



State of Wisconsin
Department of Employee Trust Funds
4822 Madison Yards Way
Madison, WI 53705-9100

P.O. Box 7931
Madison, WI 53707-7931

Contract by Authorized Board

Commodity or Service:

Services Administrator to the State of Wisconsin Group Insurance Board for the Income Continuation Insurance (ICI)

RFP No./Proposal No./Contract No.:

ETH0002 Amendment #5 dated June 10, 2019

Authorized Board: Group Insurance Board

Contract Period: January 1, 2020 through December 31, 2021

1. The Contract is entered into by and between the State of Wisconsin, Department of Employee Trust Funds (Department or ETF), the State of Wisconsin Group Insurance Board (Board) and the Contractor whose name, address, and principal officer appears on Page 4. The Department is the sole point of contact for Board contracts.
2. Whereby the Department of Employee Trust Funds agrees to direct the purchase and the Contractor agrees to supply the contract requirements cited above in accordance with the terms and conditions of the request for proposal cited above, and in accordance with the Contractor's proposal dated March 12, 2008 hereby made a part of this Contract.
3. Contracts estimated to be over fifty thousand dollars (\$50,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than fifty (50) employees are exempted from this requirement. Within fifteen (15) working days after the award of the Contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Department of Employee Trust Funds, PO Box 7931, Madison, WI 53707-7931, 608.266.2586.
4. The Contract Amendment #3 dated September 26, 2017 includes the following provisions related to the closure of the Long Term Disability Income (LTDI) program.
 - a. Beginning January 1, 2018, Aetna will cease accepting new claims for the LTDI program;
 - b. No earlier than January 1, 2018 and at the direction of ETF, Aetna will discontinue the payment of claims for the LTDI program;
 - c. Aetna will continue processing all claims pending as of December 31, 2017, through final determination of approval, denial, or cancellation;
 - d. Aetna's responsibility for annual processes (RFP, Section C., Part 6.0) and including annual earnings statements remain unchanged by this Amendment;
 - e. Aetna will continue to provide ETF access to LTDI information in Workability until termination of Contract or until documents and data can be transferred to ETF;
 - f. Aetna will continue to perform the administrative functions of the LTDI program including, but not limited to, retirement letters, Wisconsin Retirement System (WRS) offsets, claim closures and Over/Under Payment Account Receivables for active LTDI claims and work with ETF to develop a plan to transition these administrative functions to ETF staff before 12/31/2018.
 - g. If the necessary administrative authority to close the LTDI program is not obtained, provisions a-e of this Section are void.
5. The Contract Amendment #3 dated September 26, 2017 also includes:
 - a. RFP, Attachment A is amended to remove the monthly Pass Through reports, monthly Refund Checks reports, and the annual Special Services reporting requirements.
 - b. Amended local ICI plan language (effective 5/1/2017) is incorporated as part of this Contract Amendment.

- c. RFP Section B Part 2.9 Contractor Turnover Requirements is amended as follows:
Documents
 - “Three year” history of claim payments is changed to “Complete” history of claims payments.
- d. **CONTRACT DISPUTE RESOLUTION:** In the event of any dispute or disagreement between the parties under this Contract, whether with respect to the interpretation of any provision of this Contract, or with respect to the performance of either party hereto, except for breach of Contractor’s intellectual property rights, each party shall appoint a representative to meet for the purpose of endeavoring to resolve such dispute or negotiate for an adjustment to such provision.

No legal action of any kind, except for the seeking of equitable relief in the case of the public’s health, safety or welfare, may begin in regard to the dispute until this dispute resolution procedure has been elevated to the Contractor’s highest executive authority for this service line, and the equivalent executive authority within the Department, and either of the representatives in good faith concludes, after a good faith attempt to resolve the dispute, that amicable resolution through continued negotiation of the matter at issue does not appear likely.

