



RESPONSE TO REQUEST FOR PROPOSAL

Lake Orion Community Schools
September 15, 2023



September 15, 2023

Cindy Shevrin
Gallagher
2600 Telegraph Rd., Ste. 100
Bloomfield Hills, MI 48302
Cindy_Shevrin@ajg.com

Re: Request for proposal

Dear Cindy Shevrin

We at MESSA are pleased to present this response to the RFP for Lake Orion Community Schools

The rates contained within are effective from January 1, 2024 through December 31, 2024. Also included is additional information about MESSA, including details on our market-leading customer service, unique benefits, low overhead, rating methodology and more.

We are excited for this opportunity and look forward to speaking with you further. Should you have any questions, please feel free to call me at 800.292.4910. I'd be happy to help.

Sincerely,

Mark Middlewood

Mark Middlewood
Field Representative

cc: Shawn Shinven, UniServ Director

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I. ABOUT MESSA

A market leader

Since its founding almost six decades ago, MESSA has established itself as a market leader in providing the best value, best service and promoting the good health of our members. MESSA offers a full menu of benefit plans and options, outstanding customer service and stable premium rates.

MESSA is chartered as a nonprofit membership organization (a VEBA — Voluntary Employees' Beneficiary Association). As a VEBA, MESSA is member-owned and member-governed, much like a member-run credit union. MESSA is a nonprofit in the truest sense; there are no insurance agent commission fees folded into member premiums, and MESSA funds are only used to pay claims and administer benefits.

MESSA's plan offerings are underwritten by individual carriers chosen for their reputation, scope of coverage, geographic reach and ability to negotiate with providers for the best rates.

MESSA employs about 300 staff statewide. Based at our East Lansing headquarters, MESSA's Member Service Center has been named a National Center of Excellence for more than a decade for providing outstanding service according to benchmark standards for the industry.

MESSA has field representatives available throughout the state who provide local assistance to our members and partners in school business offices. Unlike other insurance agents, MESSA's field representatives are salaried and aren't paid on commission.

MESSA's Board of Trustees is comprised of education employees. Our board understands and promotes the benefit needs of education employees and employers. MESSA has always stood for outstanding coverage, value and personal member service.

Personal service

As a nonprofit membership organization, MESSA strongly believes in acting in our members' best interests. We strive to provide outstanding value and quality products our members tell us they need. We support the quality and value of MESSA's products with a service model that is exceptional.

MESSA has earned the intense loyalty of our members because we provide exceptional value and outstanding member service. MESSA's member satisfaction rating was 95 percent in our latest member survey.

Our customer service personnel are dedicated to serving both our members and their employers. We strive to meet the needs of the employee and employer by delivering outstanding service that is unparalleled in the state.

Meeting the needs of our business partners

MESSA partners with school districts and educational institutions throughout the state. In fact, MESSA serves about 40 percent of Michigan's educational personnel. MESSA has members in every county of the state.

MESSA's highly skilled staff specialize in assisting school business offices with their various enrollment and benefit administration needs.

Our team provides accurate and timely processing of enrollment changes and updates. Our staff members ensure that MESSA invoices are up-to-date and accurate in order to maintain the accuracy that school business offices expect. We're also on hand to help with any other needs that school business offices might have, including producing customized reports, providing online benefits training, issuing user-friendly renewal reports and much more.

Meeting the needs of our members

MESSA has always been a leader in the education benefits market and member service is a key part of our business model. We provide our members with the following services:

- Access to the state's largest provider networks.
- An award-winning Member Service Center. Our member service specialists provide information about coverage and answer questions about claims.
- A local MESSA field representative assigned to help members and their employers. The field representative is available to explain a group's MESSA coverage and plan options; help members navigate the complex world of health care; and attend association or staff meetings to provide benefit information.
- A health promotion consultant, who is available to help a group design or strengthen a worksite wellness program and organize health-related workshops for members.
- Access to important benefit details through a secure online member account at messa.org.
- Coverage of online doctor visits through the Blue Cross Online Visits app.
- Case management programs to help members with asthma, cardiovascular disease, diabetes and high blood pressure. The programs provide one-on-one support from a MESSA nurse at no cost.
- The free Healthy Expectations program, which provides mothers-to-be with information on healthy pregnancies and child care.
- Our medical case management program, which provides members who have serious illnesses or injuries with personal support from a registered nurse. Our nurses work directly with members and their families to ensure they access the right care at the right time and return to their highest quality of life.
- Layoff benefits, providing continued medical coverage up to one year to members who have been laid off from work.
- Waiver of medical, long-term disability and life premiums through negotiated MESSA long-term disability insurance.

