/FSA/HRA account administration, dependent verification audits and custom employee communications. We also offer an outsourcing model, in which we act as an extension of your HR team, managing all aspects of your benefits program.



### Premium Benefits Outsourcing

With Premium Benefits Outsourcing, PlanSource is an extension of your HR team. We administer all aspects of your benefits program - from new hire and life event processing to integrations with your insurance carriers and payroll systems. Our benefits outsourcing service includes employee contact center, billing reconciliation and payment and COBRA administration. You can also add on a range of other services so that you can focus on more strategic items in your to-do list.

Key features that are always included are:

- Employee contact center
- Billing Reconciliation and Payment Services
- COBRA Administration
- System configuration and maintenance
- Eligibility management and urgent coverage resolution
- New hire, life event, work status and EOI processing
- Data exchange operations for insurance carriers and HR/payroll systems, discrepancies and auditing



- Open enrollment configuration and management, which includes employee confirmation statements and a post-open enrollment audit with insurance carriers and payroll systems
- QMCSO processing (a fee applies per QMCSO processed)

Many of our Premium Benefits Outsourcing customers also purchase additional add-on services, such as dependent audits and ongoing verification, FSA/HSA/HRA administration, and employee communications and fulfillment. Learn more about Benefits Outsourcing at [www.plansource.com/benefitsoutsourcing](http://www.plansource.com/benefitsoutsourcing).

## Employee Benefits Contact Center - Included

We've made it easy for employees to get the help they need. To keep little issues from snowballing into big issues that prevent employees from enrolling in benefits and facing life's events, PlanSource provides help for employees and their dependents with "how do I" questions, login assistance, technical support, life event changes and phone-based enrollment.

Our contact centers are located in Grand Rapids, Michigan and Salt Lake City, Utah. Our standard contact center hours of operation are 8AM ET to 11PM ET, Monday through Friday. Your employees and their dependents can contact us via phone and chat. Our customer service representatives are trained to act as an extension of your benefits/HR team.

Key features of our Benefits Contact Center include:

- Fully integrated multi-channel contact center platform
- 100% of inbound and outbound calls are recorded
- English and Spanish-speaking U.S.-based representatives
- Translation services offered for 180+ languages
- Branded 1-800 number

In instances where a caller needs assistance with claims or provider issues, PlanSource representatives reach out to the appropriate party to determine the issue and assist with a resolution. Consumers may be required to sign and send a HIPAA Authorization Form before contact may be made. When necessary, contact center representatives will place 3-way calls so that all parties can collaborate to resolve issues in the most timely manner.

Our objective is to provide full transparency to our customers. We have developed the following best practice recommendations for ongoing management of the customer experience:

- Joint periodic review of call volumes and associated staffing
- Joint development and periodic review of your knowledge base – Your HR team would have access to review and provide feedback on the knowledge base, with periodic scheduled reviews to ensure that the knowledge base stays current as business practices need to evolve.
- Joint call reviews where both parties listen to specific calls together to review and discuss the flow of the call, the outcome of the call, whether the caller completed a follow-up survey, etc. A call review is always scheduled immediately following implementation to confirm operational readiness, and an annual call review may also be conducted upon request.
- Formal monthly scorecards that provide service center stats for each method of communication. Examples of call stats are number of calls presented, number of calls handled, average speed to answer, average length, max length, and number of calls per type (password reset, enrollment assistance, etc.). During the discovery and planning phase of the project, we will review the monthly scorecard format with you.
- During the planning and discovery phase of the contact center rollout, we would jointly develop a knowledge base for the reps that will capture your branding requirements, the details of your benefits

programs, business rules and other guidelines for common inquiries and call routing to third parties like insurance carriers.

- Representatives go through specific training on your company, culture and service objectives. The team is trained to reflect your brand and philosophy and would have access to the knowledge base with information and resources that help them to handle the calls in a way that provides the best customer experience.

