



7020 North Port Washington Rd.
Glendale, WI 53217
800.558.7798
90DegreeBenefits.com

April 17, 2023

Tadeo De La Hoya
City of San Luis
1090 E. Union Street
San Luis, AZ 85349

RE: City of San Luis termination of services effective July 1, 2023

Dear Tadeo

90 Degree Benefits has received notice to terminate administrative services effective July 1, 2023. We need the following information confirmed to process this request.

Run-out claims are defined as claims incurred during the plan year that have not been received and processed until after the termination date. Per the 90 Degree Benefits' service agreement, we offer 12 months of run-out for 6 months of current administration fees to process those claims. Claims that have been incurred within the plan year but are not received in this office within the run-out period will not be processed. 90 Degree Benefits will use the census count as of April 1, 2023, which is **283 medical / 281 dental**.

1. The administrative service fee to process 12 months of run-out medical claims is **\$43,299.00**.
($283 \times \$25.50 = \$7,216.50 \times 6 = \$43,299.00$).

2. The administrative service fee to process 12 months of run-out dental claims is **\$5,058.00**.
($281 \times \$3.00 = \$843.00 \times 6 = \$5,058.00$).

3. If HIPAA certificates need to be provided by 90 Degree Benefits for your employees, there will be an additional fee of **\$300.00**. The certificates will be forwarded to the City of San Luis for distribution to your employees.

4. Additional fees may apply. These additional fees may include, Multiplan wrap and any out of network claims programs. These fees will be billed separately.

5. There will be a fee of **\$2,500.00** for runout reports which includes census (already provided), deductible and out-of-pocket reports, and benefit maximum report. Additional fees may apply if IT programming is required. Month end reports will be provided for no additional charge during the run-out period.

Please note – Blue Cross Blue Shield of Arizona requires the claims account remain open for 24 months after term for any adjustments that may apply.

Below is a recap of 90 Degree Benefits Service Agreement regarding closing dates for claims processing:

Accounting Books/Closing Date/Specific Reimbursement Deductible

- (a) The monthly closing Date of 90 Degree Benefits' accounting books shall be (5) business days prior to the last calendar day of the month, unless 90 Degree Benefits notifies Employer otherwise.

Please be advised that upon completion of any elected run-out period, 90 Degree Benefits will refer all calls relating to your plan back to City of San Luis. If run-out is not elected, this will occur immediately.

We will need the attached election form completed and returned to our office as soon as possible. We thank you for the opportunity to have served your organization. If we can be of further help to you, do not hesitate to contact our office.

Sincerely,
Paula Hennen
Paula Hennen – Manager of Account Executives

City of San Luis Group #: SLS001

90 Degree Benefits must receive this signed authorization as well as the elected run-out fees (if elected) prior to May 31, 2023. The amount due is \$43,299.00 for medical, \$5,058.00 for dental, \$300.00 for HIPAA certificates and \$2,500.00 for the reporting package.

If we do not receive your authorization prior to May 31, 2023, it will be assumed that 90 Degree Benefits will not be handling runout claim administration for your plan and all vendors will be notified.

City of San Luis does hereby authorize 90 Degree Benefits to process medical run-out claims for a period of 12 months for a fee totaling \$43,299.00. (283 x \$25.50 = \$7,216.50 x 6 = \$43,299.00).

City of San Luis does hereby authorize 90 Degree Benefits to process dental run-out claims for a period of 12 months for a fee totaling \$5,058.00. (281 x \$3.00 = \$843.00 x 6 = \$5,058.00)

City of San Luis requests that HIPAA certificates be provided by 90 Degree Benefits for your employees for a fee of \$300.00. The certificates will be forwarded to City of San Luis for distribution to your employees.

City of San Luis requests run out reports for an additional \$2,500.00 fee. Our standard report package includes census, deductible and out-of-pocket report, and benefit maximum report. Additional fees may apply if IT programming is required.

Processing of run-out claims is not authorized.

Please select below how run-out fees will be paid:

City of San Luis authorizes 90 Degree Benefits to add the fees selected above to their next weekly funding request.

City of San Luis will pay by check any fees selected above. Check should be made payable to 90 Degree Benefits, Inc.

Mail to - 90 Degree Benefits, Inc.
Attention: Corporate Accounting
2145 Ford Parkway, Suite 300
St. Paul, MN 55116-1912

Authorized signature

Date

cc: Susan Posada - broker