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## ACA Subscription Agreement

This ACA (Patient Protection and Affordable Care Act) Subscription Agreement ("Agreement"), dated September 15, 2020, is made by and between:

Selerix Systems, Inc., a Delaware corporation authorized to transact business in the State of Florida, with its principal place of business located at 2851 Craig Drive, Suite 300, McKinney, TX 75072 (hereinafter referred to as "SELERIX" or "Contractor" or "Licensor")  
and  
City of Fort Lauderdale, a Florida municipality, with its principal place of business located at 100 North Andrews Ave. Fort Lauderdale, FL, 33301 (hereinafter referred to as "SUBSCRIBER", "COFL", or "City" or "Licensee")

as of  
1/1/2020 ("Effective Date")

WHEREAS, SELERIX, as Licensor, has granted a license in its Benefits-Selection software system and associated documentation (the "Licensed Product") to Licensee through SELERIX's and COFL's execution of a Direct Software License & Service Agreement dated September 15, 2020 ("License Agreement");

WHEREAS, SUBSCRIBER has requested that SELERIX provide to SUBSCRIBER a certain add on optional feature described in this Agreement (the "ACA Reporting Module"), which can be used in conjunction with the Licensed Product, but such ACA Reporting Module is not included in and is outside the scope of the applicable License Agreement under which SUBSCRIBER is authorized to use the Licensed Product;

WHEREAS, SELERIX is willing to provide the ACA Reporting Module to SUBSCRIBER, and SUBSCRIBER is willing to accept the ACA Reporting Module from SELERIX, on the terms and conditions described in this Agreement; and

WHEREAS, SELERIX submitted to COFL a BenSelect Online Enrollment and Reporting Proposal dated July 30, 2020, ("Exhibit A"); and

WHEREAS, SELERIX submitted to COFL responses to a Benefits Administration Vendor Questions & Information Request dated May 15, 2020, ("Exhibit B"); and

NOW THEREFORE, the Parties further agree to the following:

### 1. ACA Reporting Module

The ACA Reporting Module services included in this ACA Subscription Agreement are defined in this Agreement with Exhibits A and B, which are incorporated herein as part of this Agreement. In the event of a conflict or inconsistency in terms between or among this ACA Subscription Agreement, Exhibit A, and Exhibit B, the order of priority shall be first, this ACA Subscription Agreement, second, Exhibit A, and third, Exhibit B. The ACA Subscription Agreement can be amended from time-to-time by mutual agreement between the Parties as evidenced in writing, provided, however, that the expiration of any amendment, irrespective of its effective date, shall be the expiration date of this original Agreement unless otherwise stated.

This Agreement shall commence on the Effective Date and shall continue in effect for reporting years 2020 through 2023 (the "Initial Term"). Upon expiration of the Initial Term and on each annual anniversary thereafter, this Agreement shall automatically renew for an additional one-year period(s) ("Renewal Term") unless terminated earlier by either Party or unless either Party provides written notice of non-renewal within nine (9) months prior to the expiration of the then current term. The effectiveness of this Agreement and any renewal term of this Agreement is subject to and conditioned

on annual appropriations by the City's City Commission to fund this Agreement and the availability of funds.

A. Purposes. SUBSCRIBER represents that SUBSCRIBER is a licensee under a current, valid, and existing License Agreement. SUBSCRIBER ACKNOWLEDGES THAT THIS AGREEMENT DOES NOT GRANT A LICENSE TO THE LICENSED PRODUCT. This Agreement, however, does permit the use of the ACA Reporting Module as described herein. SUBSCRIBER will utilize the ACA Reporting Module for the following purposes (the "Purposes"):

- 1) Production of IRS Forms 1094C and 1095C (collectively, the "IRS Forms") for SUBSCRIBER's individual employees, retirees, and employer level filings when the appropriate data is managed and uploaded by SUBSCRIBER.
- 2) Transmittal of the SUBSCRIBER's IRS Forms in the required XML format through the IRS AIR transmittal system.
- 3) Facilitation of SUBSCRIBER's tracking of medical eligibility as defined by SUBSCRIBER. This requires the SUBSCRIBER to either upload its employees' hours worked into the Licensed Product's system or to provide such data to SELERIX in the file format prescribed by SELERIX so that SELERIX can upload such data into the Licensed Product's system.

B. ACA Reporting Module Services. The ACA Reporting Module will provide the following tracking and reporting capabilities to SUBSCRIBER:

1) Basic Services:

a. IRS Forms Generation

SELERIX Responsibilities:

- (1) Configure ACA Reporting Module and Licensed Product to generate 1094-C and 1095-C forms based on group and benefits information supplied by the SUBSCRIBER.
- (2) Facilitate SUBSCRIBER's ongoing upload by SUBSCRIBER of census files containing employee-specific data.
- (3) Train SUBSCRIBER's designated personnel in using the ACA Reporting Module to generate ACA reports and track eligibility. Such training provided to SUBSCRIBER will not constitute legal, financial or consulting advice or direction surrounding ACA rules and regulations. Likewise, communication to SUBSCRIBER's employees or among SUBSCRIBER's employees is not a responsibility SELERIX is obligated to fulfill as part of this Agreement.
- (4) Utilize SUBSCRIBER-provided employer and employee data to complete the IRS Form 1095-C and 1094-C forms. The forms will be in a format suitable for the SUBSCRIBER to review, amend, print or distribute electronically (i.e. PDF format).

SUBSCRIBER Responsibilities:

- (1) Provide SELERIX with the necessary organizational, medical plan and job class structure and data, and benefit rules and policies to support ACA compliance.
- (2) Regularly upload employee census data including eligibility events prompting plan and/or coverage changes; this process includes regular qualifying life events. This information provides the basis for employee tracking and compliance reporting.
- (3) Communicate to its employees the terms and timing required for employee enrollment into eligible medical plan. This effort must be synchronized by SUBSCRIBER with the census upload information.

- (4) Review SELERIX's system-generated reports throughout the calendar year to ensure completeness, accuracy and compliance. SUBSCRIBER is responsible for validating the 1095-C and 1094-C form output to ensure data alignment.
  - (5) SUBSCRIBER represents that its employees using the Licensed Product have sufficient training to use the Licensed Product to its functionality. Further, SUBSCRIBER represents its employees will continue their training by attending webinars offered by SELERIX to assist such employees in becoming proficient in utilizing the ACA functionality in the ACA Reporting Module.
- b. IRS Electronic Forms Transmittal Services

SELERIX responsibilities:

- (1) SELERIX will electronically submit the SUBSCRIBER's IRS Forms via the IRS AIR system on SUBSCRIBER's behalf after SUBSCRIBER has reviewed and approved SUBSCRIBER's IRS Forms. Upon IRS acceptance of the SUBSCRIBER's IRS filing SELERIX will advise the SUBSCRIBER of acceptance and provide transmission receipt records. If the IRS rejects the SUBSCRIBER's IRS filing, SELERIX will advise the SUBSCRIBER of such so that SUBSCRIBER may resolve the issue. When SELERIX is notified by SUBSCRIBER that the issue is resolved, SELERIX will resubmit the revised IRS Forms based on the corrected data.
- (2) SELERIX warrants that if SUBSCRIBER's data uploaded in the Licensed Product is accurate and affirmatively approved by SUBSCRIBER, then the IRS Forms will be sufficiently accurate for SUBSCRIBER to comply with ACA requirements. SELERIX does not undertake any obligation to determine whether or not SUBSCRIBER's data is accurate or complete.
- (3) SELERIX agrees to provide electronic and physical security to personal information, as defined in Section 501.171, Florida Statutes (2019), as may be amended or revised, ("Section 501.171"), that is obtained from the City, in accordance with the standard set forth in Section 501.171. As provided in Section 501.171, SELERIX shall take reasonable measures to protect and secure data in electronic form containing personal information. SELERIX shall notify the City of any breach of security of a system maintained by SELERIX as expeditiously as practicable, but no later than 10 days following the determination of the breach of security or reason to believe the breach occurred. Such notification from SELERIX shall include all information that the City needs to comply with the notice requirements set forth in Section 501.171. SELERIX, as the City's third-party agent, as defined in Section 501.171, shall comply with and perform all of the requirements set forth in Subsections 501.171(3) and (4), Florida Statutes (2019), as may be amended or revised, in the event SELERIX experiences a breach of security involving unauthorized access of the City's data in electronic form containing personal information.

SUBSCRIBER responsibilities:

- (1) SUBSCRIBER is solely responsible for the accuracy and integrity of data stored in the Licensed Product from which the IRS Forms are based. SUBSCRIBER is responsible for all data input and maintenance of SUBSCRIBER's employee and benefit plan information. SUBSCRIBER is solely responsible for SUBSCRIBER's compliance with the ACA law, rules and regulations.
- (2) SUBSCRIBER shall thoroughly review the draft IRS Forms. Once SUBSCRIBER determines the IRS Forms are accurate and complete, SUBSCRIBER shall notify SELERIX of the same and instruct SELERIX to electronically file with the IRS. If the IRS rejects the SUBSCRIBER's IRS Forms filing, SUBSCRIBER will work to identify and resolve the issue with SUBSCRIBER's data causing the IRS Forms to be

rejected. SUBSCRIBER will provide written notification to SELERIX that the issue has been corrected and to refile the IRS Forms.