Learn more about how we support employees and their dependents at

[www.plansource.com/contactcenter](http://www.plansource.com/contactcenter).

## Billing Reconciliation and Payment Services

Billing Reconciliation and Payment Services take the worry out of billing and reconciliation for our clients. From gathering monthly carrier bills or calculating self-reported totals to handling payments to insurance carriers, we help clients better manage the process from end-to-end, so they can be sure eligibility and billing match to the data reported in the PlanSource platform.

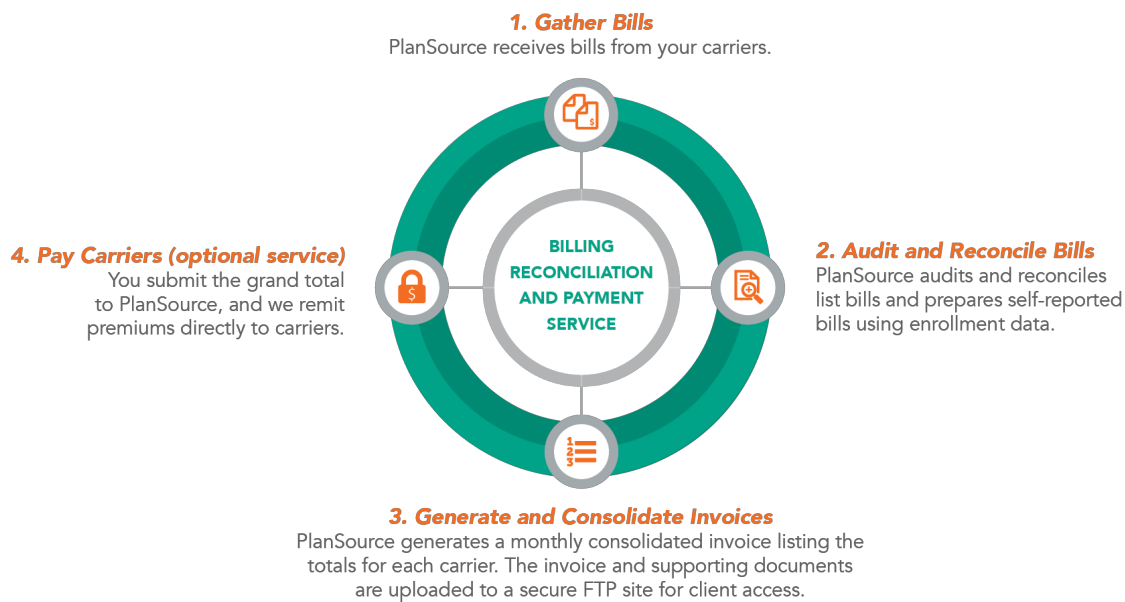
This service creates value for HR teams because it:

- Eliminates need to track and pay individual carrier bills
- Eliminates need for line-by-line comparison of monthly invoices by the employer
- Improves accuracy
- Includes quick and efficient discrepancies resolution
- Minimizes risk of incorrect premium payments
- Increases efficiency by automatically capturing retroactive adjustments
- Provides you with a single contact for all the carrier billing invoices

Key features of this service are:

- Monthly consolidated invoice for all benefits vendors for all members and fees
- Monthly audit of all carrier list bills, reconciling to PlanSource data
- Totals calculated for list bills “as billed by carrier,” noting any payments submitted previously but not yet applied
- Preparation of self-bill reports using PlanSource data
- Discrepancy resolution directly with carriers
- Monthly Pending Transaction/Discrepancy Report
- Client prepares a single EFT/ACH to PlanSource each month
- Remittance of payments to all insurance carriers

Each month, PlanSource will gather up all the carrier bills on the employer’s behalf. Our team will then confirm each billing transaction against enrollment data in the PlanSource Benefits Administration system. Summary and detail reports are then generated for self-reported plans. Once PlanSource is in possession of all billing documents and receives payment from the client, PlanSource will remit payment to each carrier via ACH. PlanSource will then perform a monthly audit of discrepancies and will work with the involved parties until the issues are resolved.