MESSA's unique benefits

- MESSA's layoff benefit protects members by providing continuing coverage for up to one year; the duration is based on how long a member has been covered with MESSA medical benefits.
- MESSA's negotiated long-term disability program waives the monthly premium when a member begins receiving disability payments from MESSA.
- MESSA's medical waiver of premium benefit waives the medical premium when a member with negotiated long-term disability coverage through MESSA begins receiving disability payments, for up to 24 months at no cost to the member.
- MESSA's life waiver of premium benefit waives the life insurance premium when individuals have been continuously disabled for six months.

HIPAA compliance

MESSA protects the privacy and security of our members' personal health information by enforcing strong internal privacy practices. Our implementation of the Health Insurance Portability and Accountability Act (HIPAA) rules provided us with an important opportunity to strengthen that commitment through an annual, comprehensive review of our practices and policies.

In order to lessen the employer load and ensure consistency, MESSA took the administrative lead on HIPAA compliance for our health plans, including plan coverage, language updates, regulatory changes and legal notices to members.

MESSA is fully compliant with HIPAA requirements. Our commitment to protecting members' privacy and the security of their health care information continues to be strong.

II. METHODOLOGY

Rating methodology for groups of 500 or more employees

MESSA's business model accommodates groups of every size. Our insured groups range in size from one or two employees to more than 1,000 employees. Our rating methodology is designed to meet the needs of very small groups — utilizing pooling and pure community rating — and also very large, experience-rated groups.

Groups of 500 or more employees are fully experience-rated based upon the two most recent years of claims experience, with pooling of large claims according to the chart below.

MESSA RATING METHODOLOGY FOR GROUPS OF 500 OR MORE

Group size	Credibility factor	Pooling attachment point
500	100%	\$200,000
750	100%	\$300,000
1,000	100%	\$400,000
1,500 and larger	100%	\$500,000

MESSA uses two years of experience data to stabilize rates and provide additional protection from a single year of poor claims experience. The experience for each year is trended forward for the new rating year, and is then weighted to give more recognition to the most recent experience.

As is standard practice throughout the industry for insured plans, rates include retention charges for operation, insuring the plans, and state and federal taxes and fees. MESSA's rating methodology incorporates the standard industry practice of apportioning administrative costs based on a group's size.

No agent commissions

Unlike our competitors, MESSA does not pay agent commission fees. This helps keep our administrative fees lower than our competitors' — even lower than our underwriter, Blue Cross Blue Shield of Michigan.

III. INDUSTRY-LEADING UNDERWRITERS

MESSA's plan offerings are underwritten by individual companies chosen for their reputation, scope of coverage, geographic reach, and ability to negotiate with providers for the best rates. MESSA only partners with stable, established companies. That provides MESSA members and their employers with peace of mind knowing that their benefits are being managed wisely and securely.

Blue Cross Blue Shield of Michigan is the primary underwriter of MESSA's medical and vision plans. MESSA's contract with BCBSM gives our members access to the largest provider networks in the state and nation. That's a very important factor for MESSA, because our members are located in every corner of the state. Large networks help ensure that members can access quality health care. BCBSM also has the largest network discounts which MESSA leverages to keep our rates competitive while preserving quality coverage. Using participating providers also limits members' out-of-pocket costs and helps hold down the overall cost of health care through BCBSM's pre-negotiated fees with participating and in-network providers.

4 Ever Life Insurance Company underwrites health care benefits that are unique to MESSA's health plans, as well as a portion of our medical claims submitted by health providers who do not participate with BCBSM. 4 Ever Life Insurance Company is a national organization that is part of BCS Financial Corporation, which is owned by more than 50 Blue Cross and Blue Shield licensees and the Blue Shield Association.

Delta Dental of Michigan is a nonprofit dental care services corporation that underwrites the dental plans offered to MESSA members. One of the largest dental plans in the country, Delta Dental contracts with about 95 percent of the actively practicing dentists in Michigan. Participating dentists provide discounts for their services, thereby saving money for employers and members. Delta Dental of Michigan was awarded ISO 9001 certification for quality, the first organization in the dental benefits industry to earn this international gold standard for quality.