The party believing itself aggrieved (the “Invoking Party”) shall call for progressive management involvement in the dispute negotiation by delivering written notice to the other party. Such notice shall be without prejudice to the Invoking Party’s right to any other remedy permitted by this Contract. After such notice, the parties shall use all reasonable efforts to arrange personal meetings and/or telephone conferences as needed, at mutually convenient times and places, between authorized negotiators for the parties at the following successive management levels, each of which shall have a period of allotted time as specified below in which to attempt to resolve the dispute:

Level	Contractor	The Department	Allotted Time
First	Level 1 entity	Benefit Services Bureau Director	10 Business Days
Second	Level 2 entity	Retirement Services Division Administrator	20 Business Days
Third	Level 3 entity	Secretary	30 Business Days


The allotted time for the First Level negotiations shall begin on the date the Invoking Party’s notice is received by the other party. Subsequent allotted time is days from the date that the Invoking Party’s notice was originally received by the other party.

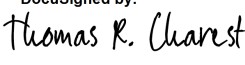
- 6. The Contract Amendment #4 extends the Contract Term from January 1, 2019 through December 31, 2019 with costs not to exceed \$2,658,000 for Contractor’s administration of the Income Continuation Insurance Program (ICI), both long-term and short-term claims, during calendar year 2019. This Contract Amendment #4 also documents the assignment of the Contract to Hartford Life and Accident Insurance Company (“The Hartford”). Effective immediately, The Hartford hereby expressly assumes, confirms, and agrees to perform and observe all the obligations, agreements, terms and conditions, duties, and liabilities under the Contract, except that in reference to 4.e. above, The Hartford shall continue to provide ETF access to LTDI information in WorkAbility, or any subsequent system in usage, until termination of Contract or until documents and data can be transferred to ETF. Attachment D shall be amended to include an updated exhibit entitled “Business Resilience Program” to replace Aetna’s Disaster Backup and Recovery (DBAR). Further in light of The Hartford’s assumption of the Contract obligations, Attachment D as it pertains to “Group Insurance National Accounts Deimplementation Best Practices,” and “Part 2.0 Transition, Implementation, & Turnover” shall be interpreted to mean that such obligations are hereafter required by The Hartford, and not Aetna.
- 7. This Contract Amendment #5 extends the Contract Term from January 1, 2020 through December 31, 2021. Previous amendments continue to remain in force, where applicable, as established in the order of precedence outlined in Article 8 of this Contract Amendment 5. The Hartford will continue to provide and perform the ongoing services as described in this Contract Amendment 5, Articles 4d through 4f, including annual earnings statement requests for LTDI, Wis. Stat. § 40.63, and ICI and also annual medical recertifications for LTDI. With regard to Contract Amendment Article 4f, the Hartford will continue to perform administrative functions of the LTDI program related to Over/Under Payment account receivables. The Hartford will also continue to provide and perform the ongoing services as described in the entirety of Contract Article 5 and 6. This Amendment #5 does not alter the terms for Contract annual cost increases, as specified in the RFP dated February 13, 2008, Section 1, item 1.9, which are capped at the rate of inflation from the contract effective date to the renewal date as measured by the National (U. S. City Average) consumer price index for all urban consumers (CPI-U) unless justified by the Contractor and otherwise agreed to by the Board, and is applied to the current annual fee.
- 8. For purposes of administering the Contract (including contract attachments), the Order of Precedence is:

