



CONTRACT AMENDMENT

Solicitation No. P10-0025

Page 1 of 2

Description: Vision Insurance

Amendment No. Four (4)

Date: May 15, 2014

Materials Management Procurement

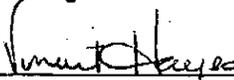
9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Buyer: Lisa Houg, CPPB

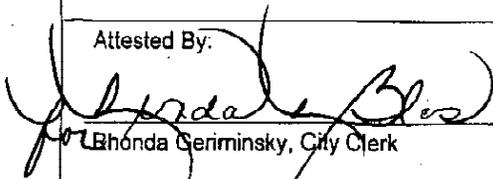
In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on June 30, 2014. The contract is being extended and the new contract term is: **July 1, 2014 – June 30, 2015.**

In addition, the new rates reflect a 2% increase as per the attached letter.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

 Signature	<u>5-19-14</u> Date	Vincent Hayes, VP of Managed Care Typed Name and Title	SightCare Company Name
<u>220 N. McKemy Ave.</u> Address	<u>Chandler</u> City	<u>AZ</u> State	<u>85226</u> Zip Code

Attested By:


Rhonda Geriminsky, City Clerk

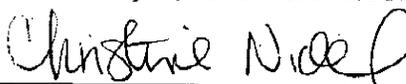


City Seal
Copyright 2003
City of Peoria, Arizona

CC Number

LCON04210D
Contract Number


Director: Julie Ayers, Human Resources Director


Department Rep: Christine Nickel, Benefits & Compensation Administrator

Approved as to Form:


Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed:

June 4, 2014, at Peoria, Arizona

Dan Zenko, Materials Manager

L C O N 0 4 2 1 0 D

SightCare™

March 19, 2014

RE: City of Peoria
Group Number: 26490

Dear Broker:

This letter is providing you with the July 1, 2014, renewal for City of Peoria. The new renewal rates reflect a minimum 2% increase. Below please find the new rate structure.

<u>Enrollment Status</u>	<u>Current Premiums</u>	<u>Renewal Premiums</u>
Employee Only	\$4.07	\$4.16
Employee and Spouse	\$9.26	\$9.45
Employee and Child(ren)	\$9.26	\$9.45
Employee and Family	\$9.26	\$9.45

The current plan design is Triple 120 Custom Plan. The plan will remain the same.

I would appreciate being informed of any open enrollment meeting(s) planned. This will allow me to coordinate our representatives and plan material to ensure we have adequate representation available for all open enrollment meeting(s) planned.

Thank you for the opportunity to service City of Peoria with their vision care needs. We look forward to continuing our working relationship in the new benefit year.

If you have additional questions or if I can be of further assistance, please contact me.

Thank you.

Jan Griswold
SightCare Account Manager
480.835.4476 (phone)
jan.griswold@sightcareaz.com
480.892.8172 (fax)



CONTRACT AMENDMENT

Materials Management

Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No. P10-0025 Page 1 of 1

Description: Vision Insurance

Amendment No. Three (3) Date: 3/12/2013

Buyer: Lisa Houg, CPPB

In accordance with Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on 06/30/13. The contract is being extended and the new contract term is 07/01/13 to 06/30/14. The rates remain the same for the new contract term.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

<u>Vincent Hayes</u> Signature	<u>3-13-13</u> Date	<u>Vincent Hayes, VP of Managed Care</u> Typed Name and Title	<u>SightCare</u> Company Name
<u>220 N. McKemy Ave.</u> Address	<u>Chandler</u> City	<u>AZ</u> State	<u>85226</u> Zip Code

Attested By:

[Signature]
for City Clerk

[Signature]
Director: Julie Ayers, Human Resources Director

[Signature] 3/14/13
Department Rep: Nancy Fantasia, Benefits Administrator



CC Number

LCON04210C
Contract Number

[Signature]
Approved as to Form: Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed
April 4, 2013, at Peoria, Arizona

[Signature]
Dan Zenko, Materials Management Supervisor

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(Rev 01/05/09)

Official File



CONTRACT AMENDMENT

Materials Management Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No. P10-0025 Page 1 of 2

Description: Vision Insurance

Amendment No. Two (2) Date: 3/28/2012

Buyer: Lisa.Houg, CPPB

In accordance with Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 06/30/12. The New Contract Term is 07/01/12 to 06/30/13.

As agreed by both parties, the 3% increase is effective July 1, 2012 for the renewal period as per the attached letter dated January 19, 2012.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

<i>Vincent Hayes</i>	3-29-12	Vincent Hayes, VP of Managed Care	SightCare
Signature	Date	Typed Name and Title	Company Name
220 N. McKemy Ave.		Chandler	AZ 85226
Address		City	State Zip Code

Attested By:

Wanda Nelson
Wanda Nelson, City Clerk

Claudia Lujan
Director: Claudia Lujan, Interim HR Director

Nancy Fantasia
Department Rep. Nancy Fantasia, Benefits Administrator



CC Number

LCON04210B
Contract Number

Stephen M. Kemp
Approved as to Form: Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed

May 9, 2012, at Peoria, Arizona
Dan Zerk
Dan Zerk, Materials Management Supervisor

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(Rev 01/05/09)

Official File

L CON 04210B

SightCare™

January 19, 2012

Hays Companies
Paula Campbell
2710 E. Camelback Rd Ste 210
Phoenix, Az 85016

Re: Renewal Notice: City Of Peoria
Group Number: 26490

Dear Paula,

This letter is providing your client with their 60 day advance renewal notice for the upcoming new policy year beginning **July 1, 2012**. We are please to inform you and your client that their current Vision Program premiums on their anniversary date will increase by a minimum **3%**. This renewal will come with a two year rate guarantee. This will be good from 7-2012 through 6-30 of 2014.

In today's Health Care environment of company's consistently increasing renewal premiums by double digit increases, it is a pleasant surprise for client's to receive a minimal increase.

For your convenience we have indicated your client's current premium structure as well as, their renewal premiums.

Enrollment Status	Current Premiums	Renewal Premiums
Employee Only	\$ 3.95	\$ 4.06
Employee + Spouse	\$ 8.99	\$ 9.26
Employee + Child(ren)	\$ 8.99	\$ 9.26
Employee + Family	\$ 8.99	\$ 9.26

City Of Peoria is currently on **Triple 120 Custom Plan** design. The current plan design will remain the same.

I would appreciate being informed of any open enrollment meeting(s) planned. This will allow me to coordinate our representatives and plan material to ensure we have adequate representation available for all open enrollment meeting(s) planned.

Thank you for the opportunity to service **City Of Peoria's** Vision care needs. We look forward to continuing our working relationship for the new benefit year. Should you have any questions or I can be of any further assistance, please advise.

Regards,

Please sign below for acceptance of renewal rates

Linda Leiting
SightCare Customer Service
480.961.1702 x130
lleiting@sightcareaz.com

Signature of Authorized Company Representative

Date _____

L CON 04210B



CONTRACT AMENDMENT

Materials Management Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No: P10-0025 Page 1 of 24
Description: Vision Insurance
Amendment No: One (1) Date: 5/12/2011

Buyer: Lisa Houg

In accordance with Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 6/30/2011. The New Contract Term is: 07/01/2011 to 06/30/2012.

In addition, the Business Associate Agreement and the Master Group Vision Care Plan Agreement are hereby added to the contract.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

Vincent Hayes 5/16/11 Vincent Hayes, VP of Managed Care Sightcare
Signature Date Typed Name and Title Company Name

220 N. McKemy Ave Chandler AZ 85226
Address City State Zip Code

Attested by:
Wanda Nelson
Wanda Nelson, City Clerk

Nancy Fantasia
Dept/Rep: Nancy Fantasia, Benefits Administrator
Wynette Reed
Director: Wynette Reed, Human Resources Director



CC Number
LCON04210A
Contract Number:

Official File

Stephen M. Kemp
Approved as to Form: Stephen M. Kemp, City Attorney
The above referenced Contract Amendment is hereby Executed
June 2, 2011, at Peoria, Arizona.
Jennifer Mills for HIC
Materials Manager

City Seal
(Rev 02/11/10)

L CON 04210A

**Business Associate Agreement
Health Insurance Portability and Accountability Act (HIPAA)**

This Business Associate Agreement (the "Agreement") is made and entered into as of July 1, 2010, on behalf of SightCare, Inc. (hereinafter "Covered Entity"), and City of Peoria (hereinafter "Business Associate").

Recitals

WHEREAS, the Department of Health and Human Services ("HHS") has promulgated regulations at 45 C.F.R. Parts 160-164, implementing the privacy requirements set forth in the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (the "Privacy Rules");

WHEREAS, the Privacy Rules provide, among other things, that a covered entity is permitted to disclose Protected Health Information (as defined below) to a business associate and allow the business associate to obtain and receive Protected Health Information, if the covered entity obtains satisfactory assurances in the form of a written contract that the business associate will appropriately safeguard the Protected Health Information;

WHEREAS, Business Associate will have access to, create and/or receive certain Protected Health Information in conjunction with the services being provided by Business Associate to Covered Entity, thus necessitating a written agreement that meets the applicable requirements of the Privacy Rules. Both parties have mutually agreed to satisfy the foregoing regulatory requirements through this Agreement.

NOW THEREFORE, Covered Entity and Business Associate agree as follows:

- I. Definitions. The following terms shall have the meaning set forth below:
 - (a) C.F.R. "C.F.R." means the Code of Federal Regulations.
 - (b) Designated Record Set. "Designated Record Set" has the meaning assigned to such term in 45 C.F.R. 164.501.
 - (c) Electronic Protected Health Information. "Electronic Protected Health Information" has the meaning assigned to such term in 45 C.F.R. 160.103.
 - (d) Individual. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 164.501 and shall include a person who qualifies as the Individual's personal representative in accordance with 45 C.F.R. 164.502 (g).
 - (e) Protected Health Information. "Protected Health Information" shall have the same meaning as the term "Protected Health Information", as defined by 45 C.F.R. 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
 - (f) Required By Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.501.

(g) Secretary. "Secretary" shall mean the Secretary of HHS or his designee.

(h) Security Incident. "Security Incident" shall mean the successful unauthorized access to, disclosure, modification or destruction of, or interference with, the Electronic Protected Health Information by a third party.

2. Obligations and Activities of Business Associate

(a) Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law.

(b) Business associate agrees to use commercially reasonable and appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.

(c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

(d) Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.

(e) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information or Electronic Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

(f) Business Associate agrees to provide access to Protected Health Information in a Designated Record Set, in the time and manner Required by Law, to Covered Entity or, as directed by Covered Entity, to an Individual, in order to meet the requirements under 45 C.F.R. 164.524.

(g) Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set pursuant to 45 C.F.R. 164.526 at the request of Covered Entity or an Individual, and in the time and manner Required by Law.

(h) Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate, on behalf of Covered Entity, available to the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

(i) Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528.

(j) Business Associate agrees to provide to Covered Entity, upon request and in the time and manner Required by Law, an accounting of disclosures of an individual's Protected Health Information, collected in accordance with Section 2(i) of this Agreement, to permit Covered Entity to respond to a

request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528. If Covered Entity requests an accounting of an Individual's Protected Health Information more than once in any twelve (12) month period, Business Associate will impose a reasonable fee for such accounting in accordance with 45 C.F.R. 164.528(c).

(k) Business Associate acknowledges that it shall request from the Covered Entity and so disclose to its affiliates, subsidiaries, agents and subcontractors or other third parties, only the minimum Protected Health Information necessary to perform or fulfill a specific function required or permitted hereunder.

(l) Business Associate agrees to use commercially reasonable and appropriate safeguards, in accordance with the applicable requirements of 45 CFR Part 164 in order to maintain the security of the Electronic Protected Health Information and to prevent unauthorized uses or disclosures of such Electronic Protected Health Information. Business Associate shall report to the Covered Entity any Security Incident of which it becomes aware.

(m) If Business Associate conducts any Standard Transactions on behalf of Covered Entity, Business Associate shall comply with the applicable requirements of 45 C.F.R. Part 162.

3. Permitted Uses and Disclosures by Business Associate

3.1 General Use and Disclosure

Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform its obligations and services to Covered Entity, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity.

3.2 Specific Use and Disclosure Provisions

(a) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

(b) Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(c) Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity.

4. Obligations of Covered Entity

4.1 Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

(a) Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. § 164.520, as well as any changes to that notice.

(b) Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

(c) Covered Entity shall notify Business Associate, in writing, of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

(d) Covered Entity acknowledges that it shall provide to, or request from, the Business Associate only the minimum Protected Health Information necessary for Business Associate to perform or fulfill a specific function required or permitted hereunder.

4.2 Permissible Requests by Covered Entity

Covered Entity represents and warrants that it has the right and authority to disclose Protected Health Information to Business Associate for Business Associate to perform its obligations and provide services to Covered Entity, and Business Associate's use of the Protected Health Information to perform its obligations and provide services to Covered Entity requested by Covered Entity does not violate the Privacy Rules, Covered Entity's privacy notice or any applicable law. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

5. Term and Termination

(a) Term. The provisions of this Agreement shall take effect July 1, 2010, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the provisions in this Section.

(b) Termination for Cause. Upon the parties mutual agreement that there has been a material breach by Business Associate which does not arise from any breach by Covered Entity, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within a mutually agreeable time, or immediately terminate this Agreement if cure of such breach is not possible.

(c) Effect of Termination.

(1) Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall request, in writing, Protected Health Information that is in the possession of subcontractors or agents of Business Associate.

(2) In the event the Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall extend the protection of this Agreement to such Protected Health Information, limited to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

6. Miscellaneous

(a) Regulatory References. A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.

(b) Amendment. Upon the enactment of any law or regulation affecting the use or disclosure of Protected Health Information, or the publication of any decision of a court of the United States or any state relating to any such law or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, either party may, by written notice to the other party, and by mutual agreement, amend the Agreement in such manner as such party determines necessary to comply with such law or regulation. If the other party disagrees with such amendment, it shall so notify the first party in writing within thirty (30) days of the notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, then either of the parties may terminate the Agreement on thirty (30) days written notice to the other party.

(c) Survival. The obligations of Business Associate under section 5(c)(2) of this Agreement shall survive the termination of this Agreement.

(d) Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits both parties to comply with the Privacy Rule. In the event of any inconsistency or conflict between this Agreement and any other agreement between the parties, the terms, provisions and conditions of this Agreement shall govern and control.

(e) No third party beneficiary. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations, or liabilities whatsoever.

(f) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

SightCare, Inc.
220 N. McKemy Ave.
Chandler, Arizona 85226

By: Vincent Hayes
Name: Vincent Hayes
Title: Vice President Managed Care

City of Peoria

By: Hermann Keszler
Name: HERMANN KESZLER
Title: MATERIALS MANAGER

SIGHTCARE, INC.

Master Group Vision Care Plan Agreement Triple Option Plan 120 Custom Plan Design - Frequency A

THIS AGREEMENT is made and entered into on this 1st day of July, 2010, by and between CITY OF PEORA ("Group") and SightCare, Inc. ("SightCare").

RECITALS

WHEREAS, SightCare has the ability to arrange for, administer and provide vision services and products to enrolled members;

WHEREAS, Group desires to purchase vision services and products on behalf of its eligible employee population and their dependents;

WHEREAS, SightCare and Group mutually desire to enter into an Agreement whereby SightCare shall provide appropriate vision services and products as well as required administrative services to Group.

NOW THEREFORE, in consideration of the premises and mutual promises herein stated, it is agreed by and between the parties hereto as follows:

DEFINITIONS

As used in the Agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below.

"Anisometropia" means there is a difference in refractive error between the two eyes greater than 4.00 diopters.

"Credentialing" means those processes established and operated by SightCare to ensure the qualifications of Participating Providers.

"Complaint Resolution" means those processes established and operated by SightCare to resolve complaints raised by Enrolled Members or by Group regarding quality of care or service in the provision of Covered Services.

"Copayment" means an amount specified by SightCare which the Enrolled Member pays directly to a Participating Provider at the time Covered Services are rendered.

"Covered Services" means the specific vision services and products provided under the regulations of the Agreement, and for which Participating Provider assumes responsibility and agrees to provide to or obtain for Enrolled Members.

"Daily Wear Contact Lenses" means contact lenses which correct only spherical prescriptions and are approved by the FDA for daily wear use only.

"Dependent" means those individual in the Subscriber's family who meet the eligibility requirements of the "Dependent" provision of the "Eligibility" Section and are enrolled under this Agreement.

"Designer Frames" means frames in which the retail price is between \$90 and \$120.

"Enrolled Members" means eligible persons enrolled with SightCare to receive Covered Services from Participating Providers.

"Extended Wear Contact Lenses" means a contact lens which is approved by the FDA to be worn overnight.

"Fashion Frames" means frames in which the retail price is between \$50 and \$90.

"FT28 Bifocal" A bifocal lens is a lens having two areas for viewing, the upper portion of the lens is for distance vision, and the lower for near vision. A FT28 bifocal is one in which the near vision is a half circle of a diameter of 28 mm inset in the lower section of the lens with the flat portion of the lens occurring at the top half of the lens.

"FT 7 X 28 Trifocal" A trifocal is a lens having three areas of viewing, each with its own focal power. Usually the upper portion is for distance viewing, the lower for near viewing and the middle or intermediate portion for distances in between. A FT 7 X 28 trifocal is one which is designed similarly to the FT28 bifocal with an intermediate section 7 mm wide inset between the distance and near vision.

"Keratoconus" means a pathological condition of the cornea where the shape takes on a coned appearance, causing irregular astigmatism and thinning of the cornea. This thinning can lead to ulceration of the cornea, which would require a corneal transplant.

"Participating Provider" means those Optometrists duly licensed in the State of Arizona, participating in the SightCare contract network to provide Covered Services to Enrolled Members.

"Premium Payment" means a predetermined periodic payment made to SightCare by Group for providing Covered Services based on the number of Enrolled Members.

"Progressive Bifocals" means a lens whose front surface utilizes specially designed curves creating a gradual increase in plus power from the distance optical center to total near power. This allows clear vision at any point of focus from distance to near. Often called "no line" bifocal.

"Quality Management" means those processes established and operated by SightCare relating to the quality of Covered Services.

"**Subscriber**" means an employee, or a participant in Group who meets the eligibility requirements of the "Subscriber" provision of the "Eligibility" Section and enrolls under this Agreement.

"**Utilization Reporting**" means those processes established by SightCare to monitor and report utilization of Covered Services by Enrolled Members.

"**Value Frames**" means frames in which the retail price of the frame is under \$50.

SECTION I RESPONSIBILITIES OF SIGHTCARE, INC.

1.01 Network Management SightCare shall contact with and credential a network of Participating Providers sufficient to deliver Covered Services to its Enrolled Members.

1.02 Administration

1.02.01 SightCare shall process eligibility information and communicate this information to Participating Providers.

1.02.02 SightCare shall conduct Quality Management, Utilization Reporting and Complaint Resolution activities.

1.02.03 SightCare shall bill Group on a monthly basis and will be responsible for reimbursing Participating Providers in a timely fashion.

