

State of Wisconsin  
 Department of Employee Trust Funds  
 DOA-3049 (R01/2000)  
 S. 51.01(5) Wis. Stats.; s. 111.32(13m) Wis. Stats.



Department of Employee Trust Funds  
 801 W. Badger Road  
 P. O. Box 7931  
 Madison, WI 53707-7931

## Contract By Authorized Board

**Commodity or Service:** Services Administrator to the State of Wisconsin Group Insurance Board for the Income Continuation Insurance (ICI) and Long-Term Disability Insurance (LTDI) plans

**Request for Bid/Proposal No:** ETH0002  
**Amendment 2**

**Authorized Board:** Group Insurance Board

**Contract Period:** 1/1/2016 through 12/31/2017

This contract is entered into by and between the State of Wisconsin, Department of Employee Trust Funds (Department), the State of Wisconsin Group Insurance Board (Board) and the contractor whose name, address, and principal officer appears on Section II, E, Page 2 of the Proposal. The Department is the sole point of contract for Board contracting;

Whereby the Department of Employee Trust Funds agrees to direct the purchase and the contractor agrees to supply the contract requirements cited above in accordance with the terms and conditions of the request for bid cited above, and in accordance with the contractor's bid submitted on this request for bid which request for bid is hereby made a part of this contract;

Contracts estimated to be over fifty thousand dollars (\$50,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than fifty (50) employees are exempted from this requirement.

Within fifteen (15) working days after the award of the contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, 608.261.7952.

For purposes of administering the contract (including contract attachments), the Order of Precedence is: 1) the Contract, including the ICI and LTDI Plans and any amendments thereto and 2) RFP ETH0002 dated February 13, 2008 (including all appendices and amendments). Any exceptions to the RFP resulting from the Contractor's proposal and mutually agreed to are stated in the Contract.

RFP, Part 15.0 Performance Standards and Penalties, the chart titled "ICI and LTDI Performance Standards" is replaced the chart that is Contract Attachment A. Penalties listed in this chart are capped at \$150,000 per calendar year.

RFP, Part 13.0 Administrative Services, Section 13.1, sentence "If the error is the result of actions by the Contractor (determined by ETF), participants will be made whole at the Contractor's expense" is deleted.

RFP and RFP Appendices, any reference to "the Department of Administration" is replaced with "the Group Insurance Board or its designee the Department of Employee Trust Funds."

Administrative Services Fee for CY 2009 will be \$3,081,900. For contract years subsequent to CY 2009, the parties agree to adjust the administrative services fee annually as stated in Section 1.9 Contract Terms and Funding of the RFP.

If the Board (Department) fails to timely (within 30 days after receipt of a complete and correct report of pass-through costs) provide administrative services fees as stated in Part 10.0 Recordkeeping and Accounting, Section 10.1 Monthly Payments of the RFP, the Contractor will assess a late payment charge of 7.8% annual rate. Changes to this rate will require a Contract Amendment.

RFP, Part 8.0 Audit Requirement, Plan Audits, is amended to include: Third Party Contracted Audits will be performed every three years for the prior three year period. The size of the audit sample for each program audited may not exceed 150 claim transactions (for the three year period). The Contractor will have the right to review the final Audit Report after delivery to the Board (Department). Auditors shall provide the Contractor with a copy of the final audit report delivered to the Board (Department). The Contractor shall have the right to provide to the Board (Department) a supplementary statement containing statements and materials that the Contractor considers pertinent to the audit within 60 days of the final Audit Report delivery to the Board (Department).

Contract Attachment B, Overpayment Collection and Write-Off Procedures, is incorporated into the Contract. Effective January 1, 2014, the Contract Attachment B is removed from this Contract.

RFP, Part 12.0 Reports, Monthly Reports, 2) Deduction Report – Grand Total data element is deleted.

RFP, Part 12.0 Reports, Monthly Reports, Refund Report is replaced with: "Refund Checks Report – Provides a list of personal checks received by the vendor that should have been sent to ETF. Data elements: Report Period, Date Received, Check Date, Social Security Number, Claimant Name, Amount, Date Received, Date Sent, Check Number, Grand Total, Plan Type and Group.

Contract Attachment D are documents titled "Disaster Backup and Recovery at Aetna," "Group Insurance National Accounts Deimplementation Best Practices," and "Part 2.0 Transition, Implementation, & Turnover" (Aetna's updated response to this section of the

RFP). If this Agreement is terminated, Aetna shall cooperate with ETF in the orderly transition and transfer of the files and records to ETF or ETF's designated service provider. Transfer of files and electronic download of claims in a standard or excel format shall be provided at no additional cost. Processing of taxes (initial and adjustments) shall be provided by Aetna at no additional cost. ETF agrees to pay Aetna for other reasonable costs that are agreed to by ETF and Aetna for additional work by Aetna employees and cost for services as needed beyond the final termination date.


Contract is extended for two years 1/1/2014 to 12/31/2015.

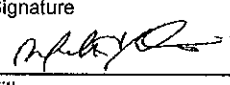
Amended ICI State and ICI Local Plan language is created as a part of the Contract and is effective January 1, 2014.

Amended Contract Attachment A is created to incorporate updated report requirements.

Contract is extended for two years and will run from 1/1/2016 to 12/31/2017.

**Contract Number & Service: ETH0002 Services Administrator to the State of Wisconsin Employee Group Insurance Board for the Income Continuation Insurance and Long-Term Disability Insurance Plans-Amendment 2**

<b>State of Wisconsin Department of Employee Trust Funds</b>
By Authorized Board (Name) Group Insurance Board
By (Name) Jon Litscher
Signature 
Title Chair, State Of Wisconsin Group Insurance Board
Phone 608.266.9854
Date (MM/DD/CCYY)

<b>To be Completed by Contractor</b>
Legal Company Name Aetna Life Insurance Company
Trade Name
Taxpayer Identification Number 06-6033492
Company Address (City, State, Zip) 151 Farmington Avenue, Hartford, CT 06156
By (Name) Mark T. Bertolini
Signature 
Title Chairman, CEO and President
Phone
Date (MM/DD/CCYY) 12/19/2014