Life Insurance Company of North America, a Cigna subsidiary, underwrites MESSA's disability, life and variable option plans. Cigna companies place a high value on providing quality member service. In business since 1865, Cigna has achieved the highest rating for quality in the industry.

IV. PRICING INFORMATION

The rates that follow are for fully insured options. The rates are based on the information provided through the RFP process. Material changes in the composition of the group, such as number of enrollees, definable group, eligibility requirements or plans offered will affect final rates.

The rates are in effect through Dec. 31, 2024. The rates include all state and federal taxes and fees.



1475 Kendale Boulevard, PO Box 2560
East Lansing, MI 48826-2560
800.292.4910

Quote Summary Exclusively for
Lake Orion Community Schools
Rates Effective 01/01/2024 through 12/31/2024

Quote Request ID: 233411
MESSA Field Rep: Mark Middlewood
Date Created: 09/11/2023

Quoted Group(s): NEW - All Employees

Ancillary plans

Description	Current Benefits	Rate	Census Used	Quote ID 353603			
				Quoted Benefits	Rate		
Dental							
Diag & Prev:				100%			
Basic Services:				90% (X-Rays)			
Major Services:			S: 236	90%	\$ 41.61		
Annual Max:			2P: 92	\$1500	\$ 78.00		
Orthodontics:			F: 400	90%	\$146.18		
Lifetime Max:				\$1500			
Riders:				2 Cleanings			
Plan Year:				Jan-Dec			
Vision			S: 236	MESSA Vision Preferred	\$ 6.58		
Plan Year:			2P: 92	Jan-Dec	\$ 14.11		
			F: 400		\$ 21.25		
Total Monthly Rate/Member - S					\$ 48.19		
Total Monthly Rate/Member - 2P					\$ 92.11		
Total Monthly Rate/Member - F					\$ 167.43		



This set of rates includes a Multiproduct Discount of 2%

Created Date: 9/12/2023

Medical Rate Summary Exclusively for Lake Orion Community Schools
Rates Effective 01/01/2024 through 12/31/2024
All Employees

Medical Plan	IN Deductible	IN OV/SV Copay	IN UC/ER Copay	IN Coins.	Rx Coverage	Single	2-Person	Family	
Essentials by MESSA	\$375/\$750	\$25/\$50	\$50/\$200	20%	EbM	\$494.43	\$1,112.48	\$1,384.42	EA
MESSA Balance+	\$1600/\$3200	\$25/\$50	\$50/\$200	20%	Balance+Rx	\$553.34	\$1,245.01	\$1,549.35	EC
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$575.20	\$1,294.19	\$1,610.54	CA
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	ABC Rx	\$609.24	\$1,370.80	\$1,705.89	7R
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$615.27	\$1,384.37	\$1,722.77	BO
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	ABC Mail	\$642.99	\$1,446.73	\$1,800.38	AG
Choices	\$1000/\$2000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$685.28	\$1,541.87	\$1,918.77	9Y
Choices	\$500/\$1000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$727.27	\$1,636.36	\$2,036.35	9S

MESSA medical plans include a \$5,000 Basic Term Life and AD&D plan at an additional cost of \$1.50, which is billed separately from the rate above. The above rates are based on the information provided. Material changes in the composition of the group such as number of enrollees, definable group, eligibility requirements or plans offered may affect the final rates. These rates do not include pricing for the EA1 Rider, which is included in monthly medical premium at \$0.10/\$0.24/\$0.28 for Single/2-Person/Family if applicable.

If you have any questions, please contact your MESSA Field Representative, Mark Middlewood, at 800.292.4910.



This set of rates includes a Multiproduct Discount of 1.25%

Created Date: 9/12/2023

Medical Rate Summary Exclusively for Lake Orion Community Schools
Rates Effective 01/01/2024 through 12/31/2024
All Employees

Medical Plan	IN Deductible	IN OV/SV Copay	IN UC/ER Copay	IN Coins.	Rx Coverage	Single	2-Person	Family	
Essentials by MESSA	\$375/\$750	\$25/\$50	\$50/\$200	20%	EbM	\$498.22	\$1,120.99	\$1,395.01	EA
MESSA Balance+	\$1600/\$3200	\$25/\$50	\$50/\$200	20%	Balance+Rx	\$557.57	\$1,254.54	\$1,561.21	EC
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$579.60	\$1,304.09	\$1,622.87	CA
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	ABC Rx	\$613.91	\$1,381.29	\$1,718.94	7R
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$619.98	\$1,394.96	\$1,735.96	BO
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	ABC Mail	\$647.91	\$1,457.81	\$1,814.16	AG
Choices	\$1000/\$2000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$690.52	\$1,553.67	\$1,933.46	9Y
Choices	\$500/\$1000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$732.84	\$1,648.88	\$2,051.94	9S