Learn more at [www.plansource.com/billing](http://www.plansource.com/billing).

## COBRA Administration

PlanSource will handle the full cycle of COBRA administrative responsibilities. This starts with generating and communicating initial and qualifying events notices so you don't have to worry about staying compliant or being subject to penalties. We will audit participants for accuracy using employee data from the benefits administration system, and assume full premium collection, monthly remittance and issue resolution with the carriers on your behalf.

Key features of the service include:

- Send Notices: Generate notices based upon qualifying events
- Process Payment: Process elections and payments from beneficiaries
- Reinstatement Coverage: Add COBRA coverage and manage the eligibility timeline
- Bill Enrollees: Bill enrollees and provide reporting and auditing
- Answer questions: Address any questions with our contact center
- Manage OE: Handle open enrollment and all future notice requirements

Learn more about COBRA Administration at [www.plansource.com/cobra](http://www.plansource.com/cobra).

## Retiree and/or Leave of Absence Billing

PlanSource provides direct billing services for employers who have retirees, employees on a leave of absence or other business scenarios where subscribers remain covered under an employers' plan but do not have a paycheck in which to deduct premiums. Managing this process directly with the covered individuals is cumbersome and can be costly as well if premiums are not collected and if coverage is not updated or cancelled in a timely manner.

PlanSource can manage the entire process for an employer, so HR teams can focus on more strategic priorities. We'll manage the invoice process, collect payments from participants, and terminate coverage in PlanSource (for those employers that use PlanSource as their benefits administration system).

Key features of the service include:

- Generation of notices and premium bills for participants
- Online payment collection
- Contact center support for participants
- Benefit election updates (changes and cancellations)
- Reporting for HR teams to monitor and assess participation and cost

## HSA/FSA/HRA Administration

For HSAs, FSAs and HRAs, PlanSource offers a full online portal for participants to review their accounts and reimbursements. With full contact center support and online chat help available to all participants, administrators benefit from end-to-end management, including plan and funding design, program operation and reimbursement management.

Key features of the service include:

- Online Reimbursement: Participants can request reimbursement and provide receipts
- Online Account Management: Participants can view their account balance and transaction history
- Mobile App: Participants can manage their account and submit reimbursement requests
- Contact Center Assistance: Participants can get answers to questions about reimbursements, card status and more.
- Benefit MasterCard: Participants can have 1 MasterCard for all benefit accounts
- Dependent MasterCards: Participants can request additional cards for eligible dependents
- Educational Tools: Participants can calculate tax savings and access list of eligible expenses
- Online FSA/HSA Store: Participants can purchase OTC items at a discounted price with FSA and HSA dollars.

Learn more about Benefit Account Administration at [www.plansource.com/benefitaccounts](http://www.plansource.com/benefitaccounts).

## Dependent Eligibility Verification

Dependent Eligibility Audits are a best practice in employee benefits. By ensuring that only eligible participants are receiving coverage, you can save money and stay compliant. If you're self-funded, you can eliminate stop-loss exposure and Employee Retirement Income Security Act (ERISA) violations and Sarbanes-Oxley (SOX) issues (if you're a public company). The monetary savings to the employer can be significant, with an average of 6% of covered dependents deemed ineligible for continued coverage.

PlanSource manages the dependent verification process from end-to-end for you. PlanSource can conduct an annual dependent eligibility audit and/or manage the dependent verification process on an ongoing basis.

