

# BENEFITS CONSULTING AGREEMENT

**AGREEMENT**, dated June 15, 2021, by and between Roselle Board of Education, located at 710 Locust Street Roselle, NJ 07203 (the "Company"), and HUB International Northeast Limited, a Delaware corporation having an office at 180 River Road Summit, NJ 07901 (the "Consultant").

**WHEREAS**, the Company desires to engage the services of the Consultant, and the Consultant desires to perform services for the Company, on the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, and other good and valuable consideration, the parties agree as follows:

## 1. ENGAGEMENT

The Company hereby engages the Consultant to perform the services described in Exhibit A as well as the Additional Services listed in Section 3 (collectively, the "Consulting Services").

## 2. TERM

This Agreement shall be effective July 1, 2021 and shall continue through June 30, 2023 (the "term"), unless terminated earlier pursuant to Section 9. This term shall be automatically extended for an additional 2 years (ending June 30, 2025) unless either party gives the other party written notice of non-renewal on or before May 1, 2023.

## 3. COMPENSATION

The Consultant shall be compensated as follows:

- From July 1, 2021 through June 30, 2023, the Consultant shall receive a Consulting Fee of \$190,000 per annum (total compensation: \$380,000). The Consulting Fee will cover the provision of services described in Exhibit A and the following Additional Services in support of the Company's Group Medical, Pharmacy, Dental and Voluntary Vision hereinafter referred to as the "Core Benefits Program":
  - Plan Redesign, Open Enrollment, Renewal, Employee Education & Communications
  - Wellness Initiatives & Rollout;
  - Health Care Reform Guidance and Financial Projections.

All Core Benefits Program placements shall be negotiated without brokerage commissions.

- The Consulting Fee shall be payable as follows:

|                        |                           |                           |                         |
|------------------------|---------------------------|---------------------------|-------------------------|
| July 1, 2021: \$47,500 | October 1, 2021: \$47,500 | January 1, 2022: \$47,500 | April 1, 2022: \$47,500 |
| July 1, 2022: \$47,500 | October 1, 2022: \$47,500 | January 1, 2023: \$47,500 | April 1, 2023: \$47,500 |

3. During the Term, the Consultant shall be entitled to receive commissions from insurers for placement and servicing of new lines of coverage outside the Core Benefits Program, including ancillary and voluntary lines.
4. The parties agree to negotiate in good faith a modification of any part of the Consulting Fee in the event that the Company requests a change in services, has significant changes in its operations, experiences substantial growth or reduction in the number of employees covered under the Core Benefits Program, or if there is a material change in the insurance provided to the Company.
5. Upon the Company's request, the Consultant shall make reasonable efforts to determine and disclose to the Company any contingent or supplemental compensation it receives that is directly related to the placement or servicing of the Company's insurance programs, including but not limited to national additional commissions, subscription market brokerage charges and/or administrative expense reimbursements. In no event, however, shall HUB's contingent or supplemental compensation arrangements affect the compensation payable under this Agreement.
6. The Consultant shall place up to 10% of its Consulting Fee at risk based on the Company's good-faith assessment of its performance pursuant to the standards outlined in Exhibit B. The annual performance evaluation shall be completed not later than June 1 and any adjustment shall be reflected in the July 1<sup>st</sup> quarterly invoice.

#### **4. SERVICES OF OTHERS**

If the Company requests the Consultant to arrange for the services of others, then the Company shall pay (or reimburse the Consultant for) all fees and expenses incurred by the Consultant in the making of such services available. The Consultant shall not engage others for a fee without the prior written authorization of the Company.

#### **5. REVIEW OF POLICIES**

The Company acknowledges that the Consultant does not have the authority to make binding commitments on behalf of insurers regarding the issuance of coverages, rates or other terms and conditions of coverage. The Consultant shall review all policies, certificates and endorsements delivered to it by insurers or intermediaries for the purpose of confirming their accuracy and conformity to negotiated specifications. The Company shall also review all policies, certificates and endorsements delivered to it and shall promptly advise the Consultant of any discrepancies or inconsistencies.