1.03 Licensure SightCare shall obtain and keep current licenses required to provide Covered Services to Group's Enrolled Members.

SECTION II RESPONSIBILITIES OF GROUP

2.01 Eligibility Tracking SightCare shall track those employees who are eligible to receive Covered Services and shall provide an updated listing of Enrolled Members to Group by the 1st day of each month. This monthly listing shall include Member names, sex and date of birth. It will also include the same information for all dependents on the plan. Group will update the list for that month and return with monthly premium payment.

2.02 Termination Notification Group shall provide SightCare with timely monthly notification of enrollees who terminate. SightCare shall only give credit of up to 60 days for enrollees who have terminated from the group.

2.03 Monthly Payment Group shall provide SightCare with a monthly premium payment for each Enrolled Member by the **10th** day of each month.

2.04 Participation Requirements Group will be responsible to monitor the participation of the plan, to guarantee required participation percentages are met. SightCare, can, upon request, audit the Groups employee census records to verify participation requirements have been met.

2.05 Member Additions and Deletions will be made effective the first of the month only.

SECTION III TERMS AND TERMINATION

3.01 Term The term of the Agreement shall commence on the 1st day of month indicated on the face page of this agreement and shall continue for a period of one (1) year then 1 renewal which will total 2 years.

3.02 Renewals This Agreement shall be renewed under the same terms and conditions for a period of one (1) year then 1 renewal which will total 2 years.

3.03 Termination for Cause Either party may terminate this Agreement at any time for cause. Termination may take effect after forty-five (45) days written notice and opportunity to cure. The written notice must identify the default, with reference to the section of the agreement relating to the alleged act of default. The written notice must also describe the default.

3.04 Termination Without Cause Termination prior to the renewal date without cause will result in the Plan Sponsor (Employer) paying the balance of premiums owed for the contract year.

3.05 Rights and Obligations Upon Termination Upon termination, SightCare's obligations or right to render Covered Services to Enrolled Members or right to receive payment in accordance with this Agreement shall immediately cease, except for any payments due prior to termination. However, termination will not relieve SightCare of those obligations reasonably necessary to provide Covered Services to Enrolled Members and to cooperate with Group to arrange for the transfer of such Enrolled Participants. In such an event, Group will compensate SightCare on a discounted fee-for-service basis until either the expiration of the initial term of the agreement, or the successful transfer of Enrolled Members to another vision service provider.

3.06 Amendments Future amendments to this plan will be submitted to Group by SightCare with sixty (60) days written notice.

SECTION IV ELIGIBILITY

4.01 Subscriber To be eligible to enroll as a Subscriber, an individual must be either a full-time employee or an employee working at least **20 hours** per week as of the effective date of this Agreement. New employees will be eligible on the first day of the date of hire following of full-time employment or an employee working at least **20 hours** per week.

4.02 Dependent To be eligible to enroll as a Dependent, an individual must either be:

4.02.01 Spouse The Subscriber's legal spouse, or

4.02.02 Children A natural child, adopted child, child placed for adoption, stepchild supported by the Subscriber pursuant to a valid court order or a child for whom the Subscriber is the legal guardian IF the child:

1. Is unmarried and legally dependent upon the Subscriber for support;
AND
2.
 - a. Has not attained his or her nineteenth (19th) birthday; or
 - b. Has not attained his or her twenty-fifth (25th) birthday if a registered full-time student in regular attendance at an accredited secondary school, college or university; or
 - c. Is permanently and continuously incapable of self-sustaining support by reason of mental retardation or physical handicap.

4.02.03 Newborn Child A newborn child who is born to a Subscriber during the course of this Agreement shall have coverage effective as of the date of birth. If the Subscriber's policy is anything other than an "Employee plus Family" policy, an enrollment application shall be submitted to SightCare within thirty-one (31) days after birth. The policy would then be changed to an Employee plus Family Policy and the Subscriber would be billed at the appropriate rate.

4.02.04 Adopted Child A child who is legally adopted by or is placed for adoption with a Subscriber during the course of this Agreement shall have coverage effective as of the date the child is placed with the subscriber. If the Subscriber's policy is anything other than an "Employee plus Family" policy, an enrollment application shall be submitted to SightCare within thirty-one (31) days after the child is legally placed with the Subscriber. The policy would then be changed to an Employee plus Family Policy and the Subscriber would be billed at the appropriate rate.

4.03 Conversion Provision Enrolled Members may continue benefits under this Agreement if they are no longer eligible as group members and wish to convert their coverage to an individual policy. SightCare will provide continued coverage under this Agreement to those Enrolled Members for whom SightCare has received both notification of election to continue and the required Premium payment.

SECTION V SUMMARY OF BENEFITS

5.01 SightCare Has Two Different Networks The Exclusive Network (EPN) is composed of NationwideTM Vision Offices only and the Preferred Provider Network (PPN) is composed of NationwideTM Vision Offices and Independent Doctors of Optometry in the community

contracted with SightCare™. The following services are covered under the terms of the Agreement for the Exclusive Provider Network.

5.01.01 Exclusive Provider Network Benefits for members include eye examination with appropriate co-payment and either eyeglasses or contact lenses with appropriate co-payment (where indicated by the eye exam).

5.01.02 Benefit Frequency The following benefit frequency applies towards your plan:

- Vision Examination - Once every 12 months*
- Lenses - Once every 12 months*
- Frame - Once every 24 months*
- In Lieu of Eyeglass (frame and lenses) Benefit**
- Contact Lenses - Once every 12 months*

*From The Group's Effective Date of Coverage.

5.01.03 Co-Payment Amount(s) The following Co-Payments apply towards your plan:

- Vision Examination CoPayment - \$-0- Co-Payment
- Materials CoPayment - \$-0- Co-Payment

5.01.04 Where The Vision Examination Indicates that lenses or frame or both are necessary for the proper visual health and welfare of the enrolled Member, they shall be supplied with either eyeglasses (5.01.05) or contact lenses (5.01.06). The member will not receive both. The products and services supplied to the enrolled Member are limited to the following:

5.01.05 Eyeglass materials include:

1. Standard CR-39 basic plastic lenses including single vision, FT28 bifocals or 7 x 28 trifocals will be covered 100%. Polycarbonate will be covered (under 18 years old) 100%. A \$30 Copay will be for the Progressive (standard) and a \$79.99 allowance** for all other Progressives. (**Then 20% Discount). UV, Tint & Scratch Coat will have a \$10 Copay for each.
2. Frames up to the stated frame allowance will be covered 100%. The frame allowance is based on the retail price of frames. The retail price of frames covered under the plan frame allowance is **\$120**.

-OR-

5.01.06 Elective/Cosmetic Contact Lens materials and services include:

1. Contact lens fitting is covered at 100% with CL's Benefit. This includes the initial fitting of the contact lenses and 3 months of follow-up care.
2. Contact lenses up to a **\$120** retail allowance.

5.01.07 Medically Necessary Contact Lenses will be covered 100% up to **\$250** retail. Contact lenses are considered necessary in the following conditions:

1. Following cataract surgery.

2. To correct extreme visual acuity problems in which spectacles cannot correct vision to better than 20/70.
3. Certain conditions of anisometropia.
4. Keratoconus.

5.01.08 LASIK Benefit If a member elects not to receive an eye examination, eyeglasses, or contact lenses the member can receive a \$200 allowance towards their LASIK procedure when performed through Nationwide™ Vision Laser & Eye Center located at 2222 East Camelback Road.

1. To be eligible for the LASIK allowance the LASIK procedure must be performed through Nationwide™ Vision Laser & Eye Center located at 2222 East Camelback Road, LASIK procedures performed through any other provider are not eligible to receive the LASIK allowance.
2. After receiving an evaluation from the surgeon, the cost of the procedure is based upon each individual's prescription needs.
3. SightCare members are eligible for special pricing. Please call Nationwide Vision Laser and Eye Center at (602) 26-LASIK for pricing.

5.02 Preferred Provider Network benefits for members include eye examination with appropriate co-payment and either eyeglasses or contact lenses (where indicated by the eye exam)

5.02.01 Benefit Frequency The following benefit frequency applies towards your plan:

- Vision Examination - Once every 12 months
- Lenses - Once every 12 months
- Frame - Once every 24 months
- In Lieu of Eyeglass (frame and lenses) Benefit**
- Contact Lenses - Once every 12 months

5.02.02 CoPayment Amount(s) – The following Copayments apply towards your plan:

- Vision Examination - \$-10- Copayment
- Materials Copayment - \$-10- Copayment

5.02.03 Where The Vision Examination Indicates that lenses or frame or both are necessary for the proper visual health and welfare of the enrolled Member, they shall be supplied with either eyeglasses (5.01.05) or contact lenses (5.01.06). The member will not receive both. The products and services supplied to the enrolled Member are limited to the following:

5.02.04 Eyeglass materials include:

1. Standard CR-39 basic plastic lenses including single vision, FT28 bifocals, 7 x 28 trifocals will be covered 100%. The Bifocal Allowance Minus 20% for all standard Progressives and all other Progressives.

2. Frames up to the stated frame allowance will be covered 100%. The frame allowance is based on the retail price of frames. The retail price of frames covered under the plan frame allowance is **\$120**. (Wal-Mart/Sam's Club \$80)

-OR-

5.02.05 Contact Lens materials and services include:

1. Contact lenses and fitting fees up to **\$105** retail allowance.

5.02.06 Medically Necessary Contact Lenses will be covered 100% up to **\$250** retail. Contact lenses are considered necessary in the following conditions:

1. Following cataract surgery.
2. To correct extreme visual acuity problems in which spectacles cannot correct vision to better than 20/70.
3. Certain conditions of anisometropia.
4. Keratoconus.

5.03 Professional Services Where the vision examination indicates that lenses or frames or both are necessary for the proper visual health and welfare of an enrolled Member, they shall be provided with necessary professional services including, but not limited to:

1. Prescribing and ordering of proper lenses or contacts.
2. Assisting in the selection of a new frame.
3. Verifying the accuracy of the finished lenses.
4. Proper fitting and adjustment of the spectacles.
5. Progress or follow-up work as necessary.
6. Subsequent adjustments of frames to maintain comfort and efficiency.

5.04 Non-Participating Providers The following schedule of allowances are available through a non-participating provider. Where the vision examination Indicates that lenses or frame or both are necessary for the proper visual health and welfare of the enrolled Member, they shall be supplied with either eyeglasses or contact lenses. The member will not receive both. The products and services supplied to the enrolled Member are limited to the following benefit frequency.

5.04.01 Benefit Frequency The following benefit frequency applies towards your plan:

Vision Examination	- Once every 12 months
Lenses	- Once every 12 months
Frame	- Once every 24 months
In Lieu of Eyeglass (frame and lenses) Benefit	
Contact Lenses	- Once every 12 months

5.04.02 Out-of-Network Maximum Allowance - The products and services supplied to the enrolled Member are limited to the following maximum reimbursement fee schedule.

**Out-of-Network
Maximum Allowance**

Services

Eye Examination	\$ 35 Allowance
Frame	\$ 45 Allowance
Lenses (Per Pair)	
Single Vision	\$ 25 Allowance
Bifocal	\$ 40 Allowance
Trifocal	\$ 55 Allowance
Progressive	Bifocal Rate Up to \$40
All Other Progressives	Bifocal Rate Up to \$40

In Lieu of Exam and Eyeglass (frame and lenses) Benefit

Elective Contacts	\$105 Allowance (Towards Exam, fitting and purchase of contact lenses)
Medically Necessary	\$105 Allowance (Towards Exam, fitting and purchase of contact lenses)

5.04.03 Members must pay The Out-of-Network provider their usual and customary fees for their services. Then submit an itemized statement of the Out-of-Network provider's services along with your name, address, and Social Security number to SightCare.

5.04.04 The Member Will Be reimbursed according with the plan's Out-of-Network Provider Reimbursement Schedule, provided you submit your claim within 6 months of the date you received services. There is no assurance that the schedule will be sufficient to pay for the examination, lenses, or frame.

5.04.05 Services Provided By an Out-of-Network provider are subject to the eligibility, availability, co-payments and limitation provisions of the plan and are in lieu services provided by an Exclusive or Preferred Participating Provider.

5.04.06 Out-of-Network Reimbursements are made directly to the employee ONLY and are subject to the same frequency of service limitations. Sightcare does not accept assignment of Out- of- Network allowances by non-participating providers.

5.04.07 The Allowance Made for Contact Lenses Is in place of the exam, spectacle lenses, and frame. Determination of "Medically Necessary" versus "Elective" contact lenses shall be determined exclusive by SightCare.

**SECTION VI
LIMITATIONS**

6.01 Additional Cost Items When an Enrolled Member selects additional items or upgrades, payment of these items will be the responsibility of the member, less any discounts that apply at the time of services.

6.01.01 Through the Exclusive Provider Network, the following discounts apply:

1. 20% discount on all options not covered.
2. 10% discount on additional disposable contact lenses.
3. 20% discount on additional conventional contact lenses.
4. 50% discount on frame for second pair of eyeglasses.
5. 25% discount on lenses for second pair of eyeglasses.
6. Discounts do not apply to in-store lens packages which have already been discounted or warranty programs.
7. Discount on LASIK Procedure of 10% applies for a bilateral (two eyes) procedure. Fee includes the pre and post-operative exams of the patient and any enhancements for the first year. Cannot be combined with the SightCare™ LASIK Benefit Allowance.

6.01.02 Through the Preferred Provider Network, the following discounts apply: (Walmart & Sam's Club does not provide any additional discounts from their everyday low price)

1. 20% discount on all options not covered.
2. Discounts do not apply to in-store lens packages which have already been discounted or warranty programs.

6.02 Not Covered There is no benefit for professional services or materials connected with:

1. Orthoptics or vision training, subnormal vision aids, aniseikonic lenses, plano (nonprescription) lenses.
2. Lenses and frames furnished under this program which are lost or broken will not be replaced except at the normal intervals when services are otherwise available.
3. Medical or surgical treatment of the eyes.
4. Services or materials provided as a result of any Workmen's Compensation law or similar legislation, or obtained through or required by government agency or program whether federal, state, or any subdivision thereof.
5. Any eye examination required by an employer as a condition of employment unless it is obtained at the normal interval for which services are covered.
6. Coated lenses, tinted lenses, photochromic lenses and laminated lenses unless specifically indicated as a covered benefit in the Summary of Benefits section.
7. Vision services and supplies that cost more than the Plan's allowance as noted in the Summary of Vision Benefits.
8. Two pairs of glasses in lieu of bifocals.
9. Benefits incurred beyond the termination date of the Plan, unless COBRA coverage is in place.

SECTION VII REIMBURSEMENT

7.01 Payments by Group To SightCare for services and materials provided hereunder during the term of the Agreement shall be as follows:

1. For each "Employee Only" policy issued, \$3.95 per month.
4. For each "Employee Plus Family" policy issued, \$8.99 per month.

SECTION VIII PARTICIPATION REQUIREMENTS

8.01 Participation Requirements For this contract are: 75% of all eligible employees must be enrolled in the plan, and -0% of all eligible dependents must be enrolled in this plan.

SECTION IX NOTICE OF PRIVACY PRACTICES

This notice describes how medical information about you may be used and disclosed, and how you can get access to this information. Please review it carefully.

SightCare, Inc. ("SightCare") is required by law to maintain the privacy of your health information and to provide you with notice of their legal duties and privacy practices with respect to your health information.

How Sightcare May Use or Disclose Your Health Information

9.01 **Payment Functions.** SightCare may use or disclose health information to determine eligibility for plan benefits, obtain premiums, facilitate payment for treatment and services you receive from health care providers, determine plan responsibility for benefits, preparing and sending bills or claims, collection efforts, and to coordinate benefits.

9.02 **Health Care Operations.** SightCare may use and disclose health information about you to carry out necessary insurance-related activities, including, but not limited to, underwriting, premium rating and other activities relating to plan coverage; administrative functions, financial or billing audits, activities relating to benefit coverage; internal quality assurance; review and payment of claims; providing eligibility and verification of coverage to providers, personnel decisions, defense of legal matters, business planning, legal services, fraud and abuse detection programs: and storage of our records.

9.03 **Required by Law.** As required by law, SightCare may use and disclose your health information. SightCare may disclose medical information pursuant to a court order in judicial or administrative proceedings; to report information related to victims of abuse, neglect, or domestic violence; or to assist law enforcement officials in their law enforcement duties.

9.04 **Public Health.** As required by law, SightCare may disclose your health information to public health authorities to prevent or control disease, injury or disability, or for other health oversight activities.

9.05 **Coroners, Medical Examiners and Funeral Directors.** SightCare may disclose your health information to coroners, medical examiners and funeral directors. For example, this may be necessary to identify a deceased person.

9.06 **Organ and Tissue Donation.** Your health information may be used or disclosed for cadaveric organ, eye or tissue donation purposes.

9.07 **Health and Safety.** SightCare may disclose your health information to appropriate persons in order to prevent or lessen a serious and imminent threat to the health or safety of a particular person or the general public.

9.08 **Government Functions.** SightCare may disclose your health information for military, national security, prisoner and government benefits purposes.

9.09 **Worker's Compensation.** SightCare may disclose your health information as necessary to comply with worker's compensation or similar laws.

9.10 **Disclosures to Plan Sponsors.** SightCare may disclose your health information to the sponsor of your group health plan or managed care plan for purposes of administering benefits under the plan.

When SightCare May Not Use or Disclose Your Health Information

Except as described in this Notice of Privacy Practices, SightCare will not use or disclose your health information without written authorization from you. If you do authorize SightCare to use or disclose your health information for another purpose, you may revoke your authorization in writing at any time.

Statement of Your Health Information Rights

9.11 **Right to Request Restrictions.** You have the right to request restrictions on certain uses and disclosures of your health information. SightCare is not required to agree to the restrictions that you request.

9.12 **Right to Request Confidential Communications.** You have the right to receive your health information through alternative means or at an alternative location. SightCare is not required to agree to your request.

9.13 **Right to Inspect and Copy.** You have the right to inspect and copy your health information. If you request a copy of the information, SightCare may charge you a reasonable fee to cover the copy expense.

9.14 **Right to Request a Correction.** You have a right to request that SightCare amend your health information. SightCare is not required to change your health information.

9.15 **Right to Accounting of Disclosures.** You have the right to receive an accounting of disclosures of your health information. SightCare will provide one list per 12 month period free of charge; SightCare may charge you for additional lists requested within the same 12 month period.

9.16 **Right to Paper Copy.** You have a right to receive a paper copy of this Notice of Privacy Practices at any time.

9.17 **Right to Revoke Permission.** You have the right to revoke your authorization to use or disclose your health information at any time, except to the extent that action has already been taken.

SightCare's Obligations Under This Notice

SightCare is required by law to:

9.21 Maintain the privacy of your health information.

9.22 Provide you with a notice of its legal duties and privacy practices with respect to your health information.

9.23 Abide by the terms of this Notice.

9.24 Notify you if SightCare is unable to agree to a requested restriction on how your information is used or disclosed.

9.25 Accommodate reasonable requests you may have to communicate health information by alternative means or at alternative locations.