- (3) SUBSCRIBER shall bear the risk of loss during any transmission of SUBSCRIBER's records and data over all communication links and devices under the control of SUBSCRIBER.

**c. Lookback Monitoring**

SELERIX Responsibilities:

- (1) SELERIX will provide a standard template (Pay History) that outlines the hourly data required to drive the ACA Reporting Module. Based on the data provided by SUBSCRIBER, SELERIX will provide a "Lookback Report" based on SUBSCRIBER-defined report parameters and SUBSCRIBER's requested schedule.
- (2) SELERIX's ACA Lookback Reports are system-generated reports that identify employees who may be eligible for a medical coverage offer based on the employee's average hours worked during the SUBSCRIBER defined "measurement" and "stability" periods.

SUBSCRIBER Responsibilities:

- (1) SUBSCRIBER is responsible for uploading Pay History data which includes employee hours worked and compensation subject to SUBSCRIBER's designated schedule.
- (2) SUBSCRIBER is responsible for reviewing Lookback Reports indicating each employee who may gain or lose medical eligibility based on the employee's hours worked. SUBSCRIBER is responsible for reclassifying these employee records based on SUBSCRIBER's knowledge of all applicable facts and circumstances.

**d. Account Manager Support Services.**

SELERIX will provide up to 40 hours of account manager support hours each calendar year for IRS Forms Generation and Lookback Monitoring (described above). The intent of the Parties is that the account support activities will be focused on improving SUBSCRIBER's ability to effectively and efficiently utilize the ACA Reporting system capabilities.

To the extent SUBSCRIBER requests it, SELERIX will assist with ancillary tasks such as significant data clean up and data mapping, and will help with identifying missing plan and job class information; however, such assistance by SELERIX will be charged against the 40 hours of support described above. More than 40 hours annually of ACA support will be billed as outlined in Section 1. B. 2) d.

- e. SELERIX's provision to SUBSCRIBER of the ACA services does not include any consulting services, legal, or financial services.

**2) Fees for Basic Services**

**a. IRS Forms Generation, IRS AIR Form Filing & Lookback Reporting**

	Fee per Medical Eligible Employee	
Employee Count	Annual Fee	Monthly Rate*
1 – 250	\$1,500 minimum <sup>#</sup>	-----
250 - 1,000	\$6.00	\$0.50
1,001- 2,500	\$5.00	\$0.42
2,501- 5,000	\$4.00	\$0.33
5,001+	\$3.00	\$0.25

# - Employers with fewer than 250 medical eligible employees are subject to the minimum annual charge of \$1,500.

\* Monthly Rate means the rate per Medical Eligible Employee per month for each and all months in the calendar year regardless of how many months an Employee is Employed; e.g. bill will be for 12 months for each and every Medical Eligible Employee. Each calendar quarter the total number of medical eligible employees is estimated based on historical totals, and the appropriate fee is billed for the quarter in advance. New clients will be billed based on projected annual total employee count. Each Medical Eligible Employee will count towards the year end total regardless of their current status as required for annual filing. At year end, the counts will be reconciled based on actual eligible employee counts of records maintained in the system for any period during the year and a final invoice/credit will be issued.

Fees are calculated based on the current employee count and in accordance with the fee schedule in section 1. B 2) a.

b. Implementation Support

Employee Count	Implementation Fee
Up to 1,000	\$1,000
1,001 to 5,000	\$2,000
5,001+	\$3,000

20 Hours of Implementation Support are included. Implementation hours in excess of the 20 hours will be billed at the rate of \$175 per hour.

c. Multiple EIN Filing Charge

Electronic filing fees:

- 1<sup>st</sup> EIN: Included at no charge
- 2<sup>nd</sup> – 5<sup>th</sup> EINS \$500 per EIN
- Over 5 EINS \$100 per EIN.

d. Account Manager Support Services

Account Manager support hours required *in excess of 40 hours* annually, will be charged at the rate of \$175 per hour.

e. Fee Guarantee Period

The above-described fees will remain valid for a period of four reporting years, to wit, 2020 through 2023, from the Commencement Date of this Agreement. Thereafter, the annual fee may be amended once per calendar year by SELERIX upon 9 months' written notice, not to exceed 5%.

f. Pricing Terms

- (1) Reporting Period. SUBSCRIBER acknowledges ACA's annual reporting requirements. The services provided to SUBSCRIBER under this Agreement are services that are of benefit to SUBSCRIBER for the calendar year reportable to the IRS (January – December of the reporting year). SUBSCRIBER acknowledges the delivery of services is for the reporting calendar year.
- (2) Payment Terms. SUBSCRIBER agrees to pay the fees set forth above. Invoices will be sent on a quarterly basis in advance for all components provided by SELERIX. A final reconciled invoice will be sent within the first quarter of the following year to include actual counts once ACA reporting is complete. Payments are due within forty-five days following the SUBSCRIBER'S receipt of a proper invoice in accordance with the Florida Local Government Prompt Payment Act ("Prompt Payment Act").

- (3) Any amount not paid before becoming delinquent shall thereafter bear interest in accordance with the Prompt Payment Act.
- (4) Payment Period. SELERIX will perform the ACA reporting for four (4) years, 2020 through 2023. During the initial term of the Agreement, SUBSCRIBER will commence quarterly payment for ACA reporting on January 1, 2021 and conclude with the last quarter of calendar year 2023.

### **3) Optional 1095-C Form Fulfillment**

SUBSCRIBER may request 1095-C Form Distribution services, in writing. If such request is made by SUBSCRIBER and accepted by SELERIX in its sole discretion, then:

a. SELERIX will have the following responsibilities:

- (1) SELERIX will cause the SUBSCRIBER's IRS Form 1095-C to be printed, inserted and mailed to employees on the SUBSCRIBER's behalf after SUBSCRIBER has reviewed and affirmatively approved SUBSCRIBER's 1095-C forms. 1095-C forms will be printed, inserted and delivered to the United States Postal Service ("USPS") within 14 business days after receipt of the SUBSCRIBER's approval of the file. SELERIX will provide SUBSCRIBER notice of the quantity of 1095-C materials and the date on which they were delivered to the USPS.
- (2) SELERIX requires third party printing vendors to have executed a Business Associate Agreement before any confidential data is transferred to such vendors.

SUBSCRIBER will have the following responsibilities:

- (1) SUBSCRIBER is responsible to review the Employees' 1095-C forms and provide written approval to SELERIX.

b. 1095-C Form Distribution Services Fee Structure

The fee is based on the number of packets delivered to the USPS. The per packet fee for the initial distributions is \$1.50; if a packet needs to be sent a second time for any reason, the per packet fee is \$1.00.

## **2. Confidentiality**

- A. Confidential Information. As used herein, "Confidential Information" means, any information or data, regardless of whether it is in tangible form, that is exempt or confidential and exempt from disclosure pursuant to Florida law. Confidential Information includes personally identifiable information of COFL and its employees.
- B. Use and Disclosure of Confidential Information. Each Party acknowledges that in the course of performing its obligations under this Agreement, it may directly disclose to the other Party Confidential Information. Both Parties agree that they will not use any such Confidential Information in any way, for its own account or the account of any third party, except for the exercise of its rights and performance of its obligations under this Agreement. Each Party agrees that it will not allow any unauthorized person access to Confidential Information, and will take all action reasonably necessary to protect the confidentiality of such Confidential Information, including implementing and enforcing procedures to minimize the possibility of unauthorized use or copying of such Confidential Information.

## **3. Risk of Loss**

SUBSCRIBER shall bear the risk of loss during any transmission of SUBSCRIBER's records and data over all communication links and devices under the control of SUBSCRIBER.

#### 4. Term

Subject to Section 5 below, this Agreement shall commence on January 1 of the year specified in the title of this Agreement (the "Commencement Date") and shall continue in effect for the calendar year reporting periods 2020 through 2023. Following each of the reporting years 2020 through 2023 (the "Initial Term"), it is understood that services for regulatory reporting for the contract year extends to March 31st of the year following for delivery of employee forms and the IRS electronic reporting. When necessary, the services for a contract year may be extended for an additional 60 days beyond March 31st (the "Extended Term") to remedy IRS reporting deficiencies.

On each annual anniversary of the Commencement Date, following the Initial Term (2020 through 2023), this Agreement shall automatically renew for an additional 12-month period from such annual anniversary date unless either Party gives notice of non-renewal to the other Party at least sixty (60) days prior to such annual anniversary of the Commencement Date.