#### **6. COMMUNICATIONS**

The Consultant shall be entitled to rely, without investigation or inquiry, upon any written or oral information or communication of the Company or its agents.

## **7. AUDIT**

During the Term of this Agreement, the Company shall have the right to audit the Consultant's records directly related to this Agreement no more than once per year, upon prior written notice to the Consultant. Such audit shall be conducted during regular business hours, at times designated by the Consultant and shall be at the Company's expense.

## **8. CONFIDENTIAL INFORMATION**

All information received by the Consultant in performing the Consulting Services (except information, which is publicly known, or which is made known or available to the public by the Company) shall be treated by the Consultant as confidential and shall not be revealed to any other persons, firms or organizations except as required in the performance of this Agreement. The Consultant retains the sole rights to all of its proprietary computer programs, methods and procedures and to all underwriting and client files developed by the Consultant.

## **9. TERMINATION**

This Agreement may be terminated by either party upon sixty (60) days prior written notice to the other. In the event of termination, the Company shall pay the Consultant the Consulting Fee on a pro-rata basis to the effective date of termination.

## **10. COMPANY ACKNOWLEDGMENTS AND REPRESENTATIONS**

The Company acknowledges and represents the following:

1. The Company shall and does maintain and operate its employee welfare benefit plans in accordance with all applicable laws (including, but not limited to, ERISA and HIPAA).
2. The Consultant shall have no discretionary authority or discretionary control respecting the management of the Company's employee welfare benefit plans.
3. The Consultant shall exercise no authority or control with respect to management or disposition of assets of the Company's employee welfare benefit plans.

## **11. INDEMNIFICATION**

The Company will indemnify, defend (with counsel of the Consultant's choice), save and hold the Consultant harmless from and against any and all claims, suits, actions, liabilities, losses, fines, penalties, damages and expenses of any kind (including, but not limited to, reasonable attorneys' fees and court costs) which arise out of or are based upon (i) the Company's failure to provide the Consultant with accurate information, (ii) any

misrepresentation made by the Company, or (iii) the Company's breach of any of the acknowledgements and representations by it contained herein. The Consultant shall notify the Company promptly of any such claim in writing, provided, however, that the failure to give such notice shall not relieve the Company of the Company's obligations hereunder except to the extent that the Company was actually and materially prejudiced by such failure with the Consultant's liability limited to direct damages caused by such failure. The Company will have the sole right to conduct the defense of any such claim or action and all negotiations for its settlement or compromise unless otherwise agreed to in writing. No consent of the Consultant will be required for any settlement or compromise. However, if the Company, after receiving notice of any such claim, fails immediately to begin the defense of such claim or action, the Consultant may (without further notice to the Company) retain counsel and undertake the defense, compromise, or settlement of such claim or action at the expense of the Company.

The Consultant will indemnify, defend (with counsel of the Company's choice), save and hold the Company harmless from and against any and all claims, suits, actions, liabilities, losses, fines, penalties, damages and expenses of any kind (including, but not limited to, reasonable attorneys' fees and court costs) which arise out of or are based upon (i) the Consultant's failure to provide the Company with accurate information, (ii) any misrepresentation made by the Consultant, or (iii) the Consultant's breach of any of the acknowledgements and representations by it contained herein. The Company shall notify the Consultant promptly of any such claim in writing, provided, however, that the failure to give such notice shall not relieve the Consultant of the Consultant's obligations hereunder except to the extent that the Consultant was actually and materially prejudiced by such failure with the Company's liability limited to direct damages caused by such failure. No consent of the Company will be required for any settlement or compromise. The Consultant will have the sole right to conduct the defense of any such claim or action and all negotiations for its settlement or compromise unless otherwise agreed to in writing. However, if the Consultant, after receiving notice of any such claim, fails immediately to begin the defense of such claim or action, the Company may (without further notice to the Consultant) retain counsel and undertake the defense, compromise, or settlement of such claim or action at the expense of the Consultant.