9.26 Obtain your written authorization to use or disclose your health information for reasons other than those listed above and permitted by law.

SightCare reserves the right to amend this Notice of Privacy Practices at any time in the future and to make the new Notice provisions effective for all health information that SightCare maintains. Revised Notices will be distributed to you when new identification cards are provided.

Complaints

If you believe your privacy rights have been violated, you may file a complaint with:

Attn: Privacy Officer
SightCare Vision
220 N. McKemy
Chandler, AZ 85226

You may also file a complaint with the Secretary of the Department of Health and Human Services. SightCare will not retaliate against you in any way for filing a complaint.

SECTION X GENERAL PROVISIONS

10.01 SightCare acts as a contracting agency to enable Group and Enrolled Persons to acquire professional vision care on a prepaid basis. Under no circumstances shall SightCare or Group be liable for the negligence, wrongful acts or omissions of any doctor, laboratory, or any other person or organization performing services or supplying materials in connection with this contract.

10.02 Each Enrolled Member shall be entitled to obtain the services enumerated herein from an Participating Provider. The names, addresses and telephone numbers of the Participating Providers shall be made available to Enrolled Members of Group prior to, and at the time of seeking services.

10.03 SightCare extends a commitment to customer satisfaction. If, for any reason, a member is not satisfied with the eyewear they receive, they are entitled to a free replacement within 30 days of their original purchase.

10.04 SightCare shall have the right at all reasonable times to inspect such records of Group as SightCare deems necessary to determine the number and eligibility of covered persons. Group agrees to make such records available at such times and on such request.

10.05 All notices provided in connection with this Agreement shall be deemed as having been properly made upon depositing the same in the United States mail, postdate prepaid and addressing such notices to SightCare or to Group at their most recent address.

10.06 This instrument contains all of the provisions of the agreement between the parties hereto, and no promise or agreement not continued herein shall be binding on the parties unless the same is in writing, signed by the parties hereto and attached to this contract.

10.07 Any disagreement arising out of this contract or from the breach of it, may be submitted to arbitration. The parties may agree upon one Arbitrator, otherwise there may be three, one name in writing by each party of this contract within five days after notice of

arbitration is served by either party upon the other, and a third Arbitrator selected by these two Arbitrators within five days thereafter.

10:08 This contract shall be governed by and construed under the laws of the State of Arizona.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the effective date.

City of Peoria

By:

Dan Zerbo

^{As}
Title:

MATERIALS MANAGER

Date:

5-24-11

SightCare, Inc.

By:

Invent Hayes

Title:

Vice President Managed Care

Date:

5/3/10

WHEN WILL MY BENEFITS BEGIN?

You will be eligible on your plan's effective date or upon your enrollment eligibility date.

WHAT TYPE OF FRAMES ARE COVERED?

Your retail frame allowance through Nationwide Vision is \$120. The inside chart indicates the number of covered frames available when members elect to use a Nationwide Vision office. For the Preferred Provider Network or the Out-of-Network benefits a retail dollar allowance is provided that the member may use toward their frame purchase.

IF I CHOOSE CONTACTS, CAN I GET GLASSES?

No, you can choose the benefit allowance for either contact lenses **OR** eyeglasses as stated in your benefit description.

CONTACT LENS COVERAGE?

The allowance indicated for contact lenses is the dollar amount the member may use to purchase contact lens product through a Nationwide Vision office. If a Preferred Provider Doctor is used it is an allowance towards the fitting fee and contact lens purchase and if an Out-of-Network provider is used it is an allowance towards the exam, fitting and contact lens purchase.

WHAT ARE MEDICALLY NECESSARY CONTACT LENSES?

Medically Necessary contact lenses are typically covered for members with the following conditions:

- following cataract surgery,
- to correct extreme visual acuity problems that cannot be corrected with spectacle lenses. (If you cannot be corrected to better than 20/70 with spectacle lenses)
- certain conditions of anisometropia,
- keratoconus.

WHAT IF I RECEIVE SERVICES FROM AN OUT-OF-NETWORK PROVIDER?

The member must pay the Out-of-Network Provider their usual and customary fees for their services then submit itemized receipts to SightCare along with your name, address, and Social Security number.

You will be reimbursed according to the plan's Out-of-Network Reimbursement Schedule, provided you submit your claim within 6 months of the date you receive services. There is no assurance that the reimbursement schedule will be sufficient to pay for the examination, lenses, or frames.

Services provided through an Out-of-Network Provider are subject to the eligibility, availability, copayments, and limitation provisions of the plan as described in the Group Services Agreement and are "In Lieu" of services provided by a Nationwide Vision or the Preferred Provider Network.

SPECIAL LASIK DISCOUNT

SightCare members are entitled to receive a LASIK allowance of \$200, if the member elects not to use their eye examination, eyeglass, or contact lens benefit. The LASIK Procedure must be done through Nationwide Vision Laser & Eye Center located at 2222 East Camelback Road. The price of the procedure is based upon the prescription. The LASIK Fee includes the pre and postoperative care of the patient. In addition, should an enhancement be required during the first year, patients would receive it at no additional charge. Nationwide Vision offers a free no obligation consultation for members interested in learning more about the LASIK procedure. Call Nationwide Vision Laser & Eye Center at (602) 26-LASIK.

WHO DO I CALL WITH QUESTIONS?

You may call our Customer Service Department at (480) 961-1702.

Monday - Friday 8:00 am to 5:00 pm

All Nationwide Vision locations are on-line with SightCare's eligibility and verification system. Therefore, verification can be done in the evenings and on the weekends so the member is not inconvenienced. Preferred Providers are not on-line and must call on a weekday to obtain verification and authorization.

RIGHT TO APPEAL

In the event we do not authorize or pay a claim we must notify you of your right to appeal that decision. You may call our customer service number at (480) 961-1702 to have a Health Care Appeals Packet sent to you.

ITEMS NOT COVERED

All options not specifically named in the plan can be purchased at the specified discount or co-payment of the plan. There is no benefit for professional services or materials connected with:

- Orthoptics or vision training, subnormal vision aids, aniseikonic lenses, plano (nonprescription) lenses, or glasses secured when there is no prescription change.
- Lenses and frames furnished under this plan which are lost or broken will not be replaced except at the normal intervals when services are otherwise available.
- Medical or surgical treatment of the eyes.
- Services or materials provided as a result of any Workmen's compensation law or similar legislation, or obtained through or required by government agency or program whether, federal, state or any subdivision thereof.
- Any eye examination required by an employer as a condition of employment, unless it is obtained at the normal interval for such services.

SCCC-001

SightCare[™]

Vision Plan

Benefit Schedule

CITY OF PEORIA

Certificate of Coverage

Triple Option Network Custom Plan Frequency B

SIGHTCARE[™], INC. CORPORATE OFFICE
220 NORTH MCKEY
CHANDLER, ARIZONA 85226
(480) 961-1702

ORIGINAL



City of Peoria, Arizona Notice of Request for Proposal



Request for Proposal No **P10-0025** Proposal Due Date **January 21, 2010**
 Materials and/or Services **Vision Insurance** Proposal Time **5 00 P M AZ Time**
 Contact **Lisa Houg, CPPB**

Project No _____ Location **City of Peoria, Materials Management** Phone **(623) 773-7115**
 Mailing Address **9875 N 85th Avenue, 2nd Floor Peoria, AZ 85345**

In accordance with City of Peoria Procurement Code competitive sealed proposals for the material or services specified will be received by the City of Peoria Materials Management at the specified location until the date and time cited above. Proposals shall be in the actual possession of the City of Peoria Materials Management on or prior to the exact date and time indicated above. Late proposals will not be considered except as provided in the City of Peoria Procurement Code. **Proposals shall be submitted in a sealed envelope with the Request for Proposal number and the offeror's name and address clearly indicated on the front of the envelope.** All proposals shall be completed in ink or typewritten. Offerors are strongly encouraged to carefully read the *entire* Request for Proposal Package.

OFFER

To the City of Peoria: The undersigned on behalf of the entity, firm, company, partnership, or other legal entity listed below offers on its behalf to the City a proposal that contains all terms, conditions, specifications and amendments in the Notice of Request for Proposal issued by the City. Any exception to the terms contained in the Notice of Request for Proposal must be specifically indicated in writing and are subject to the approval of the City prior to acceptance. The signature below certifies your understanding and compliance with Paragraph 1 of the City of Peoria Standard Terms and Conditions (form COP 202) contained in the Request for Proposal package issued by the City.

For clarification of this offer contact

Name Vincent Hayes

Telephone (480) 961-1702 Fax (480) 961-1865

Sightcare
Company Name

Vincent Hayes
Authorized Signature for Offer

220 N McKemy Ave
Address

Vincent Hayes
Printed Name

Chandler, AZ 85226
City State Zip Code

Vice President of Managed Care
Title

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

Your offer is accepted by the City, subject to approval of each written exception that your proposal contained. The contract consists of the following documents: 1) Request for Proposal issued by the City; 2) Your offer in response to the City's Request for Proposal; 3) This written acceptance and contract award.

As the contractor, you are now legally bound to sell the materials and/or services listed by the attached award notice, based on the solicitation of proposals, including all terms, conditions, specifications, amendments and your offer as now accepted by the City. The Contractor shall not commence any billable work or provide any material, service or construction under this contract until the Contractor receives an executed Purchase Order or written Notice to Proceed.

Attested by Mary Jo Waddell
Mary Jo Waddell, City Clerk

City of Peoria, Arizona Effective Date 4/24/10

CC BC 042010

Approved as to form
Stephen M. Kemp
Stephen M. Kemp, City Attorney

Contract Number LLON04210

Contract Awarded Date April 23, 2010
Carl Swenson
Carl Swenson, City Manager

Official File _____





REQUEST FOR PROPOSAL

INSTRUCTIONS TO OFFEROR

Materials Management Procurement

9875 N 85th Ave, 2nd Fl
Peoria, Arizona 85345-6560
Phone (623) 773-7115
Fax (623) 773-7118

1. PREPARATION OF PROPOSAL:

- a All proposals shall be on the forms provided in this *Request For Proposal* package. It is permissible to copy these forms if required. Telegraphic (facsimile) or mailgram proposals will not be considered.
- b The Offer and Contract Award document (COP Form 203) shall be submitted with an original ink signature by a person authorized to sign the offer.
- c Erasures, interlineations, or other modifications in the proposal shall be initialed in original ink by the authorized person signing the Vendor Offer.
- d If price is a consideration and in case of error in the extension of prices in the proposal, the unit price shall govern. No proposal shall be altered, amended, or withdrawn after the specified proposal due date and time.
- e Periods of time, stated as a number of days, shall be calendar days.
- f It is the responsibility of all Offerors to examine the entire *Request For Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.

2. INQUIRIES: Any question related to the *Request For Proposal* shall be directed to the Buyer whose name appears on the front. The Offeror shall not contact or ask questions of the department for which the requirement is being procured. Questions should be submitted in writing when time permits. The Buyer may require any and all questions be submitted in writing at the Buyer's sole discretion. Any correspondence related to a *Request For Proposal* should refer to the appropriate *Request For Proposal* number, page, and paragraph number. However, the Offeror shall not place the *Request For Proposal* number on the outside of any envelope containing questions since such an envelope may be identified as a sealed proposal and may not be opened until after the official *Request For Proposal* due date and time.

3. PROSPECTIVE OFFERORS CONFERENCE: A prospective offerors conference may be held. If scheduled, the date and time of this conference will be indicated on the cover page of this document. The purpose of this conference will be to clarify the contents of this *Request For Proposal* in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this *Request For Proposal* or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine if any action is necessary and may issue a written amendment to the *Request for Proposal*. Oral statements or instructions will not constitute an amendment to this *Request for Proposal*.

4. LATE PROPOSALS: Late Proposals will not be considered, except as provided by the **City of Peoria Procurement Code**. A vendor submitting a late proposal shall be so notified.

5. WITHDRAWAL OF PROPOSAL: At any time prior to the specified proposal due date and time, a Vendor (or designated representative) may withdraw the proposal. Telegraphic (facsimile) or mailgram proposal withdrawals will not be considered.

6. AMENDMENT OF PROPOSAL: Receipt of a Solicitation Amendment (COP Form 207) shall be acknowledged by signing and returning the document prior to the specified proposal due date and time.

7. PAYMENT: The City will make every effort to process payment for the purchase of goods or services within thirty (30) calendar days after receipt of goods or services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Any proposal that requires payment in less than thirty (30) calendar days shall not be considered.

8. NEW: All items shall be new, unless otherwise stated in the specifications.

9. DISCOUNTS: Payment discount periods will be computed from the date of receipt of material/service or correct invoice, whichever is later, to the date Buyer's payment is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the proposal price in determining the low bid. However, the Buyer shall be entitled to take advantage of any payment discount offered by the Vendor provided payment is made within the discount period.

10. TAXES: The City of Peoria is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.

11. VENDOR REGISTRATION: After the award of a contract, the successful Vendor shall have a completed Vendor Registration Form (COP Form 200) on file with the City of Peoria Materials Management Division.

12. AWARD OF CONTRACT:

- a Unless the Offeror states otherwise, or unless provided within this *Request For Proposal*, the City reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the City.
- b Notwithstanding any other provision of this *Request For Proposal*, The City expressly reserves the right to
 - (1) Waive any immaterial defect or informality or
 - (2) Reject any or all proposals, or portions thereof, or
 - (3) Reissue a *Request For Proposal*
- c A response to a *Request For Proposal* is an offer to contract with the City based upon the terms, conditions and specifications contained in the City's *Request For Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the **City Council**. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the procurement contract are contained in the *Request For Proposal*, unless modified by a Solicitation Amendment (COP Form 207) or a Contract Amendment (COP Form 217).



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THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT.

1. **CERTIFICATION:** By signature in the Offer section of the Offer and Contract Award page (COP Form 203), the Vendor certifies:
 - a. The submission of the offer did not involve collusion or other anti-competitive practices.
 - b. The Vendor shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11456.
 - c. The Vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the vendor may be debarred.
2. **GRATUITIES:** The City may, by written notice to the Contractor, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible city government customers shall not be prohibited by this paragraph.
3. **APPLICABLE LAW:** In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1989. In addition, if this agreement pertains to construction, Contractor must also comply with A.R.S. § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A.R.S. § 34-302, as amended (Residence Requirements for Employees)

Under the provisions of A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter, "Contractor Immigration Warranty")

A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verification performed.

Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. § 23-214(A)

The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who



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provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property

Contractor warrants, for the term of this agreement and for six months thereafter, that it has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.

This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

4. **LEGAL REMEDIES:** All claims and controversies shall be subject to resolution according to the terms of the City of Peoria Procurement Code.
5. **CONTRACT:** The contract between the City and the Contractor shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the offer submitted by the Vendor in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Contractor, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Vendor's offer. The Solicitation shall govern in all other matters not affected by the written contract.
6. **CONTRACT AMENDMENTS:** This contract may be modified only by a written Contract Amendment (COP Form 217) signed by persons duly authorized to enter into contracts on behalf of the City and the Contractor.
7. **CONTRACT APPLICABILITY:** The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the City, are not applicable to this Solicitation or any resultant contract
8. **PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the contract will forthwith be physically amended to make such insertion or correction
9. **SEVERABILITY:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application
10. **RELATIONSHIP TO PARTIES:** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venture, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Contractor should make arrangements to directly pay such expenses, if any.



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11. **INTERPRETATION-PAROL EVIDENCE:** This contract represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this contract are hereby revoked and superseded by this contract. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this contract. This contract may not be changed, modified or rescinded except as provided for herein, absent a written agreement signed by both Parties. Any attempt at oral modification of this contract shall be void and of no effect.
12. **NO DELEGATION OR ASSIGNMENT:** Contractor shall not delegate any duty under this Contract, and no right or interest in this Contract shall be assigned by Contractor to any successor entity or third party, including but not limited to an affiliated successor or purchaser of Contractor or its assets, without prior written permission of the City. The City, at its option, may cancel this Contract in the event Contractor undertakes a delegation or assignment without first obtaining the City's written approval. Contractor agrees and acknowledges that it would not be unreasonable for the City to decline to approve a delegation or assignment that results in a material change to the services provided under this Contract or an increased cost to the City.
13. **SUBCONTRACTS:** No subcontract shall be entered into by the contractor with any other party to furnish any of the material, service or construction specified herein without the advance written approval of the City. The prime contractor shall itemize all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime contractor shall be approved by the City and any cost savings will be reduced from the prime contractor's bid amount. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not Subcontractors are used.
14. **RIGHTS AND REMEDIES:** No provision in this document or in the vendor's offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.
15. **INDEMNIFICATION:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting there from, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.



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16. **OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.

17. **FORCE MAJEURE:** Except for payment for sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; acts of terror, hate crimes affecting public order, riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.

Force majeure shall not include the following occurrences

- a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.
- b. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition

Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed *Certified-Return Receipt* and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.

18. **RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract

19. **RIGHT TO AUDIT RECORDS:** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.

20. **RIGHT TO INSPECT PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded

21. **WARRANTIES:** Contractor warrants that all material, service or construction delivered under this contract shall conform to the specifications of this contract. Unless otherwise stated in Contractor's response, the City is responsible for selecting items, their use, and the results obtained from any other items used with the items furnished under this contract. Mere receipt of shipment of the material/service specified and any inspection incidental thereto by the City shall not alter or affect



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the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in the solicitation.

22. **INSPECTION:** All material and/or services are subject to final inspection and acceptance by the City. Materials and/or services failing to conform to the specifications of this Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. The City may elect to do any or all.

- a. Waive the non-conformance.
- b. Stop the work immediately.
- c. Bring material into compliance.

This shall be accomplished by a written determination for the City.

23. **TITLE AND RISK OF LOSS:** The title and risk of loss of material and/or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.

24. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach of the Contract as a whole.

25. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.

26. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading will operate as a tender of the materials.

27. **LIENS:** All materials, service or construction shall be free of all liens, and if the City requests, a formal release of all liens shall be delivered to the City.

28. **LICENSES:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.

29. **PATENTS AND COPYRIGHTS:** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the City and shall not be used or released by the Contractor or any other person except with the prior written permission of the City.

30. **PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.

31. **COST OF BID/PROPOSAL PREPARATION:** The City shall not reimburse the cost of developing presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.

32. **PUBLIC RECORD:** All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code. However, subsequent to the award of the contract, any information and documents obtained by the City



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during the course of an audit conducted in accordance with Paragraph 19 above for the purpose of determining compliance by Contractor or a Subcontractor with the Contractor Immigration Warranty mandated by Paragraph 3 above shall remain confidential and shall not be made available for public review or produced in response to a public records request, unless the City is ordered or otherwise directed to do so by a court of competent jurisdiction.

33. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract, without prior written consent of the City.
34. **DELIVERY ORDERS:** The City shall issue a Purchase Order for the material and/or services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203)
35. **FUNDING:** Any contract entered into by the City of Peoria is subject to funding availability. Fiscal years for the City of Peoria are July 1 to June 30. The City Council approves all budget requests. If a specific funding request is not approved, the contract shall be terminated.
36. **PAYMENT:** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or services and correct invoice.



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1. **Purpose:** Pursuant to provisions of the City Procurement Code, the City of Peoria, Materials Management Division intends to establish a contract for Vision Insurance.
2. **Authority:** This Solicitation as well as any resultant contract is issued under the authority of the City. No alteration of any resultant contract may be made without the express written approval of the City Materials Manager in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.
3. **Offer Acceptance Period:** In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid and irrevocable for ninety (90) days after the opening time and date.
4. **Eligible Agencies:** Any contract resulting from this Solicitation shall be for the exclusive use of the City of Peoria.
5. **Contract Type:** Fixed Price Term
6. **Term of Contract:** The term of any resultant contract shall commence on July 1, 2010 and shall continue for a period of one (1) year thereafter, unless terminated, cancelled or extended as otherwise provided herein.
7. **Contract Extension:** By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of forty-eight (48) months.
8. **Affirmative Action Report:** It is the policy of the City of Peoria that suppliers of goods or services to the City adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, and promote regardless of race, color, religion, gender, national origin, age or disability. The City of Peoria encourages diverse suppliers to respond to solicitations for products or services.
9. **Proposal Format:** Proposals shall be submitted in one (1) original and five (5) copies on the forms and in the format as contained in the Request for Proposal. Proposals shall be on 8 1/2" & 11" paper with the text on one side only. All submittal information must contain data for only the local office(s) which will be performing the work. The proposals should be submitted in the maximum length requirements as specified in the proposal
10. **Evaluation:** In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.
 - a Network Providers and Plan Design
 - b Customer Service and Account Management
 - c Claims and Reporting
 - d Cost/Rate Guarantees/Caps
 - e Conformance to RFP
11. **Discussions:** In accordance with the City of Peoria Procurement Code, after the initial receipt of proposals, discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award
12. **Proposal Opening:** Proposals shall be submitted at the time and place designated in the request for proposals. All information contained in the proposals shall be deemed as exempt from public disclosure based on the City's need to avoid disclosure of contents prejudicial to competing offerors during the process of negotiation. The proposals shall not be open for public inspection until after contract award. After contract award, the successful proposal and the evaluation documentation shall be open for public inspection.



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13. **Investigation of Conditions:** The Contractor warrants and agrees familiarity of the work that is required, is satisfied as to the conditions under which is performed and enters into this contract based upon the Contractor's own investigation

14. **Insurance Requirements:** The Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the City, constitute a material breach of this Contract

The Contractor's insurance shall be primary insurance as respects the City, and any insurance or self-insurance maintained by the City shall not contribute to it

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City.

The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the Contractor's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage which contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies. The Contractor shall be solely responsible for the deductible and/or self-insured retention and the City, at its option, may require the Contractor to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The City shall not be obligated, however, to review same or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Contractor's obligations under this Contract

The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insured's

15 **Required Insurance Coverage:**

a. **Commercial General Liability**

Contractor shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011207 or any replacements thereof. The coverage shall not exclude X, C, U

Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.



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The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20370704, and shall include coverage for Contractor's operations and products and completed operations.

Any Contractor subletting any part of the work, services or operations awarded to the Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Contractor's work, service or operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance

b. Automobile Liability

Contractor shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to the Contractor's any owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc Policy Form CA 00010306, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

c. Workers' Compensation

The Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

In case any work is subcontracted, the Contractor will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of the Contractor.

d Professional Liability

The Contractor retained by the City to provide the work or service required by this Contract will maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by the Contractor, or any person employed by the Contractor, with a limit of not less than \$1,000,000 each claim

16 Certificates of Insurance: Prior to commencing work or services under this Contract, Contractor shall furnish the City with Certificates of Insurance, or formal endorsements as required by the Contract, issued by Contractor's insurer(s), as evidence that policies providing the required coverage's, conditions and limits required by this Contract are in full force and effect.

In the event any insurance policy(ies) required by this contract is(are) written on a "Claims made" basis, coverage shall extend for two years past completion and acceptance of the Contractor's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date.

All Certificates of Insurance shall be identified with bid serial number and title. A \$25.00 administrative fee will be assessed for all certificates received without the appropriate bid serial number and title.



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17. **Cancellation and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the City.

18. **Independent Contractor:**

a. General

1. The Contractor acknowledges that all services provided under this Agreement are being provided by him as an independent contractor, not as an employee or agent of the City Manager or the City of Peoria
11. Both parties agree that this Agreement is nonexclusive and that Contractor is not prohibited from entering into other contracts nor prohibited from practicing his profession elsewhere.

b. Liability

1. The City of Peoria shall not be liable for any acts of Contractor outside the scope of authority granted under this Agreement or as the result of Contractor's acts, errors, misconduct, negligence, omissions and intentional acts.
11. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting there from, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

c. Other Benefits

The Contractor is an independent contractor; therefore, the City Manager will not provide the Contractor with health insurance, life insurance, workmen's compensation, sick leave, vacation leave, or any other fringe benefits. Further, Contractor acknowledges that he is exempt from coverage of the Comprehensive Benefit and Retirement Act (COBRA) Any such fringe benefits shall be the sole responsibility of Contractor.

19. **Key Personnel:** It is essential that the Contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must agree to assign specific individuals to the key positions.

- a. The Contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City
- b. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the City, and shall, subject to the concurrence of the City, replace such personnel with personnel of substantially equal ability and qualifications



SPECIAL TERMS AND CONDITIONS

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20. **Confidential Information:**

- a. If a person believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Materials Supervisor of this fact shall accompany the submission and the information shall be identified
- b. The information identified by the person as confidential shall not be disclosed until the Materials Supervisor makes a written determination.
- c. The Materials Supervisor shall review the statement and information and shall determine in writing whether the information shall be withheld
- d. If the Materials Supervisor determines to disclose the information, the Materials Supervisor shall inform the bidder in writing of such determination

21. **Confidentiality of Records:** The contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the contract shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract.

22. **Identity Theft Prevention:** The Contractor shall establish and maintain Identity Theft policies, procedures and controls for the purpose of assuring that "personal identifying information," as defined by A.R.S. § 13-2001(10), as amended, contained in its records or obtained from the City or from others in carrying out its responsibilities under the Contract, is protected at all times and shall not be used by or disclosed to unauthorized persons. Persons requesting such information should be referred to the City. Contractor also agrees that any "personal identifying information" shall not be disclosed other than to employees or officers of Contractor as needed for the performance of duties under the Contract. Contractor agrees to maintain reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft. Contractor is required under this contract to review the City of Peoria's Identity Theft Program and to report to the Program Administrator any Red Flags as defined within that program. At a minimum, the contractor will have the following Identity Theft procedures in place:

- a. Solicit and retain only the "personal identifying information" minimally necessary for business purposes related to performance of the Contract
- b. Ensure that any website used in the performance of the contract is secure. If a website that is not secure is to be used, the City shall be notified in advance before any information is posted. The City reserves the right to restrict the use of any non-secure websites under this contract
- c. Ensure complete and secure destruction of any and all paper documents and computer files at the end of the contract's retention requirements.
- d. Ensure that office computers are password protected and that computer screens lock after a set period of time.
- e. Ensure that offices and workspaces containing customer information are secure
- f. Ensure that computer virus protection is up to date

23. **Licenses:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor



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24. **Cancellation:** The City reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any obligation, term or condition of the contract. The City will issue written notice to the contractor for acting or failing to act as in any of the following:

- a. The contractor provides material that does not meet the specifications of the contract;
- b. The contractor fails to adequately perform the services set forth in the specifications of the contract,
- c. The contractor fails to complete the work required or to furnish the materials required within the time stipulated in the contract;
- d. The contractor fails to make progress in the performance of the contract and/or gives the City reason to believe that the contractor will not or cannot perform to the requirements of the contract.

Upon receipt of the written notice of concern, the contractor shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the contractor to adequately address all issues of concern may result in the City resorting to any single or combination of the following remedies:

- a. Cancel any contract;
- b. Reserve all rights or claims to damage for breach of any covenants of the contract,
- c. Perform any test or analysis on materials for compliance with the specifications of the contract. If the results of any test or analysis find a material non-compliant with the specifications, the actual expense of testing shall be borne by the contractor;
- d. In case of default, the City reserves the right to purchase materials, or to complete the required work in accordance with the City Procurement Code. The City may recover any actual excess costs from the contractor by:
 - i. Deduction from an unpaid balance;
 - ii. Any combination of the above or any other remedies as provided by law.



SCOPE OF WORK

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I. BACKGROUND

The City of Peoria, Arizona is soliciting proposals for fully-insured and self-insured Vision Insurance for its employees and their dependents.

The City currently offers fully-insured vision insurance through SightCare. The plan year is July 1 through June 30. The anticipated effective date of any new coverage will be July 1, 2010. It is the intention of the City to maintain the current level of benefits on existing programs and to offer an enhanced (buy-up) option Vision Plan. The City is requesting pricing for both fully insured and self-insured plans.

The following provides a summary of the categories of employees and dependents eligible for benefits:

- Eligible employees include full-time or part-time employees and must work a minimum of twenty (20) hours per week.
- Employees who meet the eligibility criteria will be covered the first day of employment.
- Eligible employees also include all City Council and three (3) Charter Officers (City Manager, City Attorney, City Judge).
- Eligible dependents include an employee's spouse under a legally valid, existing marriage.
- Dependents also include dependent children who will be eligible for coverage until his/her nineteenth (19th) birthday unless the child is continuously attending an accredited institution as a full-time student may be eligible for coverage until his/her twenty-fifth (25th) birthday.
- Eligible dependents also include a child who is continuously incapable of self-sustaining employment because of a mental or physical handicap and who is chiefly dependent upon the employee for support may be eligible for coverage beyond the limiting age if the child has been covered under prior credible coverage up to the day they reach the limiting age.
- Eligible "Associates" include non-profit groups approved by the City. They are eligible for medical, dental and vision coverage only.

II. SCOPE OF SERVICES

1. Initial rate quotes, administrative costs, and contract terms must be guaranteed at minimum effective July 1, 2010 through June 30, 2011.
2. The initial contract term shall be awarded for one year, with opportunity for four (4) renewable terms.
3. The Offeror shall provide claims experience for actives by employee, dependent, tier and plan design at a minimum every six (6) months.
4. The Offeror shall provide enrollment by employee dependent, age, tier, actives, and plan design at a minimum every six (6) months.
5. The Offeror shall provide final renewal rates, costs, and underwriting projections to the City at least 180 days prior to the contract anniversary date.



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6. The Offeror must agree to provide coverage on a “no loss” basis for all participants enrolled in the current plan.
7. Commissions are not to be included in the rates submitted unless included in the carrier’s filing with the State. Any proposal that includes payment of commissions or any other form of remuneration shall be deemed non-responsive unless fully disclosed and approved by the City. If commissions or fees are included in the filed rates and cannot be removed for the rates provided, level of commissions included in the proposed rates must be disclosed and noted.
8. The Offeror must agree to be responsible for any programming fees associated with electronic eligibility exchange between the City and the Offeror for purposes of additions, terminations, open enrollment selections and regular life event changes.
9. The Offeror must agree to include all administrative costs (i.e. postage for regular Claims EOB, Customer/Member Service letters or special mailings) in their proposed fees.
10. The Offeror will comply with all HIPAA Privacy Rule Regulations.
11. The Offeror will provide all Summary Plan Descriptions, Summary Benefit Booklets, and other customized communications (i.e. payroll stuffers, etc.) at no additional charge.
12. The Offeror will provide any professional service representatives the City requires to understand, analyze, and/or plan for any plan changes including but not limited to general account servicing, underwriting-actuarial, clinical, and/or operational support.
13. The Offeror will provide reconciliation reporting for any discrepancy in eligibility reporting that surfaces as a result of regular reporting intervals.
14. The Offeror will provide member-specific data for enrollment and claims as required by the client.
15. The Offeror will provide access to data and on-site review should the City choose to Audit the claim and eligibility files maintained by the Offeror.
16. The Offeror agrees that if awarded, the City may at any time request change in key personnel assigned to service the client account. In addition, should there be a change in key assigned personnel, the City will be immediately notified and replacement personnel will be replaced with personnel of substantially equal ability and qualifications as established at the time of the award.
17. The Offeror will agree to maintain all pertinent claim records for up to seven (7) years including claim records, individual case review and notes, and any member inquiry records as prudent business practice and provisions dictate.



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A. GENERAL

1. What is your firm's legal name and address? SightCare, 220 N. McKemy Ave., Chandler, AZ 85226
2. Please indicate how many years you have been in the business of providing vision benefits. We have been in business since 1995.
3. Please list the states in which your network is licensed. We provider services in the State of Arizona.
4. Describe any parent/subsidiary relationship. SightCare has an affiliated relationship with Nationwide Vision and services as its preferred Provider Network.
5. Has your company had any organizational changes in the last five (5) years? No.
6. Does your company have any organizational changes planned in the next two (2) years? No.
7. If you plan to subcontract any part of your proposed services or products, please explain. N/A
8. Please provide the most recent ratings for your company by the following major rating organizations. N/A. We do not have a Best Rating since we are only in the State of Arizona. We are one of two licensed vision plans in the State. We fall under the regulation of the Department of Insurance (DOI) and are audited every 3 to 5 years. Our last audit was two years ago. SightCare currently has in excess of \$500,000 in reserves with the State and recently added 185,000 lives effective September 1, 2009.

	Rating
Standard & Poors	See above reply.
Fitch	See above reply.
A.M. Best	See above reply.
Moody's	See above reply.

9. Please provide references of three (3) current clients of similar size for the same services.

Reference #1	
Client Name	Scottsdale Healthcare
Contact Name, Title and Phone Number	Ester Rojas, Human Resources (480) 323-4540
E-mail address	erojas@shc.org
Total number of covered lives under the quoted program	4146
Length of time as a client of your company	8 years



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Reference #2

Client Name	Alhambra Elementary School
Contact Name, Title and Phone Number	Mary Sotomayor, Human Resources (602) 336-2293
E-mail address	marysotomayor@alhambraesd.org
Total number of covered lives under the quoted program	1955
Length of time as a client of your company	3.5 years

Reference #3

Client Name	Florence Unified School District
Contact Name, Title and Phone Number	Kim Childers
E-mail address	kchilders@fUSDaz.org
Total number of covered lives under the quoted program	594
Length of time as a client of your company	5.5 years

10. Please provide references of two (2) former clients of similar size that have terminated their contracts with you in the last two (2) years.

Reference #1

Client Name	Montessori Education
Contact Name, Title and Phone Number	Human Resources Department (520) 866-3538
E-mail address	N/A
Total number of covered lives under the quoted program	594
Length of time as a client of your company	3 years

Reference #2

Client Name	Heritage Trucking
Contact Name, Title and Phone Number	Lori Chavez, Human Resources
E-mail address	lchavez@htiaz.com
Total number of covered lives under the quoted program	177
Length of time as a client of your company	3 years

11. Identify the number of employer groups currently utilizing the network. SightCare has approximately 550 covered groups that account for 231,178 covered lives.

12. Is your bid in compliance with the Scope of Services in the Request for Proposal (Scope of Work, Section II)? If no, please identify exceptions. Yes



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13. Does your firm agree to comply with the Standard and Special Terms and Conditions outlined in the Request for Proposal. If no, please identify exceptions. Yes.

B. ACCOUNT MANAGEMENT

14. Please provide resumes for the account service team that would be assigned to this account.

	Name	Location	Years of Industry Experience	Years with Organization	Years in Current Position
Account Executive	Linda Leiting	220 N. McKemy Ave., Chandler, AZ 85226	See Vitae behind this page.	See Vitae behind this page.	See Vitae behind this page.
Customer Service Manager	Linda Leiting	220 N. McKemy Ave., Chandler, AZ 85226	See Vitae behind this page.	See Vitae behind this page.	See Vitae behind this page.
Claims Manager	Rebecca Gariano	220 N. McKemy Ave., Chandler, AZ 85226	See Vitae behind this page.	See Vitae behind this page.	See Vitae behind this page.
Implementation Coordinator	Vincent Hayes & Linda Leiting	220 N. McKemy Ave., Chandler, AZ 85226	See Vitae behind this page.	See Vitae behind this page.	See Vitae behind this page.
Other					

15. Indicate functions of your web-based product available to the HR staff. Place an "X" in all that apply.

Send Eligibility Updates	X	Run Ad Hoc Reports	*
Extract Enrollment Information	*	Full Query Capability	
Run Standard Eligibility Reports	*	Run Premium Reports	*
Other, please specify:	The website address is sightcareaz.com. The participants are able to enroll, print their id cards, review their benefits		



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and provider directory.

16. Indicate functions of your web-based product available to the participants.

Confirm Network Providers	X	Confirm Eligibility of Individuals	*
Confirm Open/Closed Practices	X	Track Claims	*
Enroll	X	Monitor Reimbursement Accounts	
Initiate Claims Appeals	*	Other, please specify:	

* Current system does not provide these options. Our new system will allow clients to have access to their eligibility files allowing them to run Ad hoc reports regarding eligibility reports and confirming eligibility status. As well as the ability to track Out-of-Network claims processed.

17. Will you provide a detailed administration manual, unique to the plan requirements specified? Can it be delivered within 30 days of the effective date? Yes, we will provide a detailed administrative manual specific to the plan requirements.

C. ADMINISTRATIVE AND CUSTOMER SERVICE

18. What is the location of the claims office that would be paying claims on this account? Our location is 220 N. McKemy, Chandler, AZ 85226.

19. Do the CSRs handle both member and provider calls? Yes, our staff of CSR's are able to handle both member and provider calls.

20. How many claims approvers would be assigned to this account? There would be 1 primary claim approver assigned to this account with 2 additional backup claims approvers.

21. What level of training do claims approvers receive? SightCare only hires claims approvers with a minimum of 3 to 5 years of claims experience. When hired into our Department they are then trained on our internal systems. The primary claim approver for the City of Peoria has over 7 years experience with SightCare and over 16 years in managed vision care claims processing.

22. What is the ratio of CSRs to covered lives in your organization's programs? Current ratio is approximately 1 CSR to 4,600 covered lives.

23. Can the CSR access claims status online and in real time? Yes.

24. Can CSRs make adjustments to claims during a call in real time? No – This is more of an internal safety process to insure that all adjustments are properly documented and if required receive the proper authorization.