Notwithstanding the foregoing, however, any term of this Agreement shall expire immediately in the event SUBSCRIBER is no longer permitted to use the Licensed Product under the terms of the applicable License Agreement. In such event, SELERIX shall refund to the SUBSCRIBER the pre-paid quarterly payment made by the SUBSCRIBER less a pro-rata amount for any month during such calendar quarter in which services were performed pursuant to this Agreement.

#### 5. Termination Without Cause

Notwithstanding the foregoing, SUBSCRIBER or SELERIX may terminate the Agreement at any time for any reason or no reason by providing advanced written notice of not less than sixty (60) days to the other Party. In the event SELERIX terminates this Agreement without cause, SELERIX will refund to SUBSCRIBER a pro-rata portion of any fees paid by SUBSCRIBER in advance.

#### 6. Termination For Cause

This Agreement may be terminated by either Party for cause, as follows:

- A. If either Party breaches any material term or condition of this Agreement, except for SUBSCRIBER's obligation to pay fees for services performed, and fails to substantially cure such breach within thirty (30) days after receiving written notice specifying the breach, then the Party not in breach may, by giving written notice to the breaching Party, terminate this Agreement as of a date specified in such notice of termination.
- B. If SUBSCRIBER fails to pay when due any amounts owed hereunder within thirty (30) days of receiving written notice thereof, SELERIX may, by giving notice thereof to SUBSCRIBER, immediately terminate the provision to SUBSCRIBER of the ACA Reporting Module described herein (including termination of product keys required for SUBSCRIBER's use of such ACA Reporting Module) and terminate this Agreement as of the date of the notice or as of another date specified in such notice of termination.
- C. In the event that either Party hereto becomes or is declared insolvent or bankrupt, is the subject of any proceedings related to its liquidation, insolvency or for the appointment of a receiver or similar officer for it, makes an assignment for the benefit of all or substantially all of its creditors, or enters into an agreement for the composition, extension or readjustment of all or substantially all of its obligations, then the other Party hereto may, by giving written notice thereof to such Party, terminate this Agreement as of the date specified in such notice of termination.
- D. Upon the termination of the Agreement for any reason, SELERIX will cease providing the ACA Reporting Module and any services and SUBSCRIBER will promptly pay to SELERIX all fees due, if any, up to the termination date pursuant to this Agreement.

## 7. Limited Warranty

SELERIX warrants that it has all requisite corporate power, financial capacity, and authority to execute, deliver, and perform its obligations under this Agreement. Except for the foregoing express warranty, SELERIX does not make, and hereby disclaims, any and all other express or implied warranties.

## 8. Limitation of Liability

UNDER NO CIRCUMSTANCES WILL EITHER PARTY NOR ITS RELATED PERSONS BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE, OR INCIDENTAL DAMAGES OR LOST PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE, WHETHER OR NOT ARISING OUT OF BREACH OR FAILURE OF EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE, BASED ON CLAIMS INCLUDING, BUT NOT LIMITED TO CLAIMS FOR:

- USE OF THE SERVICES,
- INTERRUPTION IN USE OR AVAILABILITY OF DATA,
- LOSS OF GOODWILL,
- USE OF THIRD PARTY SOFTWARE,
- ACCURACY OR INTERPRETATION OF RESULTING REPORTS,
- STOPPAGE OF OTHER WORK, OR
- IMPAIRMENT OF OTHER ASSETS

IN NO EVENT WILL THE AGGREGATE LIABILITY WHICH EITHER PARTY INCURS IN ANY ACTION OR PROCEEDING EXCEED THE AMOUNT ACTUALLY PAID BY COFL TO SELERIX UNDER THIS AGREEMENT DURING THE YEAR ENDING ON THE DATE ON WHICH THE EVENT FORMING THE BASIS OF THE ACTION OR PROCEEDING FIRST OCCURED.

THE LIMITATIONS AND EXCLUSIONS DOCUMENTED ABOVE WILL NOT APPLY TO CLAIMS BASED UPON: A PARTY'S WILLFUL MISCONDUCT, OR FRAUD (TO INCLUDE FRAUDULENT MISREPRESENTATION); AMOUNTS OWED FOR CHARGES; LIABILITY ARISING FROM DEATH, BODILY INJURY, PROPERTY DAMAGE, OR PERSONAL INJURY RESULTING FROM NEGLIGENCE; DATA BREACH OF CONFIDENTIAL INFORMATION; AND ANY OTHER LIABILITY TO THE EXTENT THAT IT CANNOT BE EXCLUDED UNDER APPLICABLE LAW. HOWEVER, NOTHING CONTAINED IN THIS AGREEMENT WAIVES OR IS INTENDED TO WAIVE THE CITY'S SOVEREIGN IMMUNITY.

## 9. INDEMNIFICATION

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City and the City's officers, employees, volunteers, and agents from and against any and all losses, penalties, fines, damages, settlements, judgments, claims, costs, charges, expenses, or liabilities, including any award of attorney fees and any award of costs, in connection with or arising directly or indirectly out of any act or omission by the Contractor or by any officer, employee, agent, invitee, subcontractor, or sublicensee of the Contractor. The provisions and obligations of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the City's city manager, any sums due Contractor under this Agreement may be retained by City until all of City's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved, and any amount withheld shall not be subject to payment of interest by City.

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City and the City's officers, employees, volunteers, and agents from and against any and all losses, penalties, fines, damages, settlements, judgments, claims,



costs, charges, royalties, expenses, or liabilities, including any award of reasonable attorney fees and any award of costs, in connection with or arising directly or indirectly out of any infringement or allegation of infringement of any patent, copyright, or other intellectual property right in connection with the Contractor's or the City's use of any copyrighted, patented or un-patented invention, process, article, material, or device that is manufactured, provided, or used pursuant to this Agreement. If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.

## **10. Force Majeure**

Neither Party will be liable for any failure or delay in performing an obligation under this Agreement that is due to causes beyond its reasonable control, including, but not limited to, fire, explosion, epidemics, earthquake, lightning, failures or fluctuations in electrical power or telecommunications equipment, accidents, floods, acts of God, the elements, terrorism, war, civil disturbances, acts of civil or military authorities or the public enemy, fuel or energy shortages, acts or omissions of any common carrier, strikes, labor disputes, regulatory restrictions, restraining orders or decrees of any court, changes in law or regulation or other acts of government, transportation stoppages or slowdowns or the inability to procure parts or materials. These causes will not excuse COFL from paying accrued amounts within a maximum of sixty (60) days, due to SELERIX, for services performed through any available lawful means acceptable to SELERIX.

## **11. Assignment**

Neither Party may assign, delegate or otherwise transfer this Agreement or any of its rights or obligations hereunder without the other Party's prior written approval. Any attempt to do so without such approval will be void.

This Agreement will bind each Party's permitted successors-in-interest.

## **12. Relationship**

In performing hereunder, both Parties are acting as independent contractors and neither Party undertakes to perform any obligation of the other, whether regulatory or contractual, or to assume any responsibility for the other's business or operations. SUBSCRIBER understands and agrees that SELERIX may perform for or provide to third parties products or services similar to the ACA Reporting Module and the services described herein. Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between SELERIX and SUBSCRIBER. Neither Party shall hold itself out as having any authority to enter into any contract or create any obligation or liability on behalf of or binding upon the other Party.

## **13. Notices**

Any notice or approval required or permitted under this Agreement to be sent to SUBSCRIBER will be in writing and will be sent by fax, courier, or mail, postage prepaid, to the address specified for SUBSCRIBER below or to any other address that may be designated by SUBSCRIBER in a prior written notice to SELERIX. Any such notice or approval delivered by fax (with answer back) will be deemed to have been received the day it is sent. Any notice or approval sent by courier will be deemed received one (1) day after its date of posting. Any notice or approval sent by mail will be deemed to have been received on the fifth (5th) business day after its date of posting.

If to SUBSCRIBER:  
City of Fort Lauderdale  
100 North Andrews Ave.  
Fort Lauderdale, FL 33301  
Attn: City Manager

Any notice or approval required or permitted under this Agreement to be sent to SELERIX will be in writing and will be sent by fax, courier, or mail, postage prepaid, to the address specified for SELERIX

below or to any other address that may be designated by SELERIX in a prior written notice to SUBSCRIBER. Any such notice or approval delivered by fax (with answer back) will be deemed to have been received the day it is sent. Any notice or approval sent by courier will be deemed received one (1) day after its date of posting. Any notice or approval sent by mail will be deemed to have been received on the fifth (5th) business day after its date of posting.

If to SELERIX:  
Selerix Systems, Inc.  
2851 Craig Drive, Suite 300  
McKinney, TX 75072  
Attn: Legal Compliance

#### **14. Ownership of Data and Records**

It is understood and agreed that COFL is the owner of all records and data created, maintained, or stored in the course of the performance of the Services under this Agreement. SELERIX agrees that it will not copy, modify access, disclose, or otherwise take any other action with respect to such records and data except to fulfill its obligations under this Agreement, to comply with COFL instructions, or in response to legal or governmental requirements.