- PlanSource begins by reviewing all plan documentation to determine employee eligibility and what documentation is required for employees to keep dependents covered. We will configure the PlanSource system to automatically trigger the requirement for documents at just the right time in the benefits shopping and enrollment process.
- Employees can be automatically notified when documents are required, and they can easily and conveniently attach the required documents. Your employees can even take a picture from their mobile phones and attach it within our mobile-friendly user experience.
- If approval is required, PlanSource will hold all elections in a pended status until the approvals are complete, so that employees don't think their election is confirmed when it's not, and to ensure that payroll isn't going to start taking deductions out of the associate's paycheck when the election hasn't been approved.

- PlanSource will collect and analyze all dependent documentation on your behalf. Since PlanSource is the source of record for employee benefits, we manage the full process from end-to-end, including making the necessary changes to coverage in the system.
- If employees do not submit documentation, PlanSource will conduct outreach to your employees in accordance with your specifications. Typically, PlanSource reaches out to employees via email, phone, direct mail and text messaging.

Learn more about Dependent Verification at [www.plansource.com/dependentverification](http://www.plansource.com/dependentverification).

## Data Conversion - Included

PlanSource understands that compiling enrollment data is time-consuming for HR teams. With Data Conversion Services, the PlanSource team assists with converting your data into the PlanSource census and coverage templates for uploading into PlanSource.

We'll also conduct an audit of your data across all relevant carrier and vendor systems. This allows us to reconcile these discrepancies prior to go-live and have confidence in the quality and accuracy of your data in PlanSource.

Data Conversion occurs during the Audit and Testing phase of the onboarding program, after the HR team signs off on the system configuration.

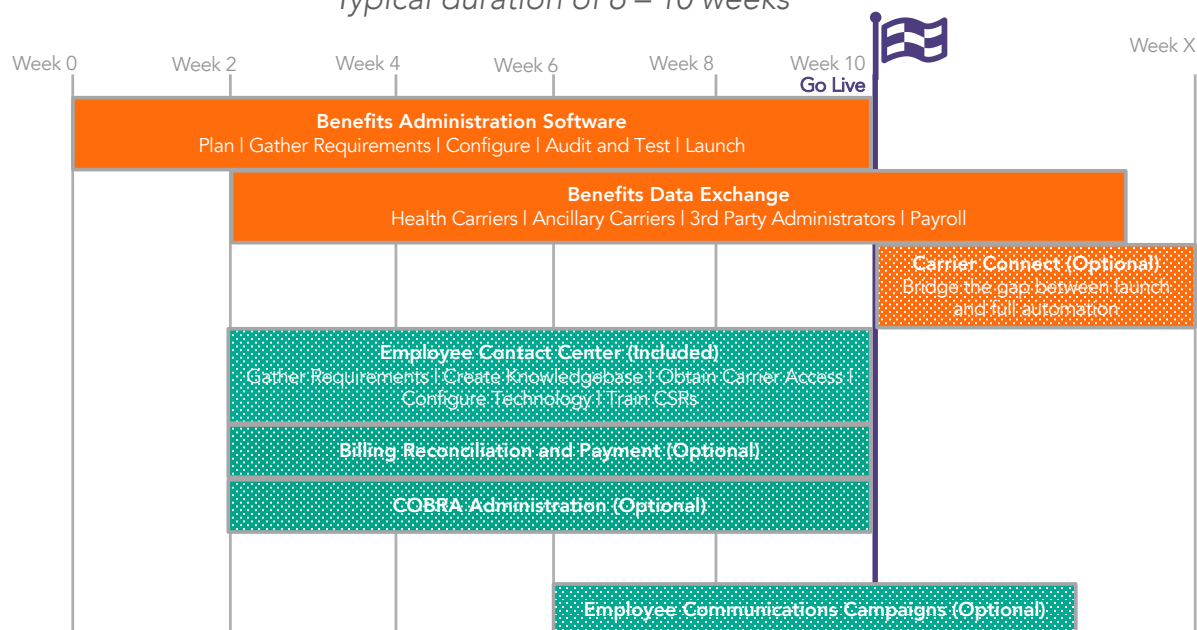
## An Industry-Leading Customer Experience

Your experience with PlanSource is our top priority - and it doesn't stop when the contract is signed. In fact, that's when it begins. For starters, software implementations are hard work — and this is where PlanSource excels. PlanSource staffs projects with a Project Manager, Configuration Specialist and Data Analyst. Our staff has deep experience in both benefits strategy and software implementations. They combine the right approach with the right methodology to deliver projects on time, on budget and on scope. Learn more at [www.plansource.com/setup](http://www.plansource.com/setup).