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25. What is the percentage of turnover for claims examiners and CSRs in the current year and the previous year at the claim office(s) that will be assigned to this account? We have not had any turnover in the last five years for personnel assigned to the City of Peoria. The primary individuals responsible for handling the City today would continue as the CRS going forward.
26. Are accounts assigned to dedicated CSRs or is a pooled staffing arrangement used? Accounts are assigned to dedicated CSR's. However, all CSR's can address questions and concerns from both members and Providers with regards to the account.
27. Are all calls logged into your tracking system? If yes, what percentages of calls are logged into your tracking system? No. We receive a substantial number of calls from Providers/Members pertaining to eligibility, as well as, plan questions and clarification as to benefits. Many calls from Members are also to identify Provider options that are close to their specific homes. We do not track these types of calls that we refer to internally as Provider/Member plan inquiry calls. We do track calls pertaining to member issues pertaining to Professional services or materials concerns. These calls are handled directly by the CSR's assigned to the account. The CSR's have the authority to take appropriate action to resolve member issues with Providers on behalf of members. The CSR will work with the member to resolve the situation or concern to the member's satisfaction.
28. Is Customer/Member services housed with the claims paying unit? Yes, our customer/member services and our claims paying unit are all located at 220 N. McKemy, Chandler, AZ 85226.
29. What are the hours of operation of the claims office responsible for this client? The hours dedicated for this client is M – F 9:00a.m. – 5:00p.m. and Saturday 9:00 a.m. to 2:00 p.m.
30. How are calls handled that are received after hours of operation? All calls are returned within 24 hours of receipt. Our goal is to have all calls returned by noon after receipt of the message. The same process is used for emails received by members.
31. How will complaints regarding quality/timeliness of care from participants or the client be handled? Complaints are handled directly by our Director of Customer Service Manager, Linda Leitig. Linda is authorized to be an advocate on behalf of the members and to resolve issues and concerns to the member's complete satisfaction whenever possible.
32. How frequently do you perform patient satisfaction surveys? Please provide a copy of your most recent survey results. Every patient is provided with a satisfaction survey. Our Executives read all satisfaction surveys. If there is a negative patient satisfaction survey, the Executives address it with each store and the District Manager.

2009 Member Satisfaction Surveys Results

Through December of 2009 we have received approximately 7,200 responses to our surveys.

Below are the following results:

94% Rated the overall experience with SightCare Vision Plan as Excellent or Very Good.



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96% Rated our response to any concerns or issues as being resolved to their satisfaction.

95% Indicated that they could schedule an Examination with a SightCare Provider within 3 to 5 days.

95% Rated the Doctor as timely, courteous and professional.

98% Indicated that their eyeglasses/contacts were to their satisfaction.

33. Is cost efficiency/effectiveness of participating providers measured? Describe the process. We provide cost efficiency/effectiveness by creating a contract that entails a very cost effective reimbursement schedule. Our office does random audits of our providers to make sure that they are providing efficient service to the patients. We review on an annual basis our reimbursement fees to Providers to insure our plan designs provide both in benefits and price cost effective options for clients.
34. How is the quality of care, provided by each of your network providers monitored? The best way to acquire feedback is through our Member Satisfaction Surveys and our event log of feedback from our members. As well as, through our Credentialing Committee to monitor Provider Quality Assurance through utilizing NCQA credentialing standards and monitoring practice standards and guidelines.
35. Will representatives of the network assist participants in resolving problems or questions in relation to the network and its providers? Yes, all of our CSR representatives are always willing to assist participants with any questions/challenges that they may have.

D. CLAIMS SYSTEM AND PROCESSING

36. Are the eligibility and claims processing functions part of the same system? Yes, the eligibility and claim processing functions are all part of the same system.
37. Does your claims system have a common database for edits, pricing, production of EOBs and reporting? Yes, we have a common database allowing for edits, and pricing. Revisions that will enhance our system will be completed the first half of 2010 will allow us to post to our website member EOB's for review.
38. How will eligibility data be transferred from the employer to your organization? We currently receive eligibility updates on Fridays of each week directly from the City using the standard ANSI 834 transmission format via a secure transmission with a public key. We would anticipate using this same process going forward.
39. Can you accept eligibility data in any file layout or do you require a certain layout? Describe any file layout limitations or restrictions. We require receiving eligibility using the standard 834 transmission format to insure standardization of all incoming files and quick updating to our system.



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40. How often can eligibility updates be accepted? For large standard 834 transmissions formats once a week. However, in the interim, should there be the need to update eligibility files the City can contact the assigned CSR person and they can immediately add them to the system in real time via over the phone or after receiving an email.
41. For what period of time are claims records maintained after records are purged from the system? All claims data is held for a minimum of 7 years.
42. Does your organization conduct member satisfaction surveys? If yes, please provide satisfaction survey results for the past 3 years. Yes, each member is provided with a Member Satisfaction Survey.

2009 Member Satisfaction Surveys Results

We have received approximately 7,200 responses to our surveys.

Below are the following results:

94% Rated the overall experience with SightCare Vision Plan as Excellent or Very Good.

96% Rated our response to any concerns or issues as being resolved to their satisfaction.

95% Indicated that they could schedule an Examination with a SightCare Provider within 3 to 5 days.

95% Rated the Doctor as timely, courteous and professional.

98% Indicated that their eyeglasses/contacts were to their satisfaction.

2008 Member Satisfaction Surveys Results

We have received approximately 6,800 responses to our surveys.

Below are the following results:

94% Rated the overall experience with SightCare Vision Plan as Excellent or Very Good.

96% Rated our response to any concerns or issues as being resolved to their satisfaction.

95% Indicated that they could schedule an Examination with a SightCare Provider within 3 to 5 days.

95% Rated the Doctor as timely, courteous and professional.

97% Indicated that their eyeglasses/contacts were to their satisfaction.

2007 Member Satisfaction Surveys Results

We have received approximately 6,000 responses to our surveys.

Below are the following results:

92% Rated the overall experience with SightCare Vision Plan as Excellent or Very Good.

95% Rated our response to any concerns or issues as being resolved to their satisfaction.

94% Indicated that they could schedule an Examination with a SightCare Provider within 3 to 5



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days.

95% Rated the Doctor as timely, courteous and professional.

95% Indicated that their eyeglasses/contacts were to their satisfaction.

43. Can you use an identifier other than the SSN? If so, is there an additional charge? Our system automatically assigns a random 11 digit member ID number when they are entered into our. As a secondary mechanism we have the capability to pull members up based upon their social security number. If the City provided another identifier for their employees we could still use the file to generate our own random ID numbers. However, if the City wanted to use a different identifier for their employees and have that different identifier be the member ID number we would need additional information i.e, length of different identifier etc. to see if we could accommodate the request and any additional cost involved in doing so.
44. Does your claims system have the capability to customize EOB messages? No, it does not currently have this capability.
45. What percent of claims are auto-adjudicated? We are now in test phase of allowing Providers to submit their claims directly through our website. Once completed, all Providers will then submit claims directly to us through our website. All claims submitted through our website will then be auto adjudicated through our system.
46. With what frequency is the claim processing function audited internally? We audit on a quarterly basis.
47. On average, what percentage of claims is audited? We audit approximately 5% of all of our claims. In addition, our auditing firm randomly pulls a sample of claims to audit, as well as, on a yearly basis.
48. Are audits performed on a pre-or post-disbursement basis? Currently post. However, we will be auditing 2.5% on a pre-disbursement, as well as, 2.5% on a post-disbursement basis.
49. How are claims selected for audit? It is a combination of random, as well as, the claim volume based upon Provider.
50. Will the client have access to update eligibility in your system? No. For security reasons and to insure personal information is never exposed clients they will not have direct access to the database. However, eligibility issues should be at a minimum if the City continues to provide weekly ANSI 834 transmission files. In addition, the Human Resource Department can contact us and we can update eligibility in real-time via the telephone.

E. PLAN DESIGN



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51. Will you require a minimum participation under the vision plan? If yes, what percentage? For employer paid programs, we require a minimum participation of 75% of all eligible employees.
52. What is the current turnaround time on scheduling and receiving an eye exam? The answer is different based upon the type of Provider selected. If it is a retail chain Provider, the member generally can be scheduled the same day for an appointment with the exception of Saturday's which usually requires calling 24 to 48 hours in advance. Participating Private Providers usually can schedule an exam within 2 to 6 working days.
53. What is the current turnaround time on the delivery of materials (lenses, frames, contact lenses)? In some instances, members could receive their glasses the same day. However, on average it is between 3 to 5 days. There are many variables that determine the length of the production of the glasses i.e., prescription type and lens material selected.
54. Please describe, in detail, the process an employee goes through from scheduling an eye exam, to purchasing glasses/contacts, through reimbursement for both network and non-network claims.



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When scheduling the exam the member simply needs to identify themselves as a SightCare member to In-Network Providers. The office will ask the member for the name of their employer, group number and their ID number. The office will ask the member if the appointment is for eyeglasses or contact lenses. The offices will usually ask the member to please bring in their SightCare ID card when they come in for their examination. In-Network Providers will be responsible for verifying eligibility prior to the appointment date. In-Network Providers receive an authorization number for covered services.

When the member arrives for their appointment, the Provider will have confirmed any exam and/or material copayments that the member is responsible for at the time of service as well as the benefits available to the member that are covered under the program. Members are only responsible for items that exceed their benefits or for non-covered items at the time of service minus any appropriate discounts. All In-Network Providers should provide a detailed receipt of their transaction at the time of check out to members.

In-Network providers submit all in-network claims. Members are not responsible for submitting any claims associated with using an In-Network provider. Providers submit all claims directly to SightCare using the standard HCFA 1500 forms. Reimbursement is paid directly to all In-Network Providers.

In-Network Providers will place the appropriate order for eyeglasses or contacts with the lab of their choice. In some instances, members could receive their glasses/contacts in the same day. However, on average it is between 3 to 5 days. There are many variables that determine the length of the production of the glasses i.e., prescription type and lens materials.

In-Network office staff should provide the member with an estimate of when their order should arrive prior to leaving the office. When the member's order arrives, the office staff will call to confirm receipt with the member.

Out-of-Network

Members electing to use an Out-of-Network Provider are required to pay for their services upfront at the time of service, complete a claim form and attach a copy of their receipt of the transaction to SightCare and submit it within 180 days of the date of service to be eligible for reimbursement. Reimbursement will be reimbursed based upon the Out-of-Network reimbursement schedule associated with their plan design and monies will be sent directly to the member. The turn-around time for the member's claim is 15 to 20 working days from the time we receive the claim from the member.

55. Identify all types of eye exams available to the member (i.e. Basic, Complete, Contact lens, etc.). Members can receive a routine standard eye examination (to include dilation) that is covered (as defined in question 57). The contact lens benefit is a flat dollar amount that can be applied to both the fitting fees, as well as, the purchase of contacts. Please note – If the member or Provider elects



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to use a portion of the contact lens benefit towards the fitting fee it is only a covered benefit if the member uses their contact lens benefit to purchase contact lenses. Fitting fees are only covered if contact lenses are purchased. If members elect to use a Nationwide Vision Provider to purchase contact lenses their fitting fee is covered at 100% and the allowance is used strictly towards the purchase of contacts and is not reduced by the fitting fee.

The vision program is designed to cover routine eye examinations to determine the member's refractive state to generate a prescription for eyeglass and contact lenses and to provide an overall eye health assessment which will alert the member to any medical concerns. In the event a member presents with a chief complaint that is medical related it is not a covered benefit. However, medical examinations are usually a covered benefit under the member's medical insurance.

- 56. What services are included in the basic/routine eye exam? The services included in the eye exam are Case History, Recording corrected and uncorrected visual acuity, Internal and External Exam, Papillary Reflexes, Binocular Vision, Objective and Subjective refraction, Test for Glaucoma, Slit Lamp Exam (Biomicroscopy), Dilation, Color Vision and Depth Perception. As well as, dilation if required.
- 57. Are material costs guaranteed during the contract period? Covered benefits are guaranteed during the contracted benefit. However, frame inventory and contact lens assortments are constantly changing based upon fashions and new materials being introduced into the marketplace every three to six months. In addition, new lens options are frequently updated or introduced based upon new products coming into the marketplace.
- 58. Are you able to provide a safety lenses/eyewear program? Please briefly describe. Yes, we can provide a safety lenses/eyewear program and are the current safety eyewear vendor for the City. The existing program was custom made for the City based upon their specific requires and is serviced exclusively through the Nationwide Vision Network.
- 59. Please fill in the following chart identifying the average cost to the participant for each non-covered lens option for a safety eyewear program.

Lens Option	2010 Average Cost
Polycarbonate	Is a covered benefit under the existing benefit
Progressive Multi-focal	Range is between \$ 129 to \$ 194 on average
Photochromic (grey/brown)	\$ 50 Transition Material \$ 79 99
Anti-Reflective Coating	Standard AR is \$69 99
Scratch Resistant Coating	\$ 20
High Index	\$ 89 99

- 60. Identify all professional services and material extras (e.g., tints, scratch coating, progressive multi-focal lenses, etc.) that are not covered under your vision benefits programs. Are these services and materials offered at a negotiated discount to members?



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Professional Service – A routine standard eye examination to include dilation are covered items.

All other Professional services are non-covered items i.e., vision training, medical or surgical treatment of the eyes. Any additional ancillary testing offered by the Provider is non-covered.

Material Extras – All lens options are considered non-covered items and include but are not limited to: tints, scratch coating, ultraviolet coatings, polycarbonate lenses, sunsenor, photochromic, transitions, anti-reflective coatings, progressive lenses, special lens orders, mid-index, high index, polarized, mirror coatings and warranty programs. It is impossible to list all of the different lens options offered by our Providers but the above list covers the major categories of lens options not covered.

Members are extended a 20% discount on all non-covered items at the time of service.

Please note – Under the Nationwide Vision Network standard Progressives are covered with a \$ 30 CoPay and Polycarbonate lenses for children under 18 years are a covered benefit.

61. Do you offer a discounted arrangement for laser surgery to correct vision deficiencies? If so, please provide details. Due to SightCare's working relationship with NationwideVision we provide a benefit of up to \$ 200 (\$ 100 per eye) towards a Lasik procedure when done at Nationwide Vision Laser Center located at 2222 E Camelback Road in Phoenix. The Nationwide Vision Laser Center is one of the largest Laser Centers in the western half of the United States. The average charge for a standard Lasik procedure is \$ 850 per eye. If the City retains SightCare, we would be willing to arrange a flat fixed dollar amount for different Lasik procedures based upon prescription parameters that would be made available to all City employees and their dependents.
62. Do you have access to contact lenses through mail order? If so, will you give members a discount for these mail order lenses? Through Nationwide Vision members can reorder their contact lens on our website and have their orders shipped directly to their homes. Our website is constantly updated to compare our pricing to 1-800 Contacts and other large direct contact lens mail order organizations to insure our members receive competitive pricing.

F. NETWORKS

- What specific qualifications and credentials do you require of the ophthalmologists and optometrists within your network?

Our Credentialing Committee monitors Provider Quality Assurance through utilizing NCQA credentialing standards and monitoring practice standards and guidelines. The guidelines are listed below.

- Primary Verification of Degree
- Maintains copies of all Doctor license's
- Professional Questionnaire is Kept on File



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- Verify with State Boards for any Actions Against Doctor's
 - Query National Practitioner Data Bank
And Healthcare Integrity and Protection Data Bank
 - Query Medicare and Medicaid Data Bank
63. Are you willing to expand your network to meet client needs? Absolutely - We are always expanding our network and would be willing to expand it further to meet the needs of your group. Our new website which will be done by July 1, 2010 will have the ability for members to nominate new providers which then will be emailed directly to our Provider recruiters.
64. How quickly are employers/members informed when providers are added to or leave a network? Hard copy directories available to the group are usually updated every six months. Members can logon to our website and review all of our providers or enter a Provider name to verify they are still an active Provider. The website database is always current. SightCare has less than 1% turnover in their Provider Network. As a result, members very rarely experience any issues with In-Network Providers.
65. What type of liability insurance do you require of your providers? See below.
- Nationwide Vision - Group Master Liability Policy
 - Policy Limits of \$ 2 Million Per Occurrence & \$ 4 Million Aggregate
 - Private Doctor Network
Policy Limits of \$ 1 Million Per Occurrence \$ 2 Million Aggregate
66. How much notice is a provider contractually required to give if they elect to terminate a contract with your network? We require a minimum of a 30 day notice.
67. What has been your rate of removal of providers involuntarily from your network? Through our front end screening, credentialing process and auditing we have not termed a Provider in our Network in over five years. The only turnover we have experienced historically has been when a doctor retires.
68. Describe how network providers are reimbursed.
Providers are reimbursed according to a reduced fee-for-service schedule. We do not require Providers to use certain manufacturing facilities. All Providers are free to use the manufacturing facilities of their choice. We do not charge a backend administrative fee or require Providers to purchase certain frame products through use as some other networks require.



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69. Please fill in the following table indicating in-network providers in Maricopa County:

Provider Type	Number of Providers In-Network
Ophthalmologists	9
Optometrists	206

70. Do you wholly own, partially own or lease your network? We wholly own our network. We do not lease our network.
71. If not wholly owned, please provide details of ownership or leased network arrangements. N/A.
72. What is your firm's current network utilization percentage? Members electing to use a In-Network Provider for the year 2009 was 97%.
73. How are participants identified to your providers as being enrolled in your program? When calling to schedule an appointment they simply need to identify themselves as a SightCare member. At the time of service members can identify themselves with their personalized I.D. card, or by simply informing the Provider of their name, the name of their employer, and that they are a SightCare member. The Provider will contact SightCare to verify eligibility and plan benefits.
74. On average, what percentage of frames sold by participating providers falls within your fully covered frame allowance? Our Providers are required to carry a minimum of 100 frames that would be covered at 100% under the proposed frame benefit.
75. Which major optical chain stores participate in your network, if any? Nationwide Vision, EyeMasters, Barnet Dulaney Perkins Eye Center, PLLC, Wal-Mart and Sam's Club are In-Network Providers.
76. Are there a minimum percentage of fully covered frames that providers are required to maintain in their frame inventory? It is not based upon a percentage but rather a minimum number of 100 frames that are covered.
77. How are scheduled benefit amounts for out-of-network services determined? How often are they reviewed? SightCare's Out-of-Network allowances are based upon the following factors: Comparison to competitor plan designs and based upon the reimbursement schedule we have in place with In-Network Providers. Out-of-Network schedules are reviewed on a yearly basis.
78. If a member needs care while in an area where you have a network (but the network is not part of the employer's plan), can the plan benefit from the discounts? N/A - Our proposal includes our Broad Network and therefore the city would have access to all of our Providers.



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79. Does your company negotiate discounts with non-network providers and facilities on a case-by-case basis? Describe this program and indicate how you are compensated for this program (e.g., pepm, percent of savings). No, we do not offer this service.
80. Indicate any quality control programs you have in place to assure timeliness, accuracy and honesty by your providers. The best way to acquire feedback is through our Member Satisfaction Surveys and our events log of feedback from our members. As well as, through our Credentialing Committee to monitor Provider Quality Assurance through utilizing NCQA credentialing standards and monitoring practice standards and guidelines.
81. Please provide a geo access of 2 providers within 10 miles of City Hall. Also indicate 2 providers within 10 miles that are able to provide safety eyewear. We are not able to provide a Geo-Access report due to the RFP not including the zip codes for eligible members. We are happy to run a Geo-Access if provided the information.