COFL is solely responsible for the accuracy and integrity of data stored in the system. COFL is solely responsible for data input and maintenance of employee and benefit plan information.

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 954-828-5002, EMAIL: PRRCONTRACT@FORTLAUDERDALE.GOV, ADDRESS: CITY CLERK'S OFFICE, 100 NORTH ANDREWS AVENUE, FORT LAUDERDALE, FLORIDA 33301.**

Notwithstanding any inconsistent provision contained in this Agreement, Contractor shall comply with public records laws, and Contractor shall:

1. Keep and maintain public records required by the City to perform the service.
2. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes (2019), as may be amended or revised, or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the Contractor does not transfer the records to the City.
4. Upon completion of the Contract, transfer, at no cost, to the City all public records in possession of the Contractor or keep and maintain public records required by the City to perform the service. If the Contractor transfers all public records to the City upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public

records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

**15. Accuracy of Data and Records**

SUBSCRIBER is solely responsible for the accuracy and integrity of data stored in the system. SUBSCRIBER is solely responsible for data input and maintenance of employee and benefit plan information.

**16. Amendments**

Any waiver, amendment or modification of this Agreement will not be effective unless executed in writing and signed by both Parties.

**17. Governing Law**

This Agreement will be governed by and interpreted in accordance with the laws of the State of Florida, U.S.A., to the exclusion of its conflict of law provisions. If any provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, in whole or in part, such holding will not affect the validity of the other provisions of this Agreement.

Venue for any lawsuit by either Party against the other Party or otherwise arising out of this Agreement, and for any other legal proceeding, shall be in Broward County, Florida, or in the event of federal jurisdiction, in the Southern District of Florida.

**18. Entire Agreement**

This Agreement, together with the Exhibits and attachments hereto which are hereby incorporated into this Agreement, constitutes the complete and entire statement of all conditions and representations of the agreement between SELERIX and SUBSCRIBER with respect to its subject matter and supersedes all prior writings or understandings.

**19. Authorization**

SUBSCRIBER represents that it has been duly authorized to enter into this Agreement on behalf of and to bind each of the employer entities designated by the IRS with the EINs for which SELERIX renders services hereunder.

**20. Survival**

Notwithstanding any other provisions of this Agreement to the contrary, Sections 2, 5, 6, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, and 25 shall survive the termination of this Agreement.

**21. Non-Discrimination**

The Contractor shall not discriminate against its employees based on the employee's race, color, religion, gender, gender identity, gender expression, marital status, sexual orientation, national origin, age, disability, or any other protected classification as defined by applicable law.

1. The Contractor certifies and represents that the Contractor offers the same health benefits to the domestic partners of its employees as are offered its employees' spouses or offers its employees the cash equivalent of such health benefits because it is unable to provide health benefits to its employees' domestic partners, and that the Contractor will comply with Section 2-187, Code of

Ordinances of the City of Fort Lauderdale, Florida, (2019), as may be amended or revised, ("Section 2-187"), during the entire term of this Agreement.

2. The failure of the Contractor to comply with Section 2-187 shall be deemed to be a material breach of this Agreement, entitling the City to pursue any remedy stated below or any remedy provided under applicable law.

3. The City may terminate this Agreement if the Contractor fails to comply with Section 2-187.

4. The City may retain all monies due or to become due until the Contractor complies with Section 2-187.

5. The Contractor may be subject to debarment or suspension proceedings. Such proceedings will be consistent with the procedures in section 2-183 of the Code of Ordinances of the City of Fort Lauderdale, Florida.

## **22. Scrutinized Companies**

Subject to *Odebrecht Construction, Inc., v. Prasad*, 876 F.Supp.2d 1305 (S.D. Fla. 2012), *affirmed*, *Odebrecht Construction, Inc., v. Secretary, Florida Department of Transportation*, 715 F.3d 1268 (11th Cir. 2013), with regard to the "Cuba Amendment," the Contractor certifies that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, and that it does not have business operations in Cuba or Syria, as provided in section 287.135, Florida Statutes (2019), as may be amended or revised. The Contractor certifies that it is not on the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725, Florida Statutes (2019), and that it is not engaged in a boycott of Israel. The City may terminate this Agreement at the City's option if the Contractor is found to have submitted a false certification as provided under subsection (5) of section 287.135, Florida Statutes (2019), as may be amended or revised, or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List or the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725, Florida Statutes (2019), as may be amended or revised, or is engaged in a boycott of Israel, or has been engaged in business operations in Cuba or Syria, as defined in Section 287.135, Florida Statutes (2019), as may be amended or revised.

## **23. Insurance**

As a condition precedent to the effectiveness of this Agreement, during the term of this Agreement and during any renewal or extension term of this Agreement, the Contractor, at its sole expense, shall provide insurance of such types and with such terms and limits as noted below. Providing proof of and maintaining adequate insurance coverage are material obligations of the Contractor. The Contractor shall provide the City a certificate of insurance evidencing such coverage. The Contractor's insurance coverage shall be primary insurance for all applicable policies. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under this Agreement. All insurance policies shall be through insurers authorized or eligible to write policies in the State of Florida and possess an A.M. Best rating of A-, VII or better, subject to approval by the City's Risk Manager.

The coverages, limits, and/or endorsements required herein protect the interests of the City, and these coverages, limits, and/or endorsements shall in no way be required to be relied upon by the Contractor for assessing the extent or determining appropriate types and limits of coverage to protect the Contractor against any loss exposures, whether as a result of this Agreement or otherwise. The requirements contained herein, as well as the City's review or acknowledgement, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Contractor under this Agreement.

The following insurance policies and coverages are required:

### Commercial General Liability

Coverage must be afforded under a Commercial General Liability policy with limits not less than:

- \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury, Property Damage, and Personal and Advertising Injury
- \$1,000,000 each occurrence and \$2,000,000 aggregate for Products and Completed Operations

Policy must include coverage for contractual liability and independent contractors.

The City, a Florida municipal corporation, its officials, employees, and volunteers are to be covered as an additional insured with a CG 20 26 04 13 Additional Insured – Designated Person or Organization Endorsement or similar endorsement providing equal or broader Additional Insured Coverage with respect to liability arising out of activities performed by or on behalf of the Contractor. The coverage shall contain no special limitation on the scope of protection afforded to the City, its officials, employees, and volunteers.

### Business Automobile Liability

Coverage must be afforded for all Owned, Hired, Scheduled, and Non-Owned vehicles for Bodily Injury and Property Damage in an amount not less than \$1,000,000 combined single limit each accident.

If SELERIX does not own vehicles, SELERIX shall maintain coverage for Hired and Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

### Cyber Liability

Coverage must be afforded in an amount not less than \$5,000,000 per loss for negligent retention of data as well as notification and related costs for actual or alleged breaches of data.

### Workers' Compensation and Employer's Liability

Coverage must be afforded per Chapter 440, Florida Statutes. Any person or entity performing work for or on behalf of the City must provide Workers' Compensation insurance. Exceptions and exemptions will be allowed by the City's Risk Manager, if they are in accordance with Florida Statute.

SELERIX waives, and SELERIX shall ensure that SELERIX's insurance carrier waives, all subrogation rights against the City, its officials, employees, and volunteers for all losses or damages. The City requires the policy to be endorsed with WC 00 03 13 Waiver of our Right to Recover from Others or equivalent.

SELERIX must be in compliance with all applicable State and federal workers' compensation laws.

### Insurance Certificate Requirements

- a. The Contractor shall provide the City with valid Certificates of Insurance (binders are unacceptable) no later than thirty (30) days prior to the start of work contemplated in this Agreement.
- b. The Contractor shall provide to the City a Certificate of Insurance having a thirty (30) day notice of cancellation; ten (10) days' notice if cancellation is for nonpayment of premium.
- c. In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of the Contractor to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested, and addressed to the certificate holder.
- d. In the event the Agreement term goes beyond the expiration date of the insurance policy, the Contractor shall provide the City with an updated Certificate of Insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. The City reserves the right to suspend the Agreement until this requirement is met.
- e. The Certificate of Insurance shall indicate whether coverage is provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the Certificate of Insurance must show a retroactive date, which shall be the effective date of the initial contract or prior.

- f. The City shall be named as an Additional Insured on all liability policies.
- g. The title of the Agreement or other identifying reference must be listed on the Certificate of Insurance.

The Certificate Holder should read as follows:

City of Fort Lauderdale  
100 N. Andrews Avenue  
Fort Lauderdale, FL 33301

The Contractor has the sole responsibility for all insurance premiums and shall be fully and solely responsible for any costs or expenses as a result of a coverage deductible, co-insurance penalty, or self-insured retention; including any loss not covered because of the operation of such deductible, co-insurance penalty, self-insured retention, or coverage exclusion or limitation. Any costs for adding the City as an Additional Insured shall be at the Contractor's expense.

