

CONTRACTOR: AON Consulting, Inc.
CONTACT PERSON: Mike Berry
ADDRESS: 1420 Fifth Avenue
Suite 1200
Seattle, WA 98101
TELEPHONE/FAX NUMBER: 847-442-2080
COUNTY DEPT.: Finance
DEPT. CONTACT PERSON: Nathan Kennedy
TELEPHONE/FAX NUMBER: 425-388-3120
PROJECT: Life Insurance w/LTC Rider
AMOUNT: \$0
FUND SOURCE: 508-5127304621
CONTRACT DURATION: 7/1/2021 through 8/31/2024

AMENDMENT NO. 3 TO AGREEMENT FOR PROFESSIONAL SERVICES

This Amendment No. 3 shall modify the Agreement for Professional Services (the "Agreement") by and between AON Consulting, Inc. ("Contractor") and Snohomish County ("County"), dated September 21, 2020 and as amended by Amendment 2.

In consideration of the covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Contractor agree that the Agreement shall be amended as follows:

1. Section 1, Purpose of Agreement; Scope of Services, is hereby amended by adding the following language:

Schedule A-3 attached hereto and by this reference made a part hereof is additional work to be performed by Contractor under the terms of the Agreement
2. Except as expressly modified by this Amendment No. 3, all provisions of the Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the duly authorized representatives of the parties to the Contract for Professional Services have executed this Amendment.

“County”

SNOHOMISH COUNTY:

By: _____

Title: _____

Date: _____

“Contractor”

AON CONSULTING, INC.:

By:  _____

Title: COO, US Health Solutions

Date: 9/13/2021

Schedule A-3
Scope of Services

Statement of Work

The County and Aon have agreed to amend the Statement of Work to reflect AON receiving commissions for the Permanent Life with LTC rider.

1) The following terms and services shall be included under the Agreement:

1) **Duties of COUNTY.** In return for the Services provided by Aon listed in Schedule A-3, COUNTY agrees to the following conditions:

a. COUNTY authorizes Aon to offer the Permanent Life with LTC rider insurance plans to eligible COUNTY employees. Aon is named broker of record for the Permanent Life with LTC rider on behalf of COUNTY. Aon will receive commissions as disclosed and agreed to in a separate comprehensive disclosure statement, which will be provided in advance of insurance placements.

- i. **Deduction Period:** Notwithstanding the termination of this Schedule A -3 for any reason, COUNTY shall deduct employee premiums for the insurance plans commencing on October 1, 2021. COUNTY agrees that, notwithstanding any Termination Event, it will continue to deduct each employee's premiums for the duration of the Initial Term and any subsequent Renewal Term. Individual employee cancellations are excluded from this requirement.
- ii. **Marketing of Competing Insurance Products:** Notwithstanding the termination of this SOW for any reason, Client will not introduce or offer to its employees/associates similar insurance product while Client is deducting each employee's premiums for the Permanent Life with Long Term Care rider, with the exception of similar product offered by union negotiation.
- iii. **Servicing Broker of Record:** Aon shall be the exclusive servicing broker of record while COUNTY is deducting premiums for each employee for the Permanent Life with Long Term Care Rider.
- iv. **Individual Employee Cancellations:** Where permissible by law, COUNTY's employees may cancel their individual insurance plan deductions at any time.
- v. **Insurance Plans Upon Termination:** Under any circumstances, including termination of this Amendment for cause, COUNTY agrees to continue to deduct the employee premiums for the Permanent Life with Long Term Care Rider.

- vi. **Remittance of Premiums:** COUNTY agrees to remit the deducted insurance plan premiums to the insurance carriers at thirty (30) day intervals. The parties may expressly agree in writing to a different interval regarding the COUNTY's obligation for premium remittance.

Where permitted by applicable law, a portion of these commissions will be used for the purpose of delivering services to COUNTY's employee benefit plan. Aon will be responsible for the delivery of services described in this Schedule A -3. If services listed in Schedule A -3 are not permitted to be offset by the commissions received, then COUNTY will pay for those services based on the time required to complete the assignment, or via a fixed fee if provided for in this Exhibit. Unless otherwise set forth in such writing, our fees for other projects will be determined in accordance with Aon's then current billing rates and the value of Consultant services based on time, complexity, and the level of skill and urgency required. We will discuss estimated fees in more detail for larger projects. If COUNTY removes Aon as broker of record during the course of this Agreement, commissions are not subject to return.

2) **Disclosures.**

Aon will disclose to COUNTY all marketing quotes, including any applicable commission rates, received prior to binding any coverages for COUNTY's insurance programs. COUNTY will also be provided prior to binding with a disclosure of any amounts to be paid to Aon and/or Aon affiliate intermediaries if available, in connection with coverages placed for COUNTY's insurance programs, including any fees, if applicable, paid to Aon for services it provides to third parties.

In addition to retail commissions, Aon may receive additional forms of compensation from insurers and third parties including but not limited to: national additional commissions, subscription market brokerage charges and/or administrative expense reimbursements. This revenue is in addition to and shall not be credited against the fees or any other compensation earned hereunder and shall not be applied to any service set forth in Schedule A -3. As of the effective date of this Schedule A -3, Aon does not accept contingent compensation. If this policy on accepting contingent compensation changes, Aon will notify COUNTY at that time. Additional information is available upon request.