G. RECRUITING/CREDENTIALING/TERMINATION

82. Indicate whether or not your contracted network providers are able to enroll with alternative delivery systems not sponsored by your network. In-Network Providers are free to choose the manufacturing facility of their choice. Therefore, the delivery system to obtain frames, contact lenses and manufacturing services is completely left up to each individual Provider. All In-Network Providers are Independent Contractors and are free to enter into arrangements with any other Provider Network. SightCare does not restrict any Provider from joining another Provider Network.
83. Are there any incentives (other than increased volume of patients) given to providers for joining your network? We do not offer any other incentives for Providers to join our Network. However, once an In-Network Provider obtains an authorization number for Professional Services and materials should it turn out that a member was not eligible for services, SightCare will pay the claim as long as an authorization number was obtained. As a result, if a Provider follows the proper eligibility protocols for receiving authorization numbers their claims will not be denied. This is a very unique benefit since the majority of all vision networks retain the right to refuse payment after the fact, should they determine a member was not eligible or there was an error when eligibility was originally obtained.
84. Briefly describe the credentialing process used to enroll providers for your network. Do you adhere to the NCQA provider credentialing standards? We use the NCQA standards as our guideline to credentialing. Below is a list of our credentialing requirements.
- Primary Verification of Degree
 - Maintains copies of all Doctor license's
 - Nationwide Vision - Group Master Liability Policy
 - Policy Limits of \$ 2 Million Per Occurrence & \$ 4 Million Aggregate

 - Private Doctor Network



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Policy Limits of \$ 1 Million Per Occurrence \$ 2 Million Aggregate

85. What is unique or progressive about your credentialing processing for physicians? We use the NCQA standards and have received many favorable audits because of our efficiency.
86. How are providers recruited? As we continue to increase the number of covered lives we are contacted directly by Providers to become participating providers for our network. In addition, we have CSR that call to recruit providers, as well as, members who contact us asking to contact a specific provider to see if they would like to join the network.
87. What procedure must be followed if a participant or the client requests a provider to be included in your network? We would simply need to be informed of the Provider and their telephone number. If the Provider agrees to accept the reimbursement schedule and completes the necessary Provider contracting material, the formal credentialing process takes approximately 1 week to complete. Once the credentialing process has been completed the Providers formal application will go before the credentialing committee for formal acceptance in the network. The process takes approximately two to three weeks from the time we receive the Providers formal application and signed agreement.
88. Does your provider contract contain language which requires the provider to comply with UR/QA protocol/procedures? Yes. There is very specific language in our Provider agreements that require all Providers to participate in our quality assurance programs, auditing and peer review processes.
89. Is there provider rewards (bonuses, profit sharing) tied to the overall cost effective performance? Please explain. No, we do not offer any bonuses or profit sharing to our Providers.
90. What percent of providers are at full capacity and will no longer accept new patients? All of our Providers will accept new patients.
91. On average, what is the current ratio of participants to providers? 1 SightCare Provider for every 250 SightCare members. A major client is restricted to the Nationwide Vision Network only.

H. IMPLEMENTATION

92. What is the minimum amount of lead time required to implement this account? We would request 90 days to insure that the implementation process goes smooth due to enhancement/upgrades to our systems.
93. Please confirm that you will provide qualified staff for presentations at annual open enrollment meetings or benefit fairs held for the City's employees. Yes, SightCare will provide representatives to attend open enrollment meetings, as well as, benefit fairs.
94. Please provide a sample of a new member communication package which should include information on: Benefits, Provider Locations, how to use services, and Member Services. We have included a copy of the of the member communication package in Tab 5. We have



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included a copy of the Enrollment Form, Group Application and provider directory. In Tab 4 we have attached a sample copy of the contract and brochure.

95. Please provide a complete implementation plan, including personnel, timeline and tasks to be accomplished for you to assume the obligations of the contract by the effective date.

See Attachment behind this page.

I. FEES/RATES/PREMIUM INFORMATION

96. Please fill in the following chart indicating which communication services can be provided and any charges associated with these services.

	Can Provide?	Included in Rates?	Cost	Can Customize?
ID Cards	Yes	Yes	N/A	No
Claim Forms	Yes	Yes	N/A	No
Summary Plan Description	Yes	Yes	N/A	No
Summary Annual Report	Yes	Yes	N/A	Yes – We have some flexibility.
Summary of Material Modifications	Yes – Plan Design is guaranteed for 2 years.	Yes If any material changes made after two years we would revise all materials .	N/A	No
Annual Benefits Statements	Yes – We provide a summary of benefits to all members.	Yes	N/A	Yes – We have some flexibility with regards to including logos.
General Letters sent to Employees	Yes	Yes – If we need to communicate with a member pertaining to their coverage.	N/A	No
Toll Free Access	Yes	Yes	N/A	No
Internet Employee Access	Yes	Yes	N/A	No
Internet Employer	Yes	Yes	N/A	No



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Access

- 97. Provide a list and detailed description (including frequency) of reports provided on a standard basis (no additional costs). Clients can request utilization reports on a quarterly basis that provide premiums received and claims paid out. We are revising our claims system to be able to provide services received by line item benefit on a quarterly basis.
- 98. Do you provide custom/ad hoc reports at the request of the client? Are there any charges for customized reports? Our IT Department is able to provide most data reports and if the information is easily retrievable there would be no charge. For complex programming or if outside programming is required we would need to discuss the costs of these reports.
- 99. Please provide a copy of your standard Business Associate Agreement. Attached behind this page.
- 100. Please provide a copy of your standard contract. Attached in Tab #4.
- 101. What is the premium due date? Currently, premiums are billed out on the third Thursday of each month and are due by the tenth of the following month. We will be changing our billing cycle within the next two months to bill the first of the following month and premiums will be due by the 15 of the month.
- 102. When are administrative fees billed? Declined to quote Self-Funded plan design.
- 103. What banking arrangements or options are you offering as part of your bid? Please provide complete details concerning applicable deposits and amounts. Declined to quote Self-Funded plan. Design.
- 104. Do the banking reports reflect issued or cleared? Declined to quote Self-Funded plan design.
- 105. Are funds requested from the client when a check is cut or when it is cashed? Declined to quote Self-Funded plan design.
- 106. Will you agree to provide 180 days notice prior to a rate change? Yes, we agree for the fully-insured plans.
- 107. What would cause a change in the group's rate, if any? If there is a change in the enrollment amount that exceeds 20% of the current covered lives. SightCare would reserve the right to modify their pricing structures.

J. PERFORMANCE STANDARDS AND GUARANTEES

- 108. Please fill in the following chart for the claim office/customer service center that will have payment responsibility for this account.

Responsible Party	Implementation Activity	Timeframe
City of Peoria (COP)	Revision of Specimen policy to confirm to specifications	By March 15, 2010
COP & SightCare	IT Electronic Eligibility formatting	Start April 15, 2010
SightCare	Draft of Employee Materials	By April 15, 2010
SightCare	Deliver Policy Agreements	By May 15, 2010
SightCare	Open Enrollment Material	By May 30, 2010
SightCare	Delivery of Employee Materials	By May 30, 2010
COP & SightCare	Review of benefits and procedures to Employee Groups – Open Enrollment Meetings	To Be Determined
Enrollment forms / eligibility data	Coordinated with Open Enrollment dates	To Be Determined
COP & SightCare	Finalize IT Electronic Eligibility Formats and Procedures	By June 1, 2010
SightCare	Administrative Manual	By June 1, 2010
SightCare	Claim forms and benefit supplies	By June 15, 2010
COP	Receipt of Electronic Eligibility file for members effective 7-1-10	By June 15, 2010
SightCare	Enrollment/Communication materials and ID Cards mailed to members	Received by July 1, 2010



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	Goal	2009 Actual	2008 Actual
Customer service call answer speed	Answer within 10 to 15 seconds	97%*	95%*
Call wait time	Not to exceed 60 seconds	95%*	93%*
Call abandonment rate	Less than 1% of all calls received	97%*	96%*
Claims processing turnaround time	Within 15 to 25 days	95%*	95%*
Claims payment accuracy	100%	99%*	99%*
Claims financial accuracy	100%	99%*	99%*
Enrollment eligibility accuracy	100%	97%*	97%*
		* Achievement of goals	* Achievement of goals

109. Are you willing to place a portion of the premiums at risk should performance standards not be met? We provide excellent customer service. Therefore, we do not offer premium reductions for performance standards.
110. Can tracking and reporting of the performance standards be based on client-specific data? Currently no but this year we will look at the ability to separate out by specific client.



PRICE SHEET

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RATE HISTORY

Coverage Tier	1/1/10 – 6/30/10 (Current Rates)	1/1/09-12/31/09	1/1/08-12/31/08
Employee Only	\$3.91	\$3.80	\$3.80
Employee + Family	\$8.67	\$8.42	\$8.42

Coverage Tier – FULLY INSURED	Rates (PEPM)	
Employee	\$3.95	
Employee + Family	\$8.99	
Rate Guarantee	Employee	Employee + Family
7/1/2011-6/30/2012 (FY2012)	\$3.95	\$8.99
7/1/2012-6/30/2013 (FY2013)	May hold rates but will not exceed 4%.	
7/1/2013-6/30/2014 (FY2014)	If rate increase 3 rd yr. guarantee rate.	
7/1/2014-6/30/2015 (FY2015)	Will hold through the rest of the agreement.	
Safety Eye Care Plan		
Safety Benefit	See Safety Price Structure	

Coverage Tier – BUY-UP PLAN	Rates (PEPM)	
Employee		
Employee + Family		
Rate Guarantee	Employee	Employee + Family
7/1/2011-6/30/2012 (FY2012)		
7/1/2012-6/30/2013 (FY2013)		
7/1/2013-6/30/2014 (FY2014)		
7/1/2014-6/30/2015 (FY2015)		
Safety Eye Care Plan		
Safety Benefit		

SELF-INSURED PLAN

	Employee Only	Family	Composite
Retention	Declined to Quote		
Expected Claims			
Total Illustrative Rates			

SELF-INSURED BUY-UP PLAN

	Employee Only	Family	Composite
Retention	Declined to Quote		
Expected Claims			
Total Illustrative Rates			

Triple Network Option - Base Plan 12-12-24-12

Nationwide Vision & Preferred Provider & Out-of-Network

City of Peoria - Custom Plan - 120

Provider Network	Nationwide Vision	<u>OR</u> Preferred Provider <u>OR</u>	SightCare	Out-of-Network Allowance
SERVICES				
Eye Examination:				
Eyeglass or Contact Lens	Covered 100%		\$ 10 CoPay See CL's Section	Up to \$ 35 See CL's Section
Ancillary Testing for Exams:				
Dilation	100% Covered		100% Covered	See Exam Allowance
Visual Fields Screening	\$ 9 CoPay		20% Discount*	Not Covered
Frames:				
Frame Allowance	Up to \$ 120		After \$ 10 Material CoPay Up to \$ 120 WalMart/Sam's Club \$80	Up to \$ 45
Standard Lenses:				
Single Vision	100% Covered		100% Covered	Up to \$ 25
Bifocal FT-28	100% Covered		100% Covered	Up to \$ 40
Trifocal 7 X 28	100% Covered		100% Covered	Up to \$ 55
Progressive (Standard)	\$ 30 CoPay		Bifocal Allowance Minus 20%*	Bifocal Rate Up to \$ 40
All Other Progressives	\$79.99 Allowance** (**Then 20% Discount)		Bifocal Allowance Minus 20%*	Bifocal Rate Up to \$ 40
Options:				
Polycarbonate (Under 18 yrs.)	100% Covered		20% Discount*	Not Covered
UV, Tint and Scratch Coat	\$ 10 CoPay Each		20% Discount*	Not Covered
All Other Lenses & Options	20% Discount		20% Discount*	Not Covered

In Lieu of Eyeglasses (Frames & Lenses)

Contact Lens Benefit:				
Fitting Fees	100% Covered (When used with CL Benefit)		After \$ 10 Material CoPay See CL's Section	See CL's Section
Product Benefit				
Cosmetic Contacts	Up to \$ 120		\$ 105 Allowance towards CL's and Fitting	\$ 105 Allowance towards Fitting and CL's purchase.
Medically Necessary	Up to \$ 250		Up to \$ 250	Up to \$ 105
LASIK Benefit:				
In Lieu of Exam, Eyeglasses or Contact Lens Benefit	LASIK Benefit \$200 Allowance (\$100 per eye)		LASIK Benefit Not Available Not Covered	Not Covered
Second Pair Purchase:				
Frames	50% Discount		Not Covered	Not Covered
Lenses	25% Discount		Not Covered	Not Covered
Options	25% Discount		Not Covered	Not Covered
Replacement Lenses				
Disposable	10% Discount		10% Discount*	Not Covered
Conventional	20% Discount		20% Discount*	Not Covered

Notations:

Options & Upgrades*

Provider Network

Out-of-Network Allowance

LASIK Benefit

Wal-Mart & Sam's Club do not provide any additional discounts from their everyday low price
 Nationwide Vision OR Preferred Provider OR Out-of-Network Allowance
 Member must pay first and then submit receipts to SightCare to be reimbursed
 Exclusively through Nationwide Vision Laser and Eye Center

Safety Pricing Structure

Provider Network

The Nationwide Vision Network is the exclusive Provider

Benefit

Reimbursement

Frame Selection: \$ 20 to \$ 50 assortment	Retail price less 40%
Lenses: Single Vision	\$ 28
Lenses: Bifocal FT-28/FT-35	\$ 45
Lenses Trifocal 7x28/ 7x35	\$ 55
Lenses: Standard Progressive	\$ 90
Polycarbonate lenses	\$ 12
Side shields	\$ 2

Above pricing structure is guaranteed for two years.

VINCENT HAYES

HEALTH CARE EXECUTIVE

Innovative leader with proven success in the creation of strategic initiatives that enhance profitability and positioning in today's changing managed care environment Skills include.

- Strategic Planning
- Innovation
- Problem Solving
- Financial Analysis
- P & L Responsibility
- Team Building
- Start-Ups
- Market Penetration

EXPERIENCE

NATIONWIDE VISION CENTER, Chandler, AZ

1999-Present

Vice President Managed Care Sales

Increased managed care sales from 18% of total company sales to close to 50% accounting for \$18 million in revenue Responsible for all managed care contracting, billing, account receivables, and customer service for managed care patients

- Manage and run Nationwide Vision's affiliated insurance company SightCare, Inc
 - Revenue increase of 30% a year for the last 4 years
 - Increase in new client count by over 100+ new clients last 2 years

FRAME-N-LENS OPTICAL, INC , Fullerton, CA

1995-1999

Vice President Managed Care Sales

Architect of the managed care strategic direction utilizing the 290 retail optical locations as a premier managed care vision network Emphasis created vertical integration of all services providing significant benefit enhancements and cost advantage to clients

- Championed the attainment of a specialized ancillary Knox Keene (HMO) license that
 - Authorized direct access to an optometrist at retail locations,
 - Provided the ability to contract with HMOs and PPOs on a capitative basis,
 - Produced a forecasted revenue increase of 20-45%
- Increased Managed Care Sales by 20% per year by generating subcontracting arrangements and introducing fully-insured products into the marketplace.
- Implemented and computerized managed care operation procedures that substantially reduced bad debt write-offs by 80% and expedited reimbursement by 30%

NEW WEST EYEWORKS, INC., Phoenix, AZ

1990-1995

Vice President Managed Care Sales

Directed all managed care activity and supervised a staff of 10, including business and product development, sales, contract negotiations, development of provider standards, and claims administration

- Increased productivity and enhanced reporting capabilities by re-structuring all billing & collection systems and standardizing internal procedures
- Generated annual sales growth of more than 40% over a five-year period by aggressively contracting with HMO's, insurance carriers, and unions as the preferred vision provider
- Increased Managed Care sales from 4% to approximately 30% of total revenue by positioning the company as a comprehensive cost effective managed vision care network

NATIONAL VISION SERVICES, Phoenix, AZ

1988-1990

National Marketing Director

Specialized in responding to complex Request for Proposals (RFPs) Emphasized the growth of an existing national brokerage network to effectively market NVS and affiliated products

- Revised marketing materials to effectively communicate products to clients and brokers
- Generated 40% increase in sales by expanding the broker network by 60%
- Increased new RFP business by 30% through proposals that highlighted product advantages in a clear comprehensive manner

DUN & BRADSTREET, Phoenix, AZ

1986-1988

Regional Marketing Director

Provided analytical forecasting of local competitive markets, products, and trends Hired, taught, and supervised marketing representatives Specialized in the expansion and retention of self-funded clients

- Generated the following revenue through direct selling and development of a loyal broker network that generated Self-Funded business in excess of \$ 5,000,000, and
 - Large Group Business - Revenue in excess of \$ 8,000,000,
 - Multiple Employer Trust (MET) Business - Revenue in excess of \$ 4,250,000

GROUP QUOTES, INC., Phoenix, AZ

1985-1986

President/Partner

Objective was to achieve profitability of a start-up organization as quickly as possible Designed computer programs utilizing cost analysis and benefit comparisons emphasizing managed care products and alternate funding arrangements

- Achieved profitability within eight months through generation of a client base comprised of more than 50 companies

BECHTOLD – O'BRIEN INSURANCE AGENCY, Chicago, Ill

1982-1985

Broker

Specialized in health insurance, emphasis on group health insurance Inter-office duties consisted of premium financing, personnel management, and marketing

- Implemented "QuoteSmith's" insurance program that provided a quick, comprehensive analysis of health benefits to clients and generated a 50% increase in revenue

EDUCATION

Loyola University, Chicago, Illinois - B A , Sociology, 1982

PROFESSIONAL AFFILIATIONS

Member of the Healthcare Financial Management Association
Member of the Orange County Employee Benefit Council
Maintain an active California Insurance License

Rebecca A Garano
742 E Ironwood Drive, Chandler, AZ 85225
Home (480) 659-0056
Cell (480) 221-5850