If the Contractor's primary insurance policy/policies do not meet the minimum requirements, as set forth in this Agreement, the Contractor may provide evidence of an Umbrella/Excess insurance policy to comply with this requirement.

The Contractor's insurance coverage shall be primary insurance as respects to the City, a Florida municipal corporation, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, a Florida municipal corporation, its officials, employees, or volunteers shall be non-contributory.

Any exclusion or provision in any insurance policy maintained by the Contractor that excludes coverage required in this Agreement shall be deemed unacceptable and shall be considered breach of contract.

All required insurance policies must be maintained until the contract work has been accepted by the City, or until this Agreement is terminated, whichever is later. Any lapse in coverage shall be considered breach of contract. In addition, Contractor must provide to the City confirmation of coverage renewal via an updated certificate should any policies expire prior to the expiration of this Agreement. The City reserves the right to review, at any time, coverage forms and limits of Contractor's insurance policies.

The Contractor shall provide notice of any and all claims, accidents, and any other occurrences associated with this Agreement to the Contractor's insurance company or companies and the City's Risk Management office, as soon as practical.

It is the Contractor's responsibility to ensure that any and all of the Contractor's independent contractors and subcontractors comply with these insurance requirements. All coverages for independent contractors and subcontractors shall be subject to all of the applicable requirements stated herein. Any and all deficiencies are the responsibility of the Contractor.

## **24. Subcontractors**

In the event Contractor engages any subcontractor in the performance of this Agreement, Contractor shall ensure that all of Contractor's subcontractors perform in accordance with the terms and conditions of this Agreement. Contractor shall be fully responsible for all of Contractor's subcontractors' performance, and liable for any of Contractor's subcontractors' non-performance and all of Contractor's subcontractors' acts and omissions. Contractor shall defend at Contractor's expense, counsel being subject to City's approval or disapproval, and indemnify and hold City and City's officers, employees, and agents harmless from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, by or in favor of any of Contractor's subcontractors for payment for work performed for City by

any of such subcontractors, and from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, occasioned by or arising out of any act or omission by any of Contractor 's subcontractors or by any of Contractor's subcontractors' officers, agents, or employees. Contractor's use of subcontractors in connection with this Agreement shall be subject to City's prior written approval, which approval City may revoke at any time.

## **25. Compliance with Laws**

Contractor shall comply with all applicable federal, state, and local laws, codes, ordinances, rules, and regulations in performing Contractor's duties, responsibilities, and obligations pursuant to this Agreement.

**ACA Subscription Agreement**

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In witness whereof, the Parties hereto have caused this Agreement to be executed by the duly authorized representatives as of the Effective Date:

City of Fort Lauderdale

City Manager

By: \_\_\_\_\_  
Christopher J. Lagerbloom, ICMA-CM  
City Manager

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

WITNESSES:

Selerix Systems, Inc.

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Christopher McCoy, CFO

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

ATTEST:

(CORPORATE SEAL)

Craig Stephens  
Secretary

STATE OF \_\_\_\_\_:  
COUNTY OF \_\_\_\_\_:

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ as CFO for Selerix Systems, Inc., a Delaware corporation authorized to transact business in the State of Florida.

\_\_\_\_\_  
(Signature of Notary Public – State of Florida)

\_\_\_\_\_  
Print, Type or Stamp Commissioned Name of  
Notary Public)

Personally Known \_\_\_\_\_ OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_





July 30, 2020  
Proposal Prepared For:

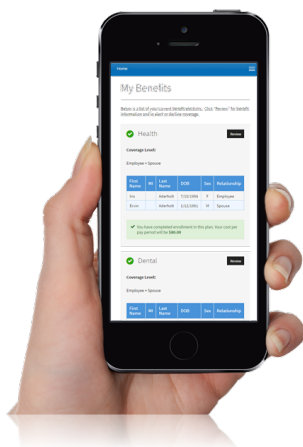


CITY OF  
**FORT  
LAUDERDALE**

This document has been delivered to the recipient for the purpose of permitting the recipient to evaluate a potential relationship with Selerix Systems, Inc.

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## Overview

This proposal has been prepared to provide you with a comprehensive enrollment and reporting system designed to easily incorporate the various components of an online and/or worksite enrollment including communications, benefit selection, forms completion, confirmations, data exchange and be deployed for employees 24 hours a day, 7 days a week, 365 days a year. The system is flexible in design with a robust set of built-in plan modules and business rules with a simple interface that streamlines the enrollment of both core and voluntary benefits.

## Key Objectives

- Provide City of Fort Lauderdale with a robust system that can enroll any combination of core and voluntary benefits with easy-to-use configuration tools that can accommodate any combination of plan options, business rules, eligibility criteria and payroll deductions.
- Deliver a comprehensive enrollment solution that allows for online or laptop deployment.
- Provide an array of data export and reporting capabilities to City of Fort Lauderdale, and their insurance carriers with enrollment and payroll deduction data in a format that is easy to use and easily maps into legacy systems.
- Provide Administrative Users with online tools and reports to monitor and evaluate overall enrollment and participation.
- Deliver a total enrollment solution that includes the availability of a secured online enrollment system that supports year-round new-hire enrollment, qualified status changes and ongoing data exports during the year.

## About Selerix

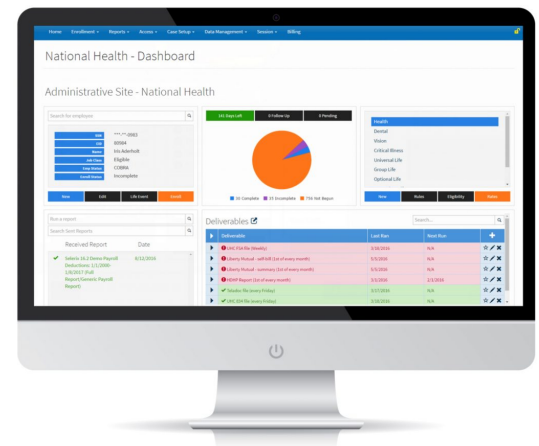
Selerix was founded September 2002 by three veteran software developers to consult and develop large-scale solutions for worksite marketing and employee benefit enrollment. Initially working in partnership with Eastbridge Technology (ETI), a long-time provider of laptop-based solutions for worksite marketing, Selerix initially developed Benefits-Selection as a web-based adjunct to ETI's WorksitePro software. Selerix's first client, a 5,000-life healthcare network in the Southwest, went live on the Benefits-Selection system in May 2003. Benefits-Selection has been used continuously since 2003 to enroll both large and small groups.

Significant milestones for Selerix include licensing of the system by Allstate in 2007, and USABLE Life, Colonial Life and American Fidelity in 2008, Humana and Trustmark in 2010, LifeMap in 2011, and The Hartford in 2013. These companies use the system for employee benefit enrollment and marketing of their voluntary worksite products. Selerix is a privately held corporation that is incorporated in Delaware and has no parent, subsidiary or affiliated entities. Selerix headquarters is located in McKinney, a suburb of Dallas, Texas.

## System Features

The **Benefits-Selection** system is designed to provide web or laptop-based benefit communications, self-service or HR-assisted enrollment, comprehensive reporting, and simplified data exchange and benefits administration. The system is deployed as two websites:

- **Admin Site** – allows administrative users to look up employees, initiate an enrollment session with an employee, wrap up an enrollment, run reports, interactively manage enrollment status, deliver data files and reports to authorized recipients, and configure or change groups on the system.



- **Enrollment Site** – allows employees to enroll in benefit plans, review their current benefits, and access forms and other documents. The enrollment site provides outstanding communication materials to explain benefit options to employees.



Key system features include:

- **Online or Offline Deployment.** Conduct enrollments online over the Internet or on-site using laptop computers, or any combination of both.
- **Co-browsing.** Take remote control of a web-based enrollment session for employees who work in a remote location. Lets Administrative Users delegate control back to the employee for specific tasks such as signing forms.
- **Growing Library of Benefit Plans.** Quickly set up all types of benefit plans, including Medical, Dental, Vision, Group Life, Voluntary and Dependent Life, Flexible Spending Accounts, Flex and Opt-Out Credit Plans, AD&D, Disability Income, Critical Illness, Term Life, and Universal Life.
- **Integrated Presentations.** Present attractive, colorful presentations for each benefit plan. Customize presentations for specific eligibility groups.
- **Eligibility Rules.** Set up specific eligibility rules, partitioning by location, job class, bargaining group, or dependencies between plans.
- **Custom Forms.** Automatically fill out carrier or employer forms. Verify form signatures (using PIN or digitized signature) to prevent repudiation.
- **Quick Enroll.** Built-in feature that allows re-enrollment of existing benefits from a single screen, if no changes are being made.
- **Data Synchronization.** Synchronize enrollment laptops in minutes over a standard Internet dial-up or high-speed network connection.
- **Scheduled Reporting.** Efficient, secure delivery of eligibility and enrollment data. When an enrollment report is available, an email notification is sent to a User who is defined in the system as a “report recipient”. Upon login, the system will automatically download the report over the Internet to the user’s desktop using 128-bit SSL encryption.
- **Rules-based Wrap-up.** Apply default rules (as defined by the employer) for employees who do not participate in the enrollment process.
- **Customized Data Feeds.** Deliver enrollment and census information to carriers and other business partners using industry-standard data formats (ANSI x834) or custom formats as required. Additional charges will apply for development of custom export files.
- **Year-round Enrollment.** Process year-round benefit changes due to qualified status changes and process ongoing new-hire enrollments.