From the moment you choose PlanSource, our teams are there to give you the best experience possible – from planning to implementation to ongoing support. We're committed to ensuring that your employees have a fantastic experience shopping for and enrolling in their benefits, and we're dedicated to the champions in human resources to make sure that issues are addressed before they snowball. PlanSource helps HR professionals not just react to issues, but proactively plan for what is needed over the long-term. Learn more at [www.plansource.com/experience](http://www.plansource.com/experience).

## PlanSource Plus Sample Implementation Timeline

*Typical duration of 6 – 10 weeks*



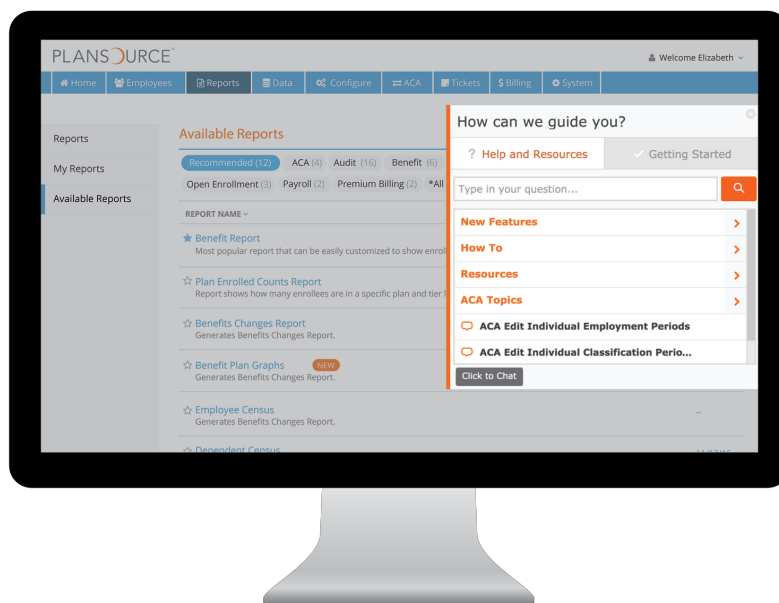
## PlanSource University

Once your system has been implemented, we make sure you have the training you need to get the most out of your PlanSource solution. PlanSource University is here to support your learning needs with a self-paced virtual experience that puts you in the driver's seat. Training content starts with the basics (think PlanSource Fundamentals 101) and grows in complexity based upon your specific training needs and goals.

- **Courses** - Browse a full catalog of PlanSource courses to find just what you need. Courses include videos and articles on dozens of relevant topics.
- **Library** - Peruse our collection of short, self-paced lessons that cover individual topics or tasks you want to tackle right away.
- **Webinars** - Bolster your knowledge from the comfort of your home, office or even a park bench. Select from a previously recorded webinar or sign up for a live session at a date and time convenient for you!

## GuideMe

In addition, GuideMe features on-demand training and self-paced walkthroughs for HR and broker administrators. Built directly into the PlanSource experience, GuideMe appears as a constant, unobtrusive widget in the PlanSource system, acting as a tutor for benefit administrators. GuideMe also offers field-level help, feature notifications, powerful search tools, videos and other resources. GuideMe speeds up the learning curve, making onboarding new administrators quick and efficient, while allowing for shifts within your team.



## Proposed Fees –

“PEPM” means per eligible employee per month, “PGPM” means per group per month, “PPPM” means per participant per month, “PE” means per employee and “PY” means per year.