## **12. INDEPENDENT CONTRACTOR**

The Consultant shall furnish the Consulting Services as an independent contractor, and not as an employee of the Company. The parties intend to have an independent contractor relationship, and do not intend to have a relationship in the nature of an employer-employee, partnership, joint venture or agency. Neither party shall represent to any other person or entity that the relationship between the Company and the Consultant is anything other than an independent contractor relationship.

## **13. ASSIGNABILITY; SUCCESSORS**

This Agreement, and the parties' rights and obligations hereunder, may not be assigned or assumed by another without the prior written consent of the other party. This Agreement shall inure to the benefit of, and be binding upon the parties hereto, their successors, permitted assigns or legal representatives.

## **14. WAIVERS**

No waiver of any default or breach of this Agreement shall be deemed a continuing waiver or a waiver of any other breach or default.

## **15. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the state of New Jersey without regard to principles of conflicts of law.

## **16. SEVERABILITY**

The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

## **17. ENTIRE AGREEMENT**

This Agreement, together with its exhibits, represents the parties' entire agreement concerning the subject matter hereof and integrates all previous oral and written agreements and understandings between them. The parties mutually acknowledge that any representations they made or raised prior to the execution of this Agreement are void unless made a part of this Agreement.

## **18. SUBSEQUENT DOCUMENTS**

The parties agree that each will timely execute any further documents that are or will be reasonably necessary to affect any term, condition or other part or aspect of this Agreement.

## **19. AMENDMENT**

No provision of this Agreement may be amended, augmented or in any way modified except in writing, signed by a duly authorized representative of each of the parties.

## **20. NOTICES**

Any notice required to be given pursuant to the provisions of this Agreement shall be in writing, delivered in person or by certified mail, return receipt requested, and mailed to the parties at the following addresses:

To Company: Roselle Board of Education  
710 Locust Street  
Roselle, NJ 07203  
Attention: Anthony Juskiewicz, Business Administrator

To Consultant: HUB International Northeast Limited  
180 River Road, 2<sup>nd</sup> Floor  
Summit, NJ 07901  
Attention: Nelson Perez, Senior Vice President, Employee Benefits

The parties may change these addresses by giving written notice of the change.

## 21. NOTICES

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and such counterparts shall together constitute one and the same instruments.

## 22. HEADINGS

The headings used in this Agreement are provided for convenience only and are not a part of the parties' intended agreement.

## 23. FORCE MAJEURE

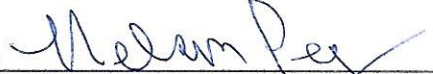
Neither of the parties shall be liable to the other for any failure to satisfy an obligation or warranty under this Agreement due to any cause beyond a party's reasonable control including, but not limited to, inclement weather, Acts of God, war, riot, terrorist acts, civil commotion, strike, industrial dispute, power failure or fire.

## 24. DISPUTE RESOLUTION

If a dispute arises out of or relates to this contract, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by JAMS, New York, NY, before resorting to litigation or some other dispute resolution procedure.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the day and year first above written.

HUB INTERNATIONAL NORTHEAST LIMITED

By: 

Nelson Perez, Senior Vice President | Benefits Division

Roselle Board of Education

By: 

Anthony Juskiewicz, Business Administrator

The following Exhibits are attached hereto and made a part of this Agreement.

## EXHIBIT A: CONSULTING SERVICES

➤ At the direction of the Company, place the following policies or lines of coverage:

- ☒ Group Medical
- ☒ Group Pharmacy
- ☒ Group Dental
- ☒ Vision Insurance

➤ **Strategic Planning**

- Assist in defining and prioritizing strategic health & welfare plan objectives
- Assist in the evaluation of internal technical capabilities to determine increased/improved applications for administrative processes
- Develop project action timelines
- Review employee demographics periodically