## Laptop Hardware & Software Requirements (if applicable)

If a worksite enrollment process is anticipated, laptops should adhere to the following minimum hardware and software specifications:

Component	Minimum Recommendation
Operating System	Internet Explorer (version 9 or higher), Chrome, Safari, or Firefox. Our disconnected (laptop) software requires Windows 7, 8, or 10.
Memory	1 GB minimum (2 GB recommended)
Hard Drive	At least 1 GB free
Display	1024 X 768 or higher
Other	<b>Hardware</b> <ul style="list-style-type: none"><li>• Working CD-ROM drive</li><li>• network port or 802.11 wireless adapter</li></ul> <b>Software</b> <ul style="list-style-type: none"><li>• Internet Explorer 6.0 or above</li><li>• Adobe Acrobat Reader 6.0 or above</li><li>• Adobe Flash 5.0 or above</li></ul>

## Client Implementation

Client implementation is divided into 3 distinct phases:

- **Elaboration** – Gather requirements (client questionnaire, specialized EDI data requirements, etc.), compile census data, reconcile census with stated rules and plan designs, develop test outline.  
*Signoff: Questionnaire, Census Report*
- **Construction** – Deploy case-specific assets, configure system, test highlighted items, load census, present to client for review.  
*Signoff: QA Report, Enrollment Statistics (pre-enrollment)*
- **Service** – Deploy system, train users, complete EDI configuration, wrap up enrollment, audit results, schedule files for delivery.  
*Signoff: QA Report, Enrollment Statistics (post-enrollment)*

The client signs off on artifacts from each implementation phase to assure successful results.

		Project Management	Configuration	EDI	Test	Training
Project Phase	Elaboration	<ul style="list-style-type: none"> <li>Request workbook</li> <li>Create Case Profile</li> <li>Distribute Case Profile</li> </ul> Milestone: Requirements	<ul style="list-style-type: none"> <li>Get workbook</li> <li>Get current collateral</li> <li>Get census</li> <li>Reconcile Census Report</li> </ul>	<ul style="list-style-type: none"> <li>Check formats for special requirements</li> </ul>	<ul style="list-style-type: none"> <li>Create Test outline</li> </ul>	<ul style="list-style-type: none"> <li>Create Training plan</li> </ul>
	Construction	<ul style="list-style-type: none"> <li>Update Case Profile</li> </ul> Milestone: System Launch	<ul style="list-style-type: none"> <li>Build case</li> <li>Build PPTs</li> <li>Build Flash presentations</li> </ul>	<ul style="list-style-type: none"> <li>Test files</li> </ul>	<ul style="list-style-type: none"> <li>Test plan - forms</li> <li>Test Report</li> </ul>	<ul style="list-style-type: none"> <li>Enrollers</li> <li>Group</li> </ul>
	Service	Milestone: Validation	<ul style="list-style-type: none"> <li>Laptop build</li> <li>Installation</li> </ul>	<ul style="list-style-type: none"> <li>Test files</li> <li>Reconcile Enrollment Statistics</li> <li>Transmit (ongoing)</li> <li>Schedule (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing support</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing support</li> </ul>

Selerix typically recommends a 60-day implementation timeframe for most groups engaging in core and voluntary enrollments.



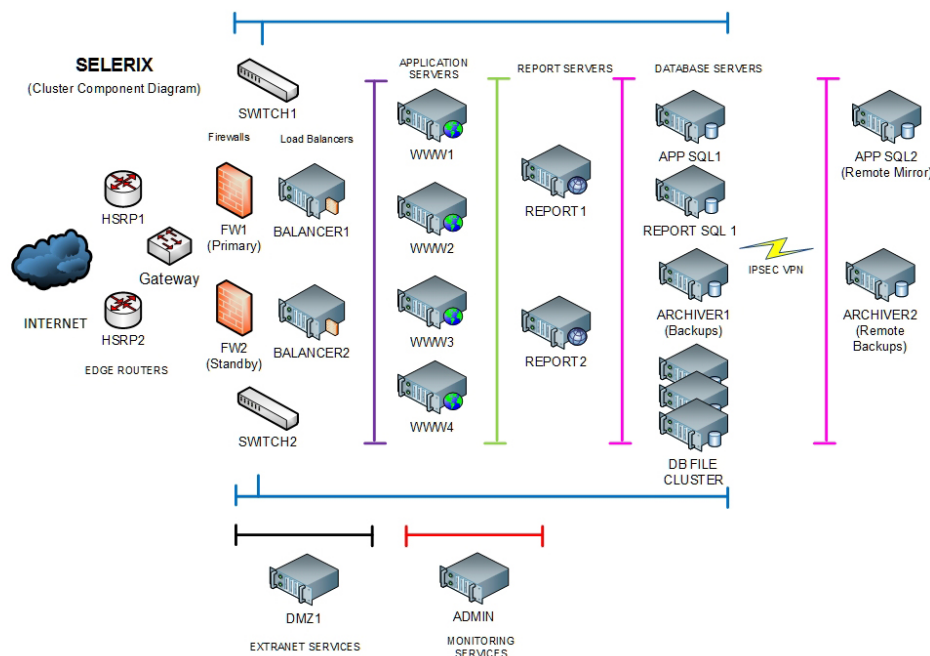
## Server Infrastructure

### Redundant, High-Availability Design

The Benefits-Selection infrastructure was recently redesigned and updated in order to maintain the highest availability to our customers. Operational continuity is maintained through redundant power, network and server components keeping unplanned outages to a minimum.

### Multi-Tiered Architecture

The Benefits-Selection system is built upon a multi-tiered architecture utilizing separate software and hardware components. In addition to increased security, the layered approach to software design and system infrastructure allows for individual components to be easily upgraded or replaced independently as requirements or technology change.



Full system and network redundancy is provided within each zone through the use of A/B power, multiple servers per zone, clustered firewall appliances and network switches, multiple network interface connections per device, hot-swappable power and hard drive technology, data storage arrays and real-time application failover capabilities.

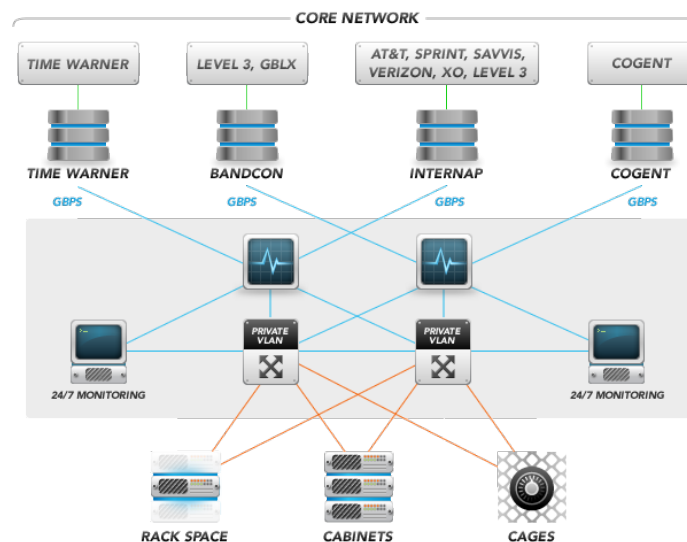
**Monitoring:** Selerix continuously monitors the up-time of the Benefits-Selection servers and applications using extensive health checking, real-time alerting and logging. Servers are monitored for network availability, web server operation, database operation and system utilization. Support personnel are notified in real-time of any potential system, network or application issue for quick resolution.



**Scheduled Maintenance:** All system and device updates or feature upgrades are tested and evaluated before deploying to the production environment. Updates to the operating system are installed within 3 days of notification. Maintenance windows are restricted to off-peak hours unless pre-arranged with customers.

### Enterprise-Class Data Center Providers

Benefits-Selection is deployed on a server cluster managed by Selerix personnel. The primary co-location facility is hosted by INTERNAP located in Plano, TX. A second, disaster-recovery site is hosted with Data Foundry, located in Austin, TX. Each facility utilizes a multi-homed mesh of Tier-1 network providers which provide unparalleled network availability to customers.