-
- SUMMARY** Insurance professional with over 20 years of proven accomplishments in the health care industry
Recognized as a pragmatic decision maker with strong leadership and technical abilities
Demonstrated successes in both claims and customer service
- EXPERIENCE** Nationwide Vision 2008– Current
Claim Operations Manager
- Responsible for managing daily operations of claims department Includes management of billing, collections, and accounts receivable
- Report to Vice President of Operations and manage a staff of 11 insurance clerks Coordinate all selection and hiring as well as coaching and performance management of claim personnel
- Ensure efficient submission of manual and electronic claims
 - Perform root cause analysis of claim information
 - Research claim payment system to identify errors
 - Prepare daily and monthly reports for senior management
- EXPERIENCE** Health Choice of Arizona 2005 – 2008
Claim Supervisor
- Responsible for managing daily operations of the Claims Department Includes management of inventory and pends
- Report to the Director and manage a staff of 40 including claims processors, adjustment coordinators, and clerical support Coordinate all selection and hiring as well as coaching and performance management of claim personnel
- Ensure adherence to company policy & procedure, AHCCCS and CMS guidelines for claim administration
 - Streamline and provide resolution to claims payment and procedure processes
 - Prepare daily, weekly and monthly claims reports for senior management and AHCCCS
- EXPERIENCE** Maricopa County Integrated Health System 2003 - 2004
Claim Analyst III
- Responsible for researching and resolving complex claim issues Reported to the Director of Claims
- Investigation, data entry, and processing of HCFA 1500s, UB92s, COB, and dental claims
 - Researched and responded to telephone calls coming into the Director of Claims
 - Developed a system to log all claim receipts and to report claim backlogs
 - Coordinated with the finance department advance payments and dental payments
- EXPERIENCE** United Health Group, Inc 1998 - 2001
Business Manager
- Responsible for strategic planning, direction, and management of quality and profitability for the following claim teams Data Entry, Processing, Field Service (adjustments, retro terminations, negative payee), Coordination of Benefits, and Quality Auditing
- Reported to Director and managed a staff of up to 54 including 3 supervisors Coordinated all selection and hiring, performance management, and training Aligned with key business partners to develop and implement action plans to control expenses while increasing quality and profitability
- Developed and implemented a business ramp-plan for staffing and training to transition membership of 275,000 to a new site and new claim platform
 - Reported, monitored, and analyzed claim department production, turnaround time and quality reporting and developed plans to maintain key performance indicators and standards

Rebecca A Garano
742 E Ironwood Drive, Chandler, AZ 85225
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Cell (480) 221-5850

- Actively participated as a member of a provider payment improvement team responsible for researching payment problems and working with a multi-functional team to identify and resolve root causes
- Established and led a quality trending committee responsible for trending claim quality errors and developing action plans to eliminate error types and improve results
- Increased auto-adjudication by trending and analyzing suspended claim reasons and developed processes to achieve desired results by automating versus manual intervention of claim processing improving quality and consistency

EXPERIENCE Prudential Healthcare, Inc 1987-1997
Health Care and Financial Services Company

Supervisor / Associate Manager 1989-1997
Provider Relations Technical Analyst 1988-1989
Member Services Representative 1987-1988
Claim Examiner 1987

Responsible for strategic planning, direction and budgeting for the following departments Appeals and Complaints, Automated Medical Review, Complex Claim Review, Training and Development, Quality Review, and Customer Call Center

Reported to Director and managed a staff of up to 45 including four supervisors Coordinated all selection and hiring, performance appraisals, coaching and training Designed and implemented process improvements

- Implemented pre-disbursement audits, resulting in a savings of \$3 million the first year (1992) Increased savings each year, achieving an annual savings of over \$8.5 million in 1996
- Served as leader of multi-functional team which reduced claim reprocessing 40% within three months, a cost savings of \$600,000
- Decreased number of appeals and complaints by 20% in 1996 by providing direct feedback/recommendations to appropriate functional areas for coaching and training
- Developed and wrote policies and procedures for effectively handling appeals and complaints, ensuring compliance with Department of Health Regulations, NCQA guidelines and corporate policy
- Instituted and led an appeal advisory committee, consisting of subscribers as well as medical professionals
- Resolved all complaints received by the Chairman of the Board and other senior executives
- Led initiative to develop and implement quality review for customer service, appeal/complaint and claim review processes
- Established team to resolve complex claim issues by identifying root causes and making recommendations for long-term resolution
- Resolved all unprecedented claims issues and established a process for documenting resolution procedures to ensure access for remote facilities

EXPERIENCE Hill Country Life Insurance Company 1986-1987
Medical Claim Adjuster

EXPERIENCE Central Texas Health Plan 1985-1986
Customer Service Representative

EDUCATION Community College of Allegheny County, Monroeville, PA
Associate of Science, Business Management

Linda K. Leiting

EXPERIENCE

3/97 - Present

Nationwide Vision Center

222 N McKemy
Chandler, AZ 85226

POSITION - Director – Customer Service

JOB RESPONSIBILITIES – Receiving of all new group case materials from the sales representative and verifies that all documentation is complete Responsible for the initial account setup, distributing of brochures, contracts and all required paperwork Responsible for generating monthly Managed Vision Reports indicating current offices and doctors Key liaison for the brokers, clients and members Receives, documents and resolves all customer complaints Reviews and responds to all Patient Satisfaction Surveys Coordinates with the broker for contract renewal and required documentation. Coordinates and conducts open enrollment meeting Coordinates with SightCare Provider Representative the generation of manual billing for the first month's premium Coordinates with the accounting department to ensure the broker and GA commissions are dispersed correctly

4/95 – 3/97

Chandler Paint & Decorating

2164 N Alma School Rd.
Chandler, AZ 85224

POSITION - Manager

JOB RESPONSIBILITIES – Managed, supervised and trained part-time sales staff Managed the daily activities of the store Inventory control and management Coordination of blinds, paint and wall coverings to ensure customer satisfaction Managed customer relations and handled contractor's requests Handled the accounting functions of accounts receivable/payable

9/94 – 4/95

Bea's Lamps & Shades & Things

2918 S Alma School Rd

Mesa, AZ 85210

POSITION - Assistant Manager

JOB RESPONSIBILITIES – Assisted with the management of the store. Trained, supervised part-time employees, maintained inventory, assisted with the interior decorating needs of the patrons, opening and closing of store, kept accurate sales records, designed and maintained store displays

7/89 – 8/94

Sherwin Williams

809 Storey Street

Boone, IA 50036

POSITION - Assistant Manager

JOB RESPONSIBILITIES – Assisted with the daily activities of managing the store. Supervised and trained part-time sales staff, inventory control, assisted with the color coordination for the customer's blinds and wall coverings. Assisted with Accounts Receivable/Payables. Answering of phones on a multi-line phone system

10/88 – 7/94

Caseys General Store

1127 Storey Street

Boone, IA 50036

POSITION - Manager

JOB RESPONSIBILITIES – Responsible for the daily operations of the store. Managed and controlled inventory. Trained and supervised all employees. Assisted with the daily balancing of the cash drawers. Managed customer relations

EDUCATION

May 1977

Carroll Community High School

Carroll, Iowa 51401

Business Associate Agreement
Health Insurance Portability and Accountability Act (HIPAA)

This Business Associate Agreement (the "Agreement") is made and entered into as of _____, on behalf of SightCare, Inc. (hereinafter "Covered Entity"), and Enter Company Name. (hereinafter "Business Associate").

Recitals

WHEREAS, the Department of Health and Human Services ("HHS") has promulgated regulations at 45 C.F.R. Parts 160-164, implementing the privacy requirements set forth in the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (the "Privacy Rules");

WHEREAS, the Privacy Rules provide, among other things, that a covered entity is permitted to disclose Protected Health Information (as defined below) to a business associate and allow the business associate to obtain and receive Protected Health Information, if the covered entity obtains satisfactory assurances in the form of a written contract that the business associate will appropriately safeguard the Protected Health Information;

WHEREAS, Business Associate will have access to, create and/or receive certain Protected Health Information in conjunction with the services being provided by Business Associate to Covered Entity, thus necessitating a written agreement that meets the applicable requirements of the Privacy Rules. Both parties have mutually agreed to satisfy the foregoing regulatory requirements through this Agreement

NOW THEREFORE, Covered Entity and Business Associate agree as follows:

- 1 Definitions. The following terms shall have the meaning set forth below
 - (a) C.F.R. "C F.R." means the Code of Federal Regulations.
 - (b) Designated Record Set "Designated Record Set" has the meaning assigned to such term in 45 C.F.R. 164.501.
 - (c) Electronic Protected Health Information. "Electronic Protected Health Information" has the meaning assigned to such term in 45 C.F.R. 160.103.
 - (d) Individual. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 164.501 and shall include a person who qualifies as the Individual's personal representative in accordance with 45 C.F.R. 164.502 (g).
 - (e) Protected Health Information "Protected Health Information" shall have the same meaning as the term "Protected Health Information", as defined by 45 C.F.R. 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
 - (f) Required By Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164 501

(g) Secretary. “Secretary” shall mean the Secretary of HHS or his designee.

(h) Security Incident “Security Incident” shall mean the successful unauthorized access to, disclosure, modification or destruction of, or interference with, the Electronic Protected Health Information by a third party.

2. Obligations and Activities of Business Associate

(a) Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law.

(b) Business associate agrees to use commercially reasonable and appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.

(c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

(d) Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.

(e) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information or Electronic Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

(f) Business Associate agrees to provide access to Protected Health Information in a Designated Record Set, in the time and manner Required by Law, to Covered Entity or, as directed by Covered Entity, to an Individual, in order to meet the requirements under 45 C.F.R. 164.524.

(g) Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set pursuant to 45 C.F.R. 164.526 at the request of Covered Entity or an Individual, and in the time and manner Required by Law.

(h) Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate, on behalf of Covered Entity, available to the Secretary, for purposes of the Secretary determining Covered Entity’s compliance with the Privacy Rule.

(i) Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528.

(j) Business Associate agrees to provide to Covered Entity, upon request and in the time and manner Required by Law, an accounting of disclosures of an individual’s Protected Health Information, collected in accordance with Section 2(i) of this Agreement, to permit Covered Entity to respond to a

request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528. If Covered Entity requests an accounting of an Individual's Protected Health Information more than once in any twelve (12) month period, Business Associate will impose a reasonable fee for such accounting in accordance with 45 C.F.R. 164.528(c)

(k) Business Associate acknowledges that it shall request from the Covered Entity and so disclose to its affiliates, subsidiaries, agents and subcontractors or other third parties, only the minimum Protected Health Information necessary to perform or fulfill a specific function required or permitted hereunder.

(l) Business Associate agrees to use commercially reasonable and appropriate safeguards, in accordance with the applicable requirements of 45 CFR Part 164 in order to maintain the security of the Electronic Protected Health Information and to prevent unauthorized uses or disclosures of such Electronic Protected Health Information. Business Associate shall report to the Covered Entity any Security Incident of which it becomes aware

(m) If Business Associate conducts any Standard Transactions on behalf of Covered Entity, Business Associate shall comply with the applicable requirements of 45 C.F.R. Part 162.

3. Permitted Uses and Disclosures by Business Associate

3.1 General Use and Disclosure

Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform its obligations and services to Covered Entity, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity

3.2 Specific Use and Disclosure Provisions

(a) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

(b) Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(c) Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity.

4. Obligations of Covered Entity.

4.1 Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

(a) Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. § 164.520, as well as any changes to that notice.

(b) Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

(c) Covered Entity shall notify Business Associate, in writing, of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522

(d) Covered Entity acknowledges that it shall provide to, or request from, the Business Associate only the minimum Protected Health Information necessary for Business Associate to perform or fulfill a specific function required or permitted hereunder.

4.2 Permissible Requests by Covered Entity

Covered Entity represents and warrants that it has the right and authority to disclose Protected Health Information to Business Associate for Business Associate to perform its obligations and provide services to Covered Entity, and Business Associate's use of the Protected Health Information to perform its obligations and provide services to Covered Entity requested by Covered Entity does not violate the Privacy Rules, Covered Entity's privacy notice or any applicable law. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

5. Term and Termination

(a) Term. The provisions of this Agreement shall take effect April 14, 2003, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the provisions in this Section.

(b) Termination for Cause. Upon the parties mutual agreement that there has been a material breach by Business Associate which does not arise from any breach by Covered Entity, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within a mutually agreeable time, or immediately terminate this Agreement if cure of such breach is not possible.

(c) Effect of Termination.

(1) Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall request, in writing, Protected Health Information that is in the possession of subcontractors or agents of Business Associate.

(2) In the event the Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall extend the protection of this Agreement to such Protected Health Information, limited to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

6. Miscellaneous

(a) Regulatory References. A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.

(b) Amendment. Upon the enactment of any law or regulation affecting the use or disclosure of Protected Health Information, or the publication of any decision of a court of the United States or any state relating to any such law or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, either party may, by written notice to the other party, and by mutual agreement, amend the Agreement in such manner as such party determines necessary to comply with such law or regulation. If the other party disagrees with such amendment, it shall so notify the first party in writing within thirty (30) days of the notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, then either of the parties may terminate the Agreement on thirty (30) days written notice to the other party.

(c) Survival. The obligations of Business Associate under section 5(c)(2) of this Agreement shall survive the termination of this Agreement.

(d) Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits both parties to comply with the Privacy Rule. In the event of any inconsistency or conflict between this Agreement and any other agreement between the parties, the terms, provisions and conditions of this Agreement shall govern and control.

(e) No third party beneficiary. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations, or liabilities whatsoever.

(f) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement

SightCare, Inc.
220 N. McKemy Ave.
Chandler, Arizona 85226

By: _____
Name: Vincent Hayes
Title: Vice President Managed Care

ENTER COMPANY NAME

By: _____
Name:
Title:

SIGHTCARE, INC.

Master Group Vision Care Plan Agreement Triple Option Plan 120 Custom Plan Design - \$-10- Exam - \$-10- Materials CoPay Frequency A

THIS AGREEMENT is made and entered into on this 1st day of, 2008 , by and between NAME OF COMPANY ("Group") and SightCare, Inc ("SightCare").

RECITALS

WHEREAS, SightCare has the ability to arrange for, administer and provide vision services and products to enrolled members,

WHEREAS, Group desires to purchase vision services and products on behalf of its eligible employee population and their dependents,

WHEREAS, SightCare and Group mutually desire to enter into an Agreement whereby SightCare shall provide appropriate vision services and products as well as required administrative services to Group

NOW THEREFORE, in consideration of the premises and mutual promises herein stated, it is agreed by and between the parties hereto as follows

DEFINITIONS

As used in the Agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below.

"Anisometropia" means there is a difference in refractive error between the two eyes greater than 4 00 diopters.

"Credentialing" means those processes established and operated by SightCare to ensure the qualifications of Participating Providers

"Complaint Resolution" means those processes established and operated by SightCare to resolve complaints raised by Enrolled Members or by Group regarding quality of care or service in the provision of Covered Services

"Copayment" means an amount specified by SightCare which the Enrolled Member pays directly to a Participating Provider at the time Covered Services are rendered

"Covered Services" means the specific vision services and products provided under the regulations of the Agreement, and for which Participating Provider assumes responsibility and agrees to provide to or obtain for Enrolled Members

"Daily Wear Contact Lenses" means contact lenses which correct only spherical prescriptions and are approved by the FDA for daily wear use only

"Dependent" means those individual in the Subscriber's family who meet the eligibility requirements of the "Dependent" provision of the "Eligibility" Section and are enrolled under this Agreement

"Designer Frames" means frames in which the retail price is between \$90 and \$120

"Enrolled Members" means eligible persons enrolled with SightCare to receive Covered Services from Participating Providers.

"Extended Wear Contact Lenses" means a contact lens which is approved by the FDA to be worn overnight

"Fashion Frames" means frames in which the retail price is between \$50 and \$90

"FT28 Bifocal" A bifocal lens is a lens having two areas for viewing, the upper portion of the lens is for distance vision, and the lower for near vision. A FT28 bifocal is one in which the near vision is a half circle of a diameter of 28 mm inset in the lower section of the lens with the flat portion of the lens occurring at the top half of the lens

"FT 7 X 28 Trifocal" A trifocal is a lens having three areas of viewing, each with its own focal power. Usually the upper portion is for distance viewing, the lower for near viewing and the middle or intermediate portion for distances in between. A FT 7 X 28 trifocal is one which is designed similarly to the FT28 bifocal with an intermediate section 7 mm wide inset between the distance and near vision

"Keratoconus" means a pathological condition of the cornea where the shape takes on a coned appearance, causing irregular astigmatism and thinning of the cornea. This thinning can lead to ulceration of the cornea, which would require a corneal transplant

"Participating Provider" means those Optometrists duly licensed in the State of Arizona, participating in the SightCare contract network to provide Covered Services to Enrolled Members

"Premium Payment" means a predetermined periodic payment made to SightCare by Group for providing Covered Services based on the number of Enrolled Members

"Progressive Bifocals" means a lens whose front surface utilizes specially designed curves creating a gradual increase in plus power from the distance optical center to total near power. This allows clear vision at any point of focus from distance to near. Often called "no line" bifocal

"Quality Management" means those processes established and operated by SightCare relating to the quality of Covered Services

"**Subscriber**" means an employee, or a participant in Group who meets the eligibility requirements of the "Subscriber" provision of the "Eligibility" Section and enrolls under this Agreement

"**Utilization Reporting**" means those processes established by SightCare to monitor and report utilization of Covered Services by Enrolled Members

"**Value Frames**" means frames in which the retail price of the frame is under \$50

SECTION I RESPONSIBILITIES OF SIGHTCARE, INC.

1.01 Network Management SightCare shall contact with and credential a network of Participating Providers sufficient to deliver Covered Services to its Enrolled Members

1.02 Administration

1.02.01 SightCare shall process eligibility information and communicate this information to Participating Providers

1.02.02 SightCare shall conduct Quality Management, Utilization Reporting and Complaint Resolution activities

1.02.03 SightCare shall bill Group on a monthly basis and will be responsible for reimbursing Participating Providers in a timely fashion

1.03 Licensure SightCare shall obtain and keep current licenses required to provide Covered Services to Group's Enrolled Members

SECTION II RESPONSIBILITIES OF GROUP

2.01 Eligibility Tracking SightCare shall track those employees who are eligible to receive Covered Services and shall provide an updated listing of Enrolled Members to Group by the 1st day of each month. This monthly listing shall include Member names, sex and date of birth. It will also include the same information for all dependents on the plan. Group will update the list for that month and return with monthly premium payment.

2.02 Termination Notification Group shall provide SightCare with timely monthly notification of enrollees who terminate. SightCare shall only give credit of up to 60 days for enrollees who have terminated from the group.

2.03 Monthly Payment Group shall provide SightCare with a monthly premium payment for each Enrolled Member by the **10th** day of each month.