MESSA medical plans include a \$5,000 Basic Term Life and AD&D plan at an additional cost of \$1.50, which is billed separately from the rate above. The above rates are based on the information provided. Material changes in the composition of the group such as number of enrollees, definable group, eligibility requirements or plans offered may affect the final rates. These rates do not include pricing for the EA1 Rider, which is included in monthly medical premium at \$0.10/\$0.24/\$0.28 for Single/2-Person/Family if applicable.

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This set of rates includes a Multiproduct Discount of 1%

Created Date: 9/12/2023

Medical Rate Summary Exclusively for Lake Orion Community Schools
Rates Effective 01/01/2024 through 12/31/2024
All Employees

Medical Plan	IN Deductible	IN OV/SV Copay	IN UC/ER Copay	IN Coins.	Rx Coverage	Single	2-Person	Family	
Essentials by MESSA	\$375/\$750	\$25/\$50	\$50/\$200	20%	EbM	\$499.48	\$1,123.83	\$1,398.55	EA
MESSA Balance+	\$1600/\$3200	\$25/\$50	\$50/\$200	20%	Balance+Rx	\$558.99	\$1,257.72	\$1,565.16	EC
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$581.07	\$1,307.39	\$1,626.98	CA
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	ABC Rx	\$615.46	\$1,384.79	\$1,723.29	7R
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$621.55	\$1,398.49	\$1,740.35	BO
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	ABC Mail	\$649.55	\$1,461.50	\$1,818.75	AG
Choices	\$1000/\$2000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$692.27	\$1,557.60	\$1,938.35	9Y
Choices	\$500/\$1000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$734.69	\$1,653.05	\$2,057.13	9S

MESSA medical plans include a \$5,000 Basic Term Life and AD&D plan at an additional cost of \$1.50, which is billed separately from the rate above. The above rates are based on the information provided. Material changes in the composition of the group such as number of enrollees, definable group, eligibility requirements or plans offered may affect the final rates. These rates do not include pricing for the EA1 Rider, which is included in monthly medical premium at \$0.10/\$0.24/\$0.28 for Single/2-Person/Family if applicable.

If you have any questions, please contact your MESSA Field Representative, Mark Middlewood, at 800.292.4910.



This set of rates does not include a Multiproduct Discount

Created Date: 9/12/2023

Medical Rate Summary Exclusively for Lake Orion Community Schools
Rates Effective 01/01/2024 through 12/31/2024
All Employees

Medical Plan	IN Deductible	IN OV/SV Copay	IN UC/ER Copay	IN Coins.	Rx Coverage	Single	2-Person	Family	
Essentials by MESSA	\$375/\$750	\$25/\$50	\$50/\$200	20%	EbM	\$504.52	\$1,135.18	\$1,412.67	EA
MESSA Balance+	\$1600/\$3200	\$25/\$50	\$50/\$200	20%	Balance+Rx	\$564.63	\$1,270.42	\$1,580.97	EC
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$586.94	\$1,320.60	\$1,643.41	CA
ABC Plan 2	\$2000/\$4000	\$0/\$0	\$0/\$0	0%	ABC Rx	\$621.68	\$1,398.78	\$1,740.70	7R
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	3Tier Mail	\$627.83	\$1,412.62	\$1,757.93	BO
ABC Plan 1	\$1600/\$3200	\$0/\$0	\$0/\$0	0%	ABC Mail	\$656.12	\$1,476.26	\$1,837.12	AG
Choices	\$1000/\$2000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$699.26	\$1,573.33	\$1,957.93	9Y
Choices	\$500/\$1000	\$20/\$20	\$25/\$50	0%	SRX Mail	\$742.11	\$1,669.75	\$2,077.91	9S

MESSA medical plans include a \$5,000 Basic Term Life and AD&D plan at an additional cost of \$1.50, which is billed separately from the rate above. The above rates are based on the information provided. Material changes in the composition of the group such as number of enrollees, definable group, eligibility requirements or plans offered may affect the final rates. These rates do not include pricing for the EA1 Rider, which is included in monthly medical premium at \$0.10/\$0.24/\$0.28 for Single/2-Person/Family if applicable.

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