The data centers in which the Benefits-Selection servers are located are configured to promote maximum up-time and protection from downtime and data loss:

**24-hour On-Site Support:** Support staff are available on a 24/7 basis and provide system and facility monitoring as well as basic hands-on assistance if required.

**Climate Control:** Redundant “state-of-the-art” cooling systems are utilized in each facility to provide regulated temperature control with the use of high-efficiency cooling methods through the combined use of raised floors, N+1 cooling and hot-aisle return ducts.

**Physical Security:** In addition to 24/7 on-site support personnel, each data facility location is monitored by closed-circuit television cameras and physical access is controlled by biometric and proximity readers. Facilities are equipped with a man-trap at the front entrance and access is limited to persons defined on a preapproved access control list.

**Fire Suppression:** The data centers utilize double interlock pre-action dry pipe fire detection and suppression systems.

**Power Management:** On-site UPS systems in the data center provide back-up power for short periods of power loss, as well as conditioning for electrical circuits. On-site backup generators provide power for extended periods of power loss (up to 24 hours).

**Service Level Agreement:** The Internet Service Provider provides a limited Service Level Warranty for the network to which the servers are connected. The warranty guarantees:

- A. 100% power availability.
- B. Guaranteed network up-time of 99.9%.
- C. Network latency less than 40ms (milliseconds).

## Disaster Recovery and Business Continuity

**Geographically separate data centers:** The primary co-location facility hosted by INTERNAP in Plano, TX is located 15 miles from Selerix headquarters and 214 miles from the second, disaster-recovery site hosted with Data Foundry in Austin, TX, which in turn, is located 227 miles from Selerix.

**Remote offsite backup storage and data restore testing:** Client databases are backed up within the cluster to the standby database server at INTERNAP. In addition, backups are encrypted and copied to the off-site location at Data Foundry at 15-minute intervals. All backups are compressed and encrypted using a technique known as Triple Data Encryption (“triple DES”), which is widely considered to be among the most secure types of encryption.

**Live site-to-site data replication:** To meet the challenge of IT risk management from various disasters, including physical data-center attacks, network failure, service and power outage, data replication in real-time is provided between the primary and secondary, disaster recovery sites.

**Intelligent site failover mechanism:** Global load balancing is in place to ensure that users always have access to applications and data, even if service to the primary data center is interrupted. The load balancing capabilities are based on multiple factors, including performance and availability, ensuring that end users receive the best experience possible when interacting with applications. The system works in an active-standby mode, where, if the primary site fails, the secondary site takes over.

**Yearly scheduled DR Testing:** Disaster recovery and business continuity plans will be tested on a semi-annual basis.

**Scheduled maintenance windows:** Scheduled maintenance will be performed during off-peak hours and weekends, thereby minimizing the potential downtime during primary business hours for users of the Benefits-Selection system.

## Data and Systems Security

### Role-Based User Access

Each user in the Benefits-Selection system is assigned a unique username and password. Users only have access to those features that are appropriate for their assigned roles. Each user account has an expiration date after which the user cannot log in.

### Encryption

All traffic to and from the servers is encrypted. The Benefits-Selection system uses 128-bit encryption and Secure Socket Layer (SSL) for all personal information transmitted over the Internet. In addition, any backups of the system are encrypted before transmission off-site.

Both data “at rest” and “in flight” are encrypted using a sophisticated encryption algorithm and strong encryption key strategy. Selerix uses industry standard algorithms to encrypt and decrypt the data and keys used to build laptop software and cases: 128-bit AES protects data via Data Encryption Keys (DEKs), and 256-bit AES protects DEKs via the Master Encryption Key (MEK). Selerix provides a safe harbor for your enrollment data, ensuring that it is only accessible to authenticated, authorized application users.

### Network Security

Network security is enhanced by server separation between multiple security zones, each zone separated logically via a firewall device. Only authorized traffic is allowed externally as well as between zones. Administrative traffic is limited to authorized VPN users whose access is controlled via two-factor authentication.

**Vulnerability Testing and Compliance:** Selerix performs recurring, internal and external penetration testing and vulnerability assessments (third-party); mandatory, discretionary and role-based access control; network security infrastructure (firewalls, IDS/IPS, AV, etc.); data center access limited to authorized personnel only; data encryption.; sensitive data access limited to employees based on job function requirement.

**Internal application security testing prior to release:** Internal systems are analyzed through penetration testing to verify the security, confidentiality, availability and integrity of data being transmitted.

**Adherence to PCI and HIPAA standards:** Selerix adheres to guidelines specified by HIPAA Security Rule Standards 164.308, 164.310 and 164.312 (Administrative, Physical and Technical Safeguards).

**SAS 70 / PCI Compliant Data Center providers:** The primary co-location facility, INTERNAP is SAS 70 Type II audited and PCI compliant. Data Foundry has also achieved SAS 70 Type II Certification.

## Fees

### Case Set-up Fees

Selerix will configure the Benefits-Selection system for a one-time fee for City of Fort Lauderdale. The fee is based on the following fee schedule and labor cost.

Plan setup	\$100 per plan
Additional rate sets per plan	\$50 per additional set
Import formats	\$500 per format
Export/Report format	\$500 per format
Census – Employees, Dependents and Benefits	\$1,000 per group
Forms	\$500 per form

Set-up includes:

- Configuration of rates and eligibility rules for all plans.
- Deployment of onscreen product presentations (no charge).
- Census preparation and upload.
- Configuration of imports and exports for data interchange.
- Preparation of custom forms.
- Preparation of laptop software (no charge).

### Preparation of benefit statement report (no charge).

Case set-up and customization fees in subsequent years are typically 10-20% of first-year fees (to accommodate any new plans, change in carriers, rate changes, etc) and would be waived if there were no plan changes.

\*\* Pricing and services listed above do not include ACA services. ACA pricing is outlined on page 14 of this document.

## License Fees

License fees are charged on a per-employee per-month (PEPM) basis that enrolls in at least one product that is offered on the Benefits-Selection system and shall include:

- Deployment on the Benefits-Selection enrollment website.
- Unlimited number of Administrative users.
- Benefits-Selection base system and the following 'BenefitAgent' plug-ins developed by Selerix:
  - **Custom Benefit Statements** – a plug-in which provides customized pre- and post-enrollment confirmation of election statements incorporating City of Fort Lauderdale logo, specific benefit descriptions, costs and editable text blocks.
  - **Custom Payer Export**– a general-purpose export for delivering enrollment information to payers. The plug-in allows the Administrative User to determine which data fields to include and the naming order of spreadsheet columns, with unique configurations for each payer.
  - **ANSI x834 Payer Export** – a HIPAA standard data export for delivering enrollment information to medical, dental and vision payers. Use of the ANSI x834 is determined on a carrier-by-carrier basis.
  - **FTP Delivery** – encrypts data files and uploads to carriers' FTP sites.
  - **QA Report** – automatically scans the case configuration and enrollment database to identify problems or data conflicts during the testing phase and post-enrollment prior to producing extract files. This ensures the database is valid according to City of Fort Lauderdale business rules as set up on the system.

## Summary of Pricing

License fees are computed on a per-employee per-month (PEPM) basis including only those employees enrolled in at least one benefit offered on the BenSelect System. The total monthly license fee is calculated by taking the number of lives in the group, multiplying the PEPM fee by the number of lives. There is also a four (4) month minimum for Open Enrollment only groups.

Active Lives			
From	To	Monthly Fee	
0	250	\$1,000.00	/mo.
251	1,250	\$3.50	/mo. PEPM
1,251	2,500	\$3.00	/mo. PEPM
2,501	5,000	\$2.50	/mo. PEPM
5,001	& up	\$2.00	/mo. PEPM

**BenSelect cost to City of Fort Lauderdale would be:**

- **\$2.50 PEPM based on 3,148 benefit enrolled employees**
- **Case set-up fee of \$6,900 for configuring the BenSelect system**
- **The first-year cost would be \$101,340**

*The case set-up fee above includes the following:*

- 18 Products
- 6 EDI files and includes a file to Marathon at no charge
- 1 Confirmation form
- 1 EOI form
- 1 Census (Employees, Dependents and Benefits)

## Optional ACA Estimate: For 2020 Services

Core Services based on FTE count of 3,148 at \$0.33 PEPM (this fee is guaranteed for 3 years)

- \$12,467 annual fee (includes one (1) EIN filing)
- \$2,000 set up fee (1<sup>st</sup> year only)
  - Additional EIN's are billable
  - Optional form mailings - \$1.50 per form; \$1.00 per corrected form

## Selerix add-on ACA Module (Optional Service)

Selerix ACA tackles the rigorous demands of the ACA mandate, quickly and easily. Automated affordability calculations, transaction-based IRS code generation and powerful Lookback Monitoring. File electronically to the IRS with the click of a button. Receive status notifications automatically when the IRS processes your submission. Track and process your corrections and submissions from the same, convenient interface.