2 04 Participation Requirements Group will be responsible to monitor the participation of the plan, to guarantee required participation percentages are met. SightCare, can, upon request, audit the Groups employee census records to verify participation requirements have been met

2 05 Member Additions and Deletions will be made effective the first of the month only

SECTION III TERMS AND TERMINATION

3 01 Term The term of the Agreement shall commence on the 1st day of month indicated on the face page of this agreement and shall continue for a period of one (1) year

3 02 Renewals This Agreement shall be automatically renewed under the same terms and conditions for additional periods of one (1) year unless terminated as provided for below

3 03 Termination for Cause Either party may terminate this Agreement at any time for cause Termination may take effect after forty-five (45) days written notice and opportunity to cure The written notice must identify the default, with reference to the section of the agreement relating to the alleged act of default The written notice must also describe the default

3 04 Termination Without Cause Termination prior to the renewal date without cause will result in the Plan Sponsor (Employer) paying the balance of premiums owed for the contract year

3 05 Rights and Obligations Upon Termination Upon termination, SightCare's obligations or right to render Covered Services to Enrolled Members or right to receive payment in accordance with this Agreement shall immediately cease, except for any payments due prior to termination However, termination will not relieve SightCare of those obligations reasonably necessary to provide Covered Services to Enrolled Members and to cooperate with Group to arrange for the transfer of such Enrolled Participants In such an event, Group will compensate SightCare on a discounted fee-for-service basis until either the expiration of the initial term of the agreement, or the successful transfer of Enrolled Members to another vision service provider

3 06 Amendments Future amendments to this plan will be submitted to Group by SightCare with sixty (60) days written notice

SECTION IV ELIGIBILITY

4.01 Subscriber To be eligible to enroll as a Subscriber, an individual must be either a full-time employee or an employee working at least **32 hours** per week as of the effective date of this Agreement New employees will be eligible on the first day of the month following **1 month** of full-time employment or an employee working at least **32 hours** per week

4 02 Dependent To be eligible to enroll as a Dependent, an individual must either be

4 02 01 Spouse The Subscriber's legal spouse, or

4 02 02 Children A natural child, adopted child, child placed for adoption, stepchild supported by the Subscriber pursuant to a valid court order or a child for whom the Subscriber is the legal guardian IF the child

1 Is unmarried and legally dependent upon the Subscriber for support,

AND

2 a Has not attained his or her nineteenth (19th) birthday, or

b Has not attained his or her twenty-third (23rd) birthday if a registered full-time student in regular attendance at an accredited secondary school, college or university, or

c Is permanently and continuously incapable of self-sustaining support by reason of mental retardation or physical handicap

4 02 03 Newborn Child A newborn child who is born to a Subscriber during the course of this Agreement shall have coverage effective as of the date of birth. If the Subscriber's policy is anything other than an "Employee plus Family" policy, an enrollment application shall be submitted to SightCare within thirty-one (31) days after birth. The policy would then be changed to an Employee plus Family Policy and the Subscriber would be billed at the appropriate rate.

4 02 04 Adopted Child A child who is legally adopted by or is placed for adoption with a Subscriber during the course of this Agreement shall have coverage effective as of the date the child is placed with the subscriber. If the Subscriber's policy is anything other than an "Employee plus Family" policy, an enrollment application shall be submitted to SightCare within thirty-one (31) days after the child is legally placed with the Subscriber. The policy would then be changed to an Employee plus Family Policy and the Subscriber would be billed at the appropriate rate.

4 03 Conversion Provision Enrolled Members may continue benefits under this Agreement if they are no longer eligible as group members and wish to convert their coverage to an individual policy. SightCare will provide continued coverage under this Agreement to those Enrolled Members for whom SightCare has received both notification of election to continue and the required Premium payment.

SECTION V SUMMARY OF BENEFITS

5 01 SightCare Has Two Different Networks The Exclusive Network (EPN) is composed of NationwideTM Vision Offices only and the Preferred Provider Network (PPN) is composed of NationwideTM Vision Offices and Independent Doctors of Optometry in the community contracted with SightCareTM. The following services are covered under the terms of the Agreement for the Exclusive Provider Network.

5 01 01 Exclusive Provider Network Benefits for members include eye examination with appropriate co-payment and either eyeglasses or contact lenses with appropriate co-payment (where indicated by the eye exam)

5 01 02 Benefit Frequency The following benefit frequency applies towards your plan

Vision Examination - Once every 12 months*

Lenses - Once every 12 months*

Frame - Once every 24 months*

In Lieu of Eyeglass (frame and lenses) Benefit

Contact Lenses - Once every 12 months*

*From The Group's Effective Date of Coverage

5 01 03 Co-Payment Amount(s) The following Co-Payments apply towards your plan

Vision Examination CoPayment - \$-0- Co-Payment

Materials CoPayment - \$-10- Co-Payment

5 01 04 Where The Vision Examination Indicates that lenses or frame or both are necessary for the proper visual health and welfare of the enrolled Member, they shall be supplied with either eyeglasses (5 01 05) or contact lenses (5 01 06) The member will not receive both The products and services supplied to the enrolled Member are limited to the following

5 01 05 Eyeglass materials include

1 Standard CR-39 basic plastic lenses including single vision, FT28 bifocals, 7 x 28 trifocals will be covered 100% and polycarbonate will be covered (under 18 years old) 100% UV Tint & Scratch Coat will be covered 100% (A \$10 copay for each)

2 Frames up to the stated frame allowance will be covered 100% The frame allowance is based on the retail price of frames The retail price of frames covered under the plan frame allowance is **\$120**

-OR-

5.01 06 Elective/Cosmetic Contact Lens materials and services include

1 Contact lens fitting is covered at 100% This includes the initial fitting of the contact lenses and 3 months of follow-up care

2 Contact lenses up to a **\$120** retail allowance

5 01 07 Medically Necessary Contact Lenses will be covered 100% up to **\$250** retail Contact lenses are considered necessary in the following conditions

1 Following cataract surgery

2 To correct extreme visual acuity problems in which spectacles cannot correct vision to better than 20/70

3 Certain conditions of anisometropia

4 Keratoconus

5 01 08 LASIK Benefit If a member elects not to receive an eye examination, eyeglasses, or contact lenses the member can receive a \$200 allowance towards their LASIK procedure when performed through Nationwide™ Vision Laser & Eye Center located at 2222 East Camelback Road

- 1 To be eligible for the LASIK allowance the LASIK procedure must be performed through Nationwide™ Vision Laser & Eye Center located at 2222 East Camelback Road, LASIK procedures performed through any other provider are not eligible to receive the LASIK allowance
- 2 After receiving an evaluation from the surgeon, the cost of the procedure is based upon each individual's prescription needs
3. SightCare members are eligible for special pricing Please call Nationwide Vision Laser and Eye Center at (602) 26-LASIK for pricing

5 02 Preferred Provider Network benefits for members include eye examination with appropriate co-payment and either eyeglasses or contact lenses (where indicated by the eye exam)

5 02 01 Benefit Frequency The following benefit frequency applies towards your plan:

- Vision Examination - Once every 12 months
- Lenses - Once every 12 months
- Frame - Once every 24 months
- In Lieu of Eyeglass (frame and lenses) Benefit**
- Contact Lenses - Once every 12 months

5 02 02 CoPayment Amount(s) – The following Copayments apply towards your plan

- Vision Examination - \$-10- Copayment
- Materials Copayment - \$-10- Copayment

5 02 03 Where The Vision Examination Indicates that lenses or frame or both are necessary for the proper visual health and welfare of the enrolled Member, they shall be supplied with either eyeglasses (5 01 05) or contact lenses (5 01 06) The member will not receive both The products and services supplied to the enrolled Member are limited to the following

5 02 04 Eyeglass materials include

- 1 Standard CR-39 basic plastic lenses including single vision, FT28 bifocals, 7 x 28 trifocals will be covered 100%
- 2 Frames up to the stated frame allowance will be covered 100% The frame allowance is based on the retail price of frames The retail price of frames covered under the plan frame allowance is **\$120**

-OR-

5 02 05 Contact Lens materials and services include

- 1 Contact lenses and fitting fees up to **\$105** retail allowance

5.02 06 Medically Necessary Contact Lenses will be covered 100% up to **\$250** retail
Contact lenses are considered necessary in the following conditions

- 1 Following cataract surgery
2. To correct extreme visual acuity problems in which spectacles cannot correct vision to better than 20/70
- 3 Certain conditions of anisometropia
- 4 Keratoconus.

5 03 Professional Services Where the vision examination indicates that lenses or frames or both are necessary for the proper visual health and welfare of an enrolled Member, they shall be provided with necessary professional services including, but not limited to

- 1 Prescribing and ordering of proper lenses or contacts
- 2 Assisting in the selection of a new frame
- 3 Verifying the accuracy of the finished lenses
- 4 Proper fitting and adjustment of the spectacles
- 5 Progress or follow-up work as necessary
- 6 Subsequent adjustments of frames to maintain comfort and efficiency

5 04 Non-Participating Providers The following schedule of allowances are available through a non-participating provider Where the vision examination indicates that lenses or frame or both are necessary for the proper visual health and welfare of the enrolled Member, they shall be supplied with either eyeglasses or contact lenses The member will not receive both The products and services supplied to the enrolled Member are limited to the following benefit frequency

5 04 01 Benefit Frequency The following benefit frequency applies towards your plan

- Vision Examination - Once every 12 months
- Lenses - Once every 12 months
- Frame - Once every 24 months

In Lieu of Eyeglass (frame and lenses) Benefit

- Contact Lenses - Once every 12 months

5 04.02 Out-of-Network Maximum Allowance - The products and services supplied to the enrolled Member are limited to the following maximum reimbursement fee schedule

<u>Services</u>	<u>Out-of-Network Maximum Allowance</u>
Eye Examination	\$ 35 Allowance
Frame	\$ 45 Allowance
Lenses (Per Pair)	
Single Vision	\$ 25 Allowance
Bifocal	\$ 40 Allowance

Trifocal	\$ 50 Allowance
Progressive	\$ 40 Allowance

In Lieu of Exam and Eyeglass (frame and lenses) Benefit

Elective Contacts	\$105 Allowance (Towards Exam, fitting and purchase of contact lenses)
Medically Necessary	\$105 Allowance (Towards Exam, fitting and purchase of contact lenses)

5 04 03 Members must pay The Out-of-Network provider their usual and customary fees for their services. Then submit an itemized statement of the Out-of-Network provider's services along with your name, address, and Social Security number to SightCare

5 04 04 The Member Will Be reimbursed according with the plan's Out-of-Network Provider Reimbursement Schedule, provided you submit your claim within 6 months of the date you received services. There is no assurance that the schedule will be sufficient to pay for the examination, lenses, or frame

5 04 05 Services Provided By an Out-of-Network provider are subject to the eligibility, availability, co-payments and limitation provisions of the plan and are in lieu services provided by an Exclusive or Preferred Participating Provider

5 04 06 Out-of-Network Reimbursements are made directly to the employee ONLY and are subject to the same frequency of service limitations. Sightcare does not accept assignment of Out- of- Network allowances by non-participating providers

5 04 07 The Allowance Made for Contact Lenses Is in place of the exam, spectacle lenses, and frame. Determination of "Medically Necessary" versus "Elective" contact lenses shall be determined exclusive by SightCare

**SECTION VI
LIMITATIONS**

6 01 Additional Cost Items. When an Enrolled Member selects additional items or upgrades, payment of these items will be the responsibility of the member, less any discounts that apply at the time of services

- 6 01 01 Through the Exclusive Provider Network, the following discounts apply
1. 20% discount on all options not covered
 2. 10% discount on additional disposable contact lenses
 3. 20% discount on additional conventional contact lenses
 4. 25% discount on frame for second pair of eyeglasses

- 5 25% discount on lenses for second pair of eyeglasses
- 6 Discounts do not apply to in-store lens packages which have already been discounted or warranty programs
7. Discount on LASIK Procedure of 10% applies for a bilateral (two eyes) procedure. Fee includes the pre and post-operative exams of the patient and any enhancements for the first year. Cannot be combined with the SightCare™ LASIK Benefit Allowance

6 01 02 Through the Preferred Provider Network, the following discounts apply

- 1 20% discount on all options not covered
- 2 Discounts do not apply to in-store lens packages which have already been discounted or warranty programs

6 02 Not Covered There is no benefit for professional services or materials connected with

- 1 Orthoptics or vision training, subnormal vision aids, aniseikonic lenses, plano (nonprescription) lenses
- 2 Lenses and frames furnished under this program which are lost or broken will not be replaced except at the normal intervals when services are otherwise available
- 3 Medical or surgical treatment of the eyes
- 4 Services or materials provided as a result of any Workmen's Compensation law or similar legislation, or obtained through or required by government agency or program whether federal, state, or any subdivision thereof
- 5 Any eye examination required by an employer as a condition of employment unless it is obtained at the normal interval for which services are covered
- 6 Coated lenses, tinted lenses, photochromic lenses and laminated lenses unless specifically indicated as a covered benefit in the Summary of Benefits section
- 7 Vision services and supplies that cost more than the Plan's allowance as noted in the Summary of Vision Benefits
- 8 Two pairs of glasses in lieu of bifocals
- 9 Benefits incurred beyond the termination date of the Plan, unless COBRA coverage is in place

SECTION VII REIMBURSEMENT

7 01 Payments by Group To SightCare for services and materials provided hereunder during the term of the Agreement shall be as follows

- 1 For each "Employee Only" policy issued, \$_____ per month

- 2 For each "Employee Plus Spouse" policy issued, \$_____ per month
3. For each "Employee plus Children" policy issued, \$_____ per month
- 4 For each "Employee Plus Family" policy issued, \$_____ per month

SECTION VIII PARTICIPATION REQUIREMENTS

8 01 Participation Requirements For this contract are 75% of all eligible employees must be enrolled in the plan, and -0-% of all eligible dependents must be enrolled in this plan

SECTION IX NOTICE OF PRIVACY PRACTICES

This notice describes how medical information about you may be used and disclosed, and how you can get access to this information. Please review it carefully.

SightCare, Inc ("SightCare") is required by law to maintain the privacy of your health information and to provide you with notice of their legal duties and privacy practices with respect to your health information

How Sightcare May Use or Disclose Your Health Information

9 01 **Payment Functions.** SightCare may use or disclose health information to determine eligibility for plan benefits, obtain premiums, facilitate payment for treatment and services you receive from health care providers, determine plan responsibility for benefits, preparing and sending bills or claims, collection efforts, and to coordinate benefits

9 02 **Health Care Operations.** SightCare may use and disclose health information about you to carry out necessary insurance-related activities, including, but not limited to, underwriting, premium rating and other activities relating to plan coverage, administrative functions, financial or billing audits, activities relating to benefit coverage, internal quality assurance, review and payment of claims, providing eligibility and verification of coverage to providers, personnel decisions, defense of legal matters, business planning, legal services, fraud and abuse detection programs and storage of our records

9 03 **Required by Law.** As required by law, SightCare may use and disclose your health information SightCare may disclose medical information pursuant to a court order in judicial or administrative proceedings, to report information related to victims of abuse, neglect, or domestic violence, or to assist law enforcement officials in their law enforcement duties

9 04 **Public Health.** As required by law, SightCare may disclose your health information to public health authorities to prevent or control disease, injury or disability, or for other health oversight activities.

9.05 **Coroners, Medical Examiners and Funeral Directors.** SightCare may disclose your health information to coroners, medical examiners and funeral directors. For example, this may be necessary to identify a deceased person

9 06 **Organ and Tissue Donation.** Your health information may be used or disclosed for cadaveric organ, eye or tissue donation purposes

9 07 **Health and Safety.** SightCare may disclose your health information to appropriate persons in order to prevent or lessen a serious and imminent threat to the health or safety of a particular person or the general public

9 08 **Government Functions** SightCare may disclose your health information for military, national security, prisoner and government benefits purposes

9 09 **Worker's Compensation.** SightCare may disclose your health information as necessary to comply with worker's compensation or similar laws

9 10 **Disclosures to Plan Sponsors.** SightCare may disclose your health information to the sponsor of your group health plan or managed care plan for purposes of administering benefits under the plan

When SightCare May Not Use or Disclose Your Health Information

Except as described in this Notice of Privacy Practices, SightCare will not use or disclose your health information without written authorization from you. If you do authorize SightCare to use or disclose your health information for another purpose, you may revoke your authorization in writing at any time

Statement of Your Health Information Rights

9 11 **Right to Request Restrictions.** You have the right to request restrictions on certain uses and disclosures of your health information. SightCare is not required to agree to the restrictions that you request

9 12 **Right to Request Confidential Communications.** You have the right to receive your health information through alternative means or at an alternative location. SightCare is not required to agree to your request

9 13 **Right to Inspect and Copy.** You have the right to inspect and copy your health information. If you request a copy of the information, SightCare may charge you a reasonable fee to cover the copy expense

9 14 **Right to Request a Correction** You have a right to request that SightCare amend your health information. SightCare is not required to change your health information.

9 15 **Right to Accounting of Disclosures**. You have the right to receive an accounting of disclosures of your health information. SightCare will provide one list per 12 month period free of charge, SightCare may charge you for additional lists requested within the same 12 month period.

9 16 **Right to Paper Copy**. You have a right to receive a paper copy of this Notice of Privacy Practices at any time.

9 17 **Right to Revoke Permission**. You have the right to revoke your authorization to use or disclose your health information at any time, except to the extent that action has already been taken.

SightCare's Obligations Under This Notice

SightCare is required by law to:

9 21 Maintain the privacy of your health information.

9 22 Provide you with a notice of its legal duties and privacy practices with respect to your health information.

9 23 Abide by the terms of this Notice.

9.24 Notify you if SightCare is unable to agree to a requested restriction on how your information is used or disclosed.

9 25 Accommodate reasonable requests you may have to communicate health information by alternative means or at alternative locations.

9 26 Obtain your written authorization to use or disclose your health information for reasons other than those listed above and permitted by law.

SightCare reserves the right to amend this Notice of Privacy Practices at any time in the future and to make the new Notice provisions effective for all health information that SightCare maintains. Revised Notices will be distributed to you when new identification cards are provided.

Complaints

If you believe your privacy rights have been violated, you may file a complaint with

Attn: Privacy Officer

SightCare Vision
220 N McKemy
Chandler, AZ 85226

You may also file a complaint with the Secretary of the Department of Health and Human Services. SightCare will not retaliate against you in any way for filing a complaint.

SECTION X GENERAL PROVISIONS

10.01 SightCare acts as a contracting agency to enable Group and Enrolled Persons to acquire professional vision care on a prepaid basis. Under no circumstances shall SightCare or Group be liable for the negligence, wrongful acts or omissions of any doctor, laboratory, or any other person or organization performing services or supplying materials in connection with this contract.

10.02 Each Enrolled Member shall be entitled to obtain the services enumerated herein from an Participating Provider. The names, addresses and telephone numbers of the Participating Providers shall be made available to Enrolled Members of Group prior to, and at the time of seeking services.

10.03 SightCare extends a commitment to customer satisfaction. If, for any reason, a member is not satisfied with the eyewear they receive, they are entitled to a free replacement within 30 days of their original purchase.

10.04 SightCare shall have the right at all reasonable times to inspect such records of Group as SightCare deems necessary to determine the number and eligibility of covered persons. Group agrees to make such records available at such times and on such request.

10.05 All notices provided in connection with this Agreement shall be deemed as having been properly made upon depositing the same in the United States mail, postdate prepaid and addressing such notices to SightCare or to Group at their most recent address.

10.06 This instrument contains all of the provisions of the agreement between the parties hereto, and no promise or agreement not continued herein shall be binding on the parties unless the same is in writing, signed by the parties hereto and attached to this contract.

10.07 Any disagreement arising out of this contract or from the breach of it, may be submitted to arbitration. The parties may agree upon one Arbitrator, otherwise there may be three, one name in writing by each party of this contract within five days after notice of arbitration is served by either party upon the other, and a third Arbitrator selected by these two Arbitrators within five days thereafter.

10.08 This contract shall be governed by and construed under the laws of the State of Arizona.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the effective date

Name of Company

SightCare, Inc.

By _____

By _____

Title _____

Title _____

Date _____

Date _____