

## TRM Service & Fee Schedule 2018

TAGCO RiskManagers (TRM) Fee Schedule is flexible, allowing plan sponsors to pick and choose the level of service required. Services are provided through the TRM Purchasing Cooperative.

□ **Tier 1 services** are designed for those plan sponsors who want an independent review of contracts and administrative functions to identify potential liabilities with remedies. This is an important first step in proper risk management. We have found that most plan sponsors have never had an independent third party to review plan documents.

*“We review tens of thousands of plan documents per year; the bottom line is that roughly a third of these plan documents aren’t in legal compliance and over 80% need some serious cost containment language in order to keep the self-funded plan one claim away from blowing up. Why is that? Is it laziness, ignorance, or are all these rules just complicated when it comes to health benefits? “*

- Adam Russo, Attorney

□ **Tier 2 services** enhance Tier 1 services, offering in-depth financial review with forecasting. Independent actuary services are included. This critical element forms the foundation upon which comprehensive risk management services are based within the industry. Without an actuarial analysis a plan sponsor cannot be certain recommended risk management strategies will produce anticipated results. In addition, focus group findings will assist, in part, in determining risk management strategies in line with specific plan members needs and goals.

*“Actuarial attention is directed to the following areas: (1) The benefit structure should be sound, (2) The contributions levels should be reasonable and adequate, (3) Adequate reserves should be calculated and maintained, (4) The level of self-funding should be reasonable when tested against risk theory.”*

*The role of the actuary is not promotional nor adversarial. Rather, the actuary is a presenter of facts. The facts are that self-funding financial outcomes will vary from year to year due to (1) Judgement errors, (2) secular trends, and (3) Random statistical fluctuations.”*

- Carlton Harker, Society of Actuaries

□ **Tier 3 services** are all encompassing, including performance / value-based fee structure. All services are intended to assist the plan sponsor towards full compliance of mutually shared fiduciary duties.

*“All benefits leaders and their consultants should be overhauling how they manage care and cost, or risk the consequences. It's particularly notable that the Department of Labor is now arguing that fiduciary dereliction in health benefits is rampant “*

- Brian Klepper, Phd

**Tier 1 Services**

**\$9,500**

- **Document Review**

- Plan Document
- Stop Loss Agreement
- Business Associate Agreement
- Pharmacy Benefit Management Agreement
- Banking Arrangement Documents
- Broker / Consultant Agreement/s
- All Other In-Force Agreements

**Administrative Review**

- HIPAA Compliance Protocols
- Identify Staff Responsibilities & Deficiencies
- Review Decision Making Process / Responsibilities
- Review Decision Making Protocols with Recommendations

**Tier 1 Timeline**

**60 Days**

**Tier 2 Services**

**\$24,500**

- **Document Review**

- Plan Document
- Stop Loss Agreement
- Business Associate Agreement
- Pharmacy Benefit Management Agreement
- Banking Arrangement Documents
- Broker / Consultant Agreement/s
- All Other In-Force Agreements

**Administrative Review**

- HIPAA Compliance Protocols
- Identify Staff Responsibilities & Deficiencies
- Review Decision Making Process / Responsibilities
- Review Decision Making Protocols with Recommendations
- Recommendations for Plan Improvement

**Employee Plan Performance Review**

- Facilitate and Conduct Employee Focus Group

**Plan Performance Review**

- 2 Year Claim Review by Line of Coverage
- Develop Funding Level to Support Current Risk & Expenses
- Project Future Liability Exposure

**Retrospective Claim Audits**

- 2 Year Retrospective Claim Audits
- Additional TAGCO RiskManagers Fee Applies (% of Savings)

**Tier 2 Timeline**

**60 Days**

**Tier 3 Services**

**Fees: Client Specific**

- **Document Review**

- Plan Document
- Stop Loss Agreement
- Business Associate Agreement
- Pharmacy Benefit Management Agreement
- Banking Arrangement Documents
- Broker / Consultant Agreement/s
- All Other In-Force Agreements

**Administrative Review**

- HIPAA Compliance Protocols
- Identify Staff Responsibilities & Deficiencies
- Review Decision Making Process / Responsibilities
- Review Past Decision-Making Process with Recommendations
- Recommendations for Plan Improvement

**Employee Plan Performance Review**

- Facilitate and Conduct Employee Focus Group

**Plan Performance Review**

- 2 Year Claim Review by Line of Coverage
- Exposure Identification
- Develop Funding Level to Support Current Risk & Expenses
- Project Future Liability Exposure
- Certification of Case Reserves
- Incurred but Not Reported & Loss Development

### **Retrospective & Prospective Claim Audits**

- 2 Year Retrospective Claim Audits
- Pre-claim audits
- Prospective Medical Bill Review/Audit
- Additional TAGCO RiskManagers Fee Applies (% of Savings)

### **- Detailed Claim Utilization Review & Benchmarking**

- Detailed Claim Analysis – Reimbursement Benchmarking
- Direct Contracting Opportunities - Community/ Benchmarking

### **- Risk Management**

- Oversight of Management & Administrative Services
- Develop RFP Documents / Specifications
- Identify Potential Markets
- Monitor & Coordinate Services of Outside Providers including Independent Auditors, Legal Counsel & Claims Administrator
- Management & Oversight for RFP process/s
- Quarterly Meetings to Review Plan Finances
- Direct Contracting Assistance & Management
- Claim Audit Management Services – Medical Bill Review
- Plan Modeling - Estimated funding cost impact of health benefits Plan modifications
- Actuarial Services including OPEB valuations under GASB 74/75
- Shared Fiduciary Role in Plan Management
- Risk Financing Design & Implementation
- Professional Insurance Negotiation Including All Plan Vendors
- On-going Advice on Insurance Customs, Practices, current Developments and Other Technical Matters

**Tier 3 Timeline**

**1 Year Contract with Option To Renew for  
4 Additional (1) Year Contracts**



**Plan Sponsor Notice of Intent of Acceptance:**

- Tier 1
- Tier 2 With Retrospective Claim Audits
- Tier 2 Without Retrospective Claim Audits
- Tier 3 (Includes Retrospective Claim Audits)

\_\_\_\_\_  
Employer

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

NOTE: This is a Notice of Intent of Acceptance only and is not binding to either party. TRM will provide TRM Consulting Agreement & TRM Purchasing Cooperative Interlocal Agreement for review and acceptance by the client. Terms within the Agreement/s will mirror the services to be provided under each tier in this fee schedule document.