### Customer Profile

Benefits-Eligible Employees<sup>1</sup>: **1,000**

Benefits-Ineligible Employees<sup>2</sup>: **350**

### Product Subscription Fees

	Retail Subscription Fee	City of Olathe's Fee
Benefits-Eligible Employees	\$3.50 PEPM	\$2.50 PEPM
Benefits-Ineligible Employees	\$0.50 PEPM	\$0.50 PEPM
Employee Contact Center	\$2.00 PEPM	Included - Cigna Guided Solutions Transition
Administrative Experience		
ACA Measurement & Reporting	Included + \$2 per mailed 1095-C form	Included + \$2 per mailed 1095-C form
Annual Renewal	Included	Included
Employee Experience		
Educational Video Library	Included	Included
Plan Recommendations	Included	Included

### Product Setup Fees

	Retail Setup Fee	One-Time Fee
Implementation <sup>3</sup>	\$3.50 PE + \$2,000.00 OTF for Employee Contact Center	Included - Cigna Guided Solutions Transition
ACA Measurement & Reporting <sup>4</sup>	\$0.50 PE * # of months in calendar year prior to go-live month	Included - Cigna Guided Solutions Transition
Data Conversion <sup>5</sup>	\$7,500.00	Included - Cigna Guided Solutions Transition
Administrative Support and Training	Included	Included
Data Exchange with Insurance Carriers	Unlimited	Unlimited
Data Exchange with Partners	Included	Included
Data Exchange with Non-Partners <sup>6</sup>	\$2,500 (per each one-way connection)	\$2,500 (per each one-way connection)
Payroll File Integration <sup>7</sup>	\$2,500 (per each one-way connection)	Included - Cigna Guided Solutions Transition

<sup>1</sup> The number of benefits eligible and ineligible employees specified in this proposal is subject to change based on the number of actual benefits eligible and ineligible employees live on the PlanSource system each applicable billing cycle.

<sup>2</sup> The number of benefits eligible and ineligible employees specified in this proposal is subject to change based on the number of actual benefits eligible and ineligible employees live on the PlanSource system each applicable billing cycle.

<sup>3</sup> Includes Carrier Connect, a process where PlanSource manually inputs data into a carrier's system on Employer Group's behalf until scoped data exchanges goes live.

<sup>4</sup> To generate Forms 1094-C and 1095-C for each IRS Reporting Period, PlanSource must import, track, and measure all benefits-eligible and benefits-ineligible employees beginning as of January of each calendar year. Accordingly, if Employer Group's go-live date is in February or after, PlanSource will charge an administrative "catch-up" fee equal to the One-Time Fee times the total number of months in the current calendar year prior to Employer Group's go-live month.

<sup>5</sup> Fee applies to passive and off-cycle implementations.

<sup>6</sup> Data exchange is a one-way exchange between one source and one target system. This fee applies to HR, payroll and TPA systems that are not preferred partners.

<sup>7</sup> One inbound demographic file connection and one outbound payroll deduction connection are included at no cost for Cigna Guided Solutions transition clients executing a contract in 2019.



## Benefit Services Fees (Optional)

"PEPM" means per eligible employee per month, "PGPM" means per group per month, "PPPM" means per participant per month, "PE" means per employee and "PY" means per year.

	One-Time Setup Fee	Monthly Fee
Premium Benefits Outsourcing	Custom Quoted	Custom Quoted
COBRA Administration <sup>8</sup>	N/A	\$0.65 PEPM
Retiree Billing <sup>9</sup>	N/A	\$4.25 PPPM
Leave of Absence Billing <sup>10</sup>	N/A	\$4.25 PPPM
FSA Administration <sup>11</sup>	N/A	\$4.25 PPPM
HRA Administration <sup>12</sup>	N/A	\$4.25 PPPM
HSA Administration <sup>13</sup>	N/A	\$2.75 PPPM
Billing Reconciliation and Payment <sup>14</sup>	N/A	\$2.00 PEPM
Dependent Eligibility Verification (Ongoing)	N/A	\$0.80 PEPM

<sup>8</sup> PlanSource will retain the 2% COBRA Administrative Fee paid by participants on COBRA Continuation Coverage. An optional mass general notice mailing (COBRA Initial Rights) can be purchased for \$2.50 per letter mailed. A minimum fee of \$100 per group per month applies.