- a. The Contract with Aetna Life Insurance Company;
- b. This Contract Amendment #5 dated June 10, 2019;
- c. The Contract Amendment #4 dated September 7, 2018;
- d. The Contract Amendment #3 dated September 26, 2017;
- e. Contract is extended for two (2) years and will run from 1/1/2016 through 12/31/17;
- f. Amended Contract Attachment A is created to incorporate updated report requirements;
- g. Amended ICI State and ICI Local Plan language is created as a part of the Contract and is effective January 1, 2014;
- h. The Contract is extended for two (2) years from 1/1/2014 through 12/31/2015;
- i. Contract Attachment D, shall be amended to include an updated exhibit entitled "Disaster Backup and Recovery (DBAR)."
- j. Consistent with Contract Attachment D as it pertains to "Group Insurance National Accounts Deimplementation Best Practices," and "Part 2.0 Transition, Implementation, & Turnover" (Aetna's updated response to this section of the RFP), if this Contract is terminated, Aetna shall cooperate with ETF in the orderly transition and transfer of the files and records to ETF or ETF's designate service provider. Transfer of files in Aetna's standard format shall be provided at no additional cost. Processing of taxes (initial and adjustments) shall be provided by Aetna at no additional cost. ETF agrees to pay Aetna for other reasonable costs that are agreed to by ETF and Aetna for additional work by Aetna employees and cost for services as needed beyond the final termination date;
- k. RFP, Part 12.0 Reports, Monthly Reports, Refund Report is replaced with: "Refund Checks Report – Provides a list of personal checks received by the vendor that should have been sent to ETF. Data elements: Report Period, Date Received, Check Date, Social Security Number, Claimant Name, Amount, Date Received, Date Sent, Check Number, Grand Total, Plan Type and Group;
- l. RFP, Part 12.0 Reports, Monthly Reports, 2) Deduction Report – Grand Total data element is deleted;
- m. Contract Attachment B, Overpayment Collection and Write-Off Procedures, is incorporated into the Contract. Effective January 1, 2014, the Contract Attachment B is removed from the Contract;
- n. RFP, Part 8.0 Audit Requirement, Plan Audits, is amended to include: Third Party Contracted Audits will be performed every three (3) years for the prior three (3) year period. The size of the audit sample for each program audited may not exceed one-hundred fifty (150) claim transactions (for the three (3) year period). The Contractor will have the right to review the final Audit Report after delivery to the Board (Department). Auditors shall provide the Contractor with a copy of the final audit report delivered to the Board (Department). The Contractor shall have the right to provide to the Board (Department) a supplementary statement containing statements and materials that the Contractor considers pertinent to the audit within sixty (60) days of the final Audit Report delivery to the Board (Department);
- o. Administrative Services Fee for CY 2009 will be \$3,081,900. For contract years subsequent to CY 2009, the parties agree to adjust the administrative services fee annually as stated in Section 1.9 Contract Terms and Funding of the RFP;
- p. RFP and RFP Appendices, any reference to "the Department of Administration" is replaced with "the Group Insurance Board or its designee the Department of Employee Trust Funds."
- q. RFP, Part 13.0 Administrative Services, Section 13.1, sentence "If the error is the result of actions by the Contractor (determined by ETF), participants will be made whole at the Contractor's expense" is deleted;
- r. RFP, Part 15.0 Performance Standards and Penalties, the chart titled "ICI and LTDI Performance Standards" is replaced the chart that is Contract Attachment A. Penalties listed in this chart are capped at \$150,000 per calendar year; and,
- s. RFP ETH0002 dated March 12, 2008 (including all appendices and amendments).

Contract Number & Service: ETH0002 Services Administrator to the State of Wisconsin Employee Group Insurance Board for the Income Continuation Insurance

Amendment #5 dated June 10, 2019

State of Wisconsin Department of Employee Trust Funds	
By Authorized Board (Name)	State of Wisconsin Group Insurance Board
By (Name)	Herschel Day, Chair State of Wisconsin Group Insurance Board
Signature	DocuSigned by:  A3F7C939CDEE401...
Title	Chair, State of Wisconsin Group Insurance Board
Phone	608.266.9854 (A. John Voelker, Deputy Secretary)
Date (MM/DD/CCYY)	6/12/2019

Contractor	
Legal Company Name	Hartford Life and Accident Insurance Company
Trade Name	
Taxpayer Identification Number	06-0838648
Company Address (City, State, Zip)	One Hartford Plaza, Hartford, CT 06155
By (Name)	Thomas Charest
Signature	DocuSigned by:  0DD044E70B274D0...
Title	Vice President, Group Benefits
Email	Thomas.Charest@thehartford.com
Date (MM/DD/CCYY)	6/10/2019