Aon's goal is to procure insurance for COUNTY with insurance companies possessing the financial strength to perform in today's economic environment. Toward this objective, Aon regularly reviews publicly available information concerning an insurer's financial condition, including, but not limited to:

- Approvals by various regulatory authorities;
- Analyses of insurers by professional rating agencies such as A.M. Best, Standard and Poor's, Moody's, and/or Fitch; and

- The input of Aon’s global affiliates and correspondents.

Most Aon placements are made with insurers that are rated “Excellent” by the professional rating agencies; however, Aon does not guarantee the solvency of any insurer. Aon encourages COUNTY to review the publicly available information made available by Aon. The decision to accept or reject an insurer will be made solely by COUNTY.

Aon’s professional services do not in any case include legal, investment, or accounting services, and we are not a fiduciary to COUNTY’s plans. The services and work product provided by Aon hereunder are provided solely for COUNTY’s internal use; they are not intended to be used or relied upon by third parties.

Addendum

AON Enrollment Center Policy on Call Recordings

Calls are recorded for quality assurance purposes. If COUNTY requests AON to research information from an available telephone call recording the following will apply:

- Request must be compliant with HIPAA regulations
- A release must be executed by the applicable employee
- Ten (10) research requests included at no cost
- \$200 per request research request after the initial ten (10)
- Recordings older than one year cannot be retrieved or researched

If the recording shows AON is in error, COUNTY will not be charged for the research.

The research of each telephone call recording takes approximately seven (7) to ten (10) business days. COUNTY’s request for the research of multiple telephone call recordings (either with one employee or multiple employees) requires more than ten (10) business days. AON will discuss the actual response time with COUNTY before undertaking requests relating to multiple telephone call recordings.

All call recordings are the property of AON and may not be released.

Schedule A - 3
Scope of Services

Consulting Services for Voluntary Coverages	Frequency	Cost
ONGOING CONSULTING		
Implementation		
Review all existing process and procedures and develop updated/changes for new program	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Coordinate the initiation and continuation of all program implementation processes necessary for the timely launch of the Program(s) 	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Monitor adherence to project timeline(s) by carriers/providers and any other involved parties 	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Coordinate agreement(s) on administrative procedures 	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Review billing process and carrier submission 	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Assist with issue resolution (claim, billing, eligibility) 	As Needed	Included in Commission
Technology		
Review product build configuration with carriers to ensure accuracy	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Participate in systems-related/technology meetings with carrier to ensure proper product setup 	Annually	Included in Commission
Monitor system review and testing to ensure underwriting rules, age rating and tiering are aligned with carrier expectations/needs	Annually	Included in Commission
Ongoing Service		
<ul style="list-style-type: none"> ▪ Monitor the performance of carriers/providers in processing and fulfilling applications and the delivery of policies or certificates to insureds 	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Arrange and coordinate the routine submission of Program management reports regarding participation, utilization, vendor performance, etc. by all carrier/providers 	Annually	Included in Commission
<ul style="list-style-type: none"> ▪ Issues intervention as necessary in any area(s) of Program operations 	As Needed	Included in Commission
<ul style="list-style-type: none"> ▪ Meet with County staff as needed to discuss issues and open items 	As Needed	Included in Commission
<ul style="list-style-type: none"> ▪ Conduct meetings with carriers to identify issues or problems and monitor performance against performance standards, if applicable 	Annually	Included in Commission

Consulting Services for Voluntary Coverages	Frequency	Cost
<ul style="list-style-type: none"> ▪ Keep you informed of changes in the Voluntary Benefit(s) marketplace 	As Needed	Included in Commission
<ul style="list-style-type: none"> ▪ Carrier financial ratings/market review 	Annually	Included in Commission
Resources		
<ul style="list-style-type: none"> ▪ Voluntary Benefits & Enrollment Solution Experts <ul style="list-style-type: none"> ○ Voluntary Benefits ○ Enrollment Strategies 	As needed	Included in Commission
<ul style="list-style-type: none"> ▪ AON will conduct the enrollment using the following enrollment methods to support active working conditions: 	As needed	Included in Commission
<ul style="list-style-type: none"> ○ Enrollment Center with Counselor support ○ Online Employee Self-Service through U2X 	As needed	Included in Commission
<ul style="list-style-type: none"> ▪ Benefit communication design and consulting for print and electronic material including the following deliverables: 	As needed	Included in Commission
<ul style="list-style-type: none"> ○ Email Campaign ○ 4 Notifications in HTML for County distribution ○ Benefit Professor OnDemand Webinar ○ Interactive Benefit Website 	As needed	Included in Commission
<ul style="list-style-type: none"> ▪ Electronic enrollment data as outlined below: 	As needed	Included in Commission
<ul style="list-style-type: none"> ○ AON will provide COUNTY with final enrollment data and corresponding payroll deductions ten (10) business days from the conclusion of the enrollment (including periods when changes are made). ○ AON will only provide data on employees who actually enrolled through AON. ○ AON will retain all benefit elections and financial reporting data in accordance with its record retention policy. ○ AON will provide benefit enrollment data to carriers in one of two formats. The data for either format is limited to a 'Full' file for those associates that enroll with an AON counselor. AON cannot provide 'Change' files or enrollment data for associates that do not enroll through AON. Considerations for these restrictions fall on the receiving carrier. Core benefit carrier data feeds 	As needed	Included in Commission

Consulting Services for Voluntary Coverages	Frequency	Cost
<p>require that AON's enrollment platform be used to enroll the core benefits.</p> <ul style="list-style-type: none"> ○ Customized formats and/or 'Change' files required by COUNTY or carriers are not included in the services outlined in this Schedule and will require an addendum to this Schedule which may entail additional expense to the COUNTY. 		