<sup>9</sup> A minimum fee of \$100 per group per month applies.

<sup>10</sup> A minimum fee of \$100 per group per month applies.

<sup>11</sup> A minimum fee of \$90 per group per month applies. A fee of \$1.50 will be charged for each Benefits MasterCard ordered. A \$350 annual fee applies for nondiscrimination testing. Also, a \$350 plan document creation fee applies to each of the following: FSA (health and dependent care plans are counted as one document), Commuter and HRA plans.

<sup>12</sup> A minimum fee of \$90 per group per month applies. A fee of \$1.50 will be charged for each Benefits MasterCard ordered. A \$350 annual fee applies for nondiscrimination testing. Also, a \$350 plan document creation fee applies to each of the following: FSA (health and dependent care plans are counted as one document), Commuter and HRA plans.

<sup>13</sup> A fee of \$1.50 will be charged for each Benefits MasterCard ordered.

<sup>14</sup> A minimum fee of \$750 per group per month applies. Additional fees may apply.

# Invoicing and Payment Process

## Annual Invoicing

Annual invoicing eliminates the administrative burden of processing invoices on a monthly basis. In addition, since the amount due with monthly invoices varies each month based on the number of employees in the PlanSource system, an annual invoice provides more predictability.

An annual invoice is generated once the contract is signed based on the estimated number of benefits-eligible and benefits-ineligible employees in the PlanSource system. If you use the PlanSource Advantage program, we'll estimate any credits based on your current employee participation in those benefits, and we'll apply that credit to your annual invoice.

As the year progresses, if the actual number of employees is 10% or more higher than the estimate provided by the customer, or if actual employee participation in products eligible for the PlanSource Advantage program varies by more than 10%, PlanSource reserves the right to send a subsequent invoice.

After the first year, an invoice will be generated for the second year based on the actual number of benefits-eligible and benefits-ineligible employees in the system and actual employee participation in products eligible for the PlanSource Advantage program.

## Monthly Invoicing

*Monthly invoicing is an option only to customers with ongoing product subscription and services fees in excess of \$15,000 annually.* PlanSource generates an initial invoice that covers any one-time fees at contract signing, and subsequent monthly invoices are generated on the first of each month following contract signing.

Because monthly invoicing is based on the number of benefits-eligible and benefits-ineligible employees in the PlanSource system at the time the invoice is generated, the actual fees invoiced each month will vary. In addition, for customers participating in the PlanSource Advantage program, we'll calculate the credit based on actual employee participation each month, so the credit may vary each month as well. With monthly invoicing, there is less consistency and predictability in the fees and credits.

	Annual Invoicing	Monthly Invoicing
Availability	Required for customers whose ongoing fees are less than \$15,000 annually	Available as an option to customers with ongoing fees greater than \$15,000 annually
Fee Calculations	Based on <b>estimated</b> employee counts at the time of contract signing	Based on <b>actual</b> employee counts each month when the invoice is generated
PlanSource Advantage Credits	Based on <b>estimated</b> employee participation at the time of contract signing	Based on <b>actual</b> employee participation each month when the invoice is generated

	Annual Invoicing	Monthly Invoicing
Subsequent Invoice?	A subsequent invoice may be generated if the estimates vary by more than 10%	Not applicable

## Payment Options and Terms

Invoices are due upon receipt. There are three options for payment:

- Credit card
- ACH
- Check