➤ **Financial Analysis**

- Perform financial review and drill down analysis of claims data reports if applicable
- Assess current funding arrangements for appropriateness and make recommendations as needed
- Evaluate current costs of benefits versus effectiveness of plan design
- Review managed care expense and administrative service fees (where applicable)
- Analyze utilization data and cost containment results of medical management, on a quarterly basis
- Forecast projected benefit costs to include maximum exposure
- Prepare experience report analysis monthly and/or quarterly if applicable
- Perform trend analysis from available diagnostic and normative data

➤ **Vendor Marketing**

- Develop plan specifications based on feedback from strategic planning meeting
- Jointly determine list of vendors best suited to meet plan goals and objectives
- Develop vendor performance guarantees as appropriate
- Review electronic data transfer processes with vendors
- Perform pre-marketing evaluation of census data, network service areas and administrative needs
- Evaluate carrier client support services
- Evaluate vendor financial ratings and accreditation
- Review provider network accessibility/employee match
- Perform critical analyses and comparison of plan features and costs
- Assist in the scheduling of selected finalist site visits
- Assist in conducting finalist negotiations
- Prepare and submit a summary report with recommendations to management
- Assist in the notification of all bidders as to the final outcome

➤ **Compliance**

- Review personnel manual to ensure all policies and procedures are current, ensure accuracy and compliance are consistent with changes and legislative updates
- Review SPDs, contracts, employee policies, administration, and communications of compliance practices
- Offer guidance regarding new Health Reform Laws, and dates to comply

➤ **Renewal Negotiations**

- Perform and provide field underwriting to help define and clarify ongoing past and outstanding claim issues within the group.
- Review and edit current census data
- Analyze and negotiate renewals with vendors
- Review vendor renewal methodology, experience data, and assumptions for accuracy and logic
- Compare vendor renewal with broker projections
- Develop and present alternative plan designs and provisions with associated financial and member impact analyses
- Review network utilization
- Finalize program design, rates, and fees prior to effective date
- Prepare an accurate renewal summary document with recommendations for delivery to senior management (as needed)
- Evaluate vendor performances and carrier/vendor customer service levels

➤ **Account Management**

- Conduct onsite group or one-on-one meetings as scheduled or requested to explain the benefit program and/or handle any ongoing claim and/or administrative issues.
- Serve as a liaison between the client and all insurance companies/vendors
- Monitor administrative process and assist in the smooth resolution of elevated issues
- Act as an employee/employer advocate in the resolution of ongoing claims issues
- Monitor vendor goals and performance and report findings at regularly scheduled meetings
- Review plan performance as directed
- Review and provide guidance of diagnostic data
- Identify and monitor potential catastrophic claims; review large claims management activity
- Support with COBRA management & FSA administration

➤ **Open Enrollment**

- Assist in preparation of communication materials and conduct annual meetings
- Develop communications of plan designs
- Develop and print all plan materials
- Provide ongoing communications to employees
- Assist with plan enrollment and disenrollment

➤ **Technology Resources**

- Provide Mineral / HR Compliance Tool (formerly ThinkHR)
- Review self-service modules for employee enrollments and updates

➤ **Communications**

- Assist in the strategy and development of employee benefits related materials; as needed

➤ **Wellness Consulting Services**

- Drill-down on claims data if provided by carrier
- Demonstrate the Business Case for Wellness with ROIs
- Offer strategic planning
- Assist in the development of a wellness committee structure and goals
- Provide wellness communications
- Timelines for implementation

**Products and Services Outside of this Agreement**

- **Retiree Medical** – provide strategy and compliance resources

## EXHIBIT B: PERFORMANCE STANDARDS

The Company shall evaluate the Consultant's performance by June 1 of each year in accordance with the following standards:

**1. Customer Service (50% weighting):**

- Email requests acknowledged within 24 hours with anticipated response date
- Coordination of communication with vendors

**2. Timeliness of Deliverables (15% weighting):**

- Open enrollment communications

**3. Program Management (35% weighting):**

- Preparation of an annual activity plan, including renewal and marketing, and open enrollment timelines.
- Organize and facilitate a renewal planning session, including state of the market, relative benchmarking, marketing recommendations, and summarize decisions
- Renewal and Marketing Timelines met
- Open Enrollment Timeline met