### Service:

- Full-Service ACA Manager
- Setup/On-boarding Assistance
- IRS Form Generation Assistance

### Convenience:

- One System, One Solution
- Pricing structure that decreases as your headcount increases

Core Services	ACA Fees
Lookback Monitoring IRS Form Generation IRS Electronic Filing	(33¢ per FT EE per month x 12 months) or \$5.00 per **FT EE per year

\*\* FT EE means Full Time Employee.

One-time case set-up fee are \$2,000.

Each calendar quarter throughout the calendar year the number of employees who will require a 1095-C form will be calculated and the appropriate fee billed quarterly in advance based on previous and current activity. New clients will be billed based on a projected employee forms count.



At year end, the counts will be reconciled based on actual quarterly employer counts of records maintained in the system.

Electronic filing fees are:

First EIN – no filing fee;

For EINs two (2) through five (5) there is a filing fee of \$500 per EIN; and

Each additional EIN over five (5) has a filing fee of \$100 per EIN.

**ACA pricing above is OPTIONAL SERVICE provide by Selerix.**

## Training

Selerix will provide up to 6 hours of web-based training for administrative users. If additional web-based training is required, Selerix will bill City of Fort Lauderdale at \$100 per hour.

## Conclusion

Benefits-Selection is perhaps the most comprehensive solution on the market today for worksite marketing and benefit enrollment. Several features clearly distinguish Benefits-Selection from competing products in the field:

- **Versatility** – Benefits-Selection is designed from the ground up to handle diverse groups with complex eligibility rules and plan designs. A robust event-driven scripting model ensures that the system can handle enrollment of practically any benefit plan design, eligibility rule, or dependency. An easy-to-use administrative website makes configuration of even the most complex cases quick and easy. The built-in QA report scans for errors in census information and product configuration, alerting the user to potential problems. Comprehensive recordkeeping ensures compliance and prevents repudiation.
- **Flexible deployment** – The system can be deployed simultaneously on the web and disconnected laptop computers. Robust two-way synchronization ensures that laptops are kept up to date throughout the enrollment. Software updates and case configuration changes are automatically distributed to the field.
- **Electronic Data Interchange** – The system supports a variety of data extracts and reports. Files can be scheduled for delivery at regular intervals through a simple point-and-click interface. HIPAA-compliant extracts using the ANSI 834 format can be configured in minutes and delivered securely to recipients. Arbitrary spreadsheet and flat file formats are accommodated easily through flexible report templates. Custom import file formats can be implemented with ease to accommodate upload of employee, dependent, and benefit information.

These features coupled with the ability to incorporate high-quality communication materials and integrate with external systems from voluntary carriers clearly establish Benefits-Selection as the leader in enrollment technology.

City of Fort Lauderdale May 11, 2020

## Benefits Administration Vendor Questions & Information Request

The document is very thorough and not all questions may apply. Some of the answers to these questions may have already been provided during demos however it's imperative that all answers be provided in writing in response to this form.

Date: 5.15.20

Vendor: Selerix Systems, Inc.

### Vendor Overview and Background

1. Where is your company headquarters located?  
Selerix is headquartered in McKinney Texas. We also have an office in Columbia South Carolina.
2. What is your ownership structure? Do you have any subsidiary or third-party relationships?  
Selerix is a privately-owned company. We do not have any subsidiaries or third-party relationships.
3. What is your core business?  
Online Benefits Enrollment software, ACA Module, Employee Engagement Module.
4. What year did your enrollment and administration solution launch?  
Selerix was founded in 2002 and went live in March 2003.
5. How many clients do you serve that are similar in size to us?  
Selerix has many clients of different sizes, ranging from 250 to 30,000.
6. How many clients do you have in the same industry as us?  
Selerix works with many cities, government entities, school districts, etc.
7. Briefly describe any additional capabilities or differentiating factors of your firm.  
Selerix BenSelect is recognized as the most capable enrollment system in the business. Our system provides customization options built into the product, and our carrier product templates can accommodate complex business rules with versatility that our competitors cannot match. In addition, every facet of our enrollment system can be further augmented with custom JScript.NET, allowing it to accommodate the most intricate enrollment requirements.  
BenSelect also offers an option ACA module as well as an optional employee engagement module, Selerix Engage.
8. How many employees does your largest customer have that utilizes this system?

Selerix largest client has roughly 30,000 lives on the platform.

9. Indicate if you are owned or affiliated with any carriers or brokerage agencies.

Selerix is a privately-owned corporation. We have 20 carriers that have become Enterprise Licensee's with Selerix.

10. What percentage of your company's revenues is derived from online enrollment and benefits administration services?

100%

11. Do you carry errors and omissions insurance; and if so, what are the limits and who is the carrier?

Selerix has \$5mm E&O insurance through Beazley Insurance Company, Inc.

## Employee Experience

1. How is the employee notified of eligibility for enrollment and system access at annual enrollment, upon hire or if a status change is made (ineligible > eligible)?

Employees can be notified by email regarding access to the platform for enrollment information. They access the employee site for their open enrollment elections, new hire elections and any status changes needed.

2. Describe passwords used for access. How can they be reset?

To ensure authentication for users and administrators on all system components, Selerix has implemented the following:

- Users must be notified that passwords must be kept confidential and must not be written, stored or transmitted in plain text.
- Password procedures and policies must be communicated to all users who have access to critical data.
- First-time passwords must be set to a unique value for each user and required to be changed immediately after the first use.
- User passwords must be changed at least every 90 days.
- The identity of a User must be verified before performing password resets.
- Account lockout for invalid password attempts will occur after a maximum of five invalid password attempts. Accounts shall remain locked out for a minimum of 15 minutes, unless reset via the official password reset process.
- Systems will not allow users to change their password more than once within a 24-hour period.
- Systems require at least five unique password changes before a password may be reused.
- Access for a terminated user must be revoked immediately.
- Inactive user accounts must be reviewed and removed or /disabled at least every 90 days.
- Production system-level passwords (e.g., administrator, application administration accounts, etc.) must be changed on at least a quarterly basis.

3. Describe mobile capabilities: tablet, phone, etc. Can an employee enroll or make changes on their mobile device?

BenSelect is mobile compatible and the site is a responsive design and will adjust according to the screen size. Employees can enroll or make changes via mobile.

4. How much flexibility do we have with the look and feel of the system? Can we change the display order of the benefits? What text or documents can be altered on each screen?

The system has the flexibility for the customization of both the text banks and the order of the benefits as well as the text on the application screens. We can customize the text on the application screen for each benefit and can also include images and/or links to documents. Company documents can also be stored on the site allowing employees easy access to those documents.

In addition, there is a theme manager that is a powerful way to customize at the next level and make each case unique. The Theme Manager can be used to easily customize the colors, fonts and display settings throughout the site to match the look and feel of the customer. However, there could be additional fees for this type of customization.

5. How are non-English languages selected by the employee?  
Language drop down is available for employees to select.

6. What languages does your organization's benefit enrollment system offer?  
Currently English, Spanish and French are available. Additional languages can be configured however lead time will vary based on need.

7. What type of employee support do you provide? Online chat, call center, text, email.  
Selerix support is offered to the HR Admin not the end-user employee. Support for HR Admin is available via email or phone.

8. What are the hours for employee support?  
HR Admin support via Client Advocate is available M – F 8 am to 6pm.

9. Demonstrate employee decision support tools, including interactive features and calculators.  
The BenSelect decision support is system directed. The employee reviews each benefit plan and decides to elect or decline coverage as they move linearly through the enrollment process.  
The medical plan offers the employee the ability to answer a series of questions regarding doctor's visits, prescriptions etc. and are then provided with a recommendation for coverage based upon the out of pocket expense.

10. Demonstrate how the system displays pre- and post-tax contributions.  
Pre and post-tax contributions rules are set during implementation. The information is displayed on the confirmation form for the employee's review.

11. How is Evidence of Insurability explained to the employee?

EOI questions may be presented during enrollment and the answers may be delivered to carriers via reporting.

12. How does the system handle an FSA mid-year enrollment (off cycle)?

BenSelect allows for off cycle FSA mid-year enrollments. FSA rules are set during implementation thus the system triggers the correct amount during mid-year enrollments.

13. How does the system provide e-mail notification for events such as incomplete enrollments, completed status changes, or overage dependents?

The platform can be configured to send email notifications for multiple events, including those listed above.

14. Does your system have a way to record verifications that an employee read and agreed to legal or compliance related notices?

Employees can be required to confirm/acknowledge they have read and agree to notices.

15. What does the enrollment confirmation statement look like at the end of the process? Is it formatted to print? Are there separate charges that apply to printing of confirmation? Do employees have access to statements outside of open enrollment?

Confirmation statements are viewed prior to and after employees confirm their elections. The statement is available for the employee to save or print. There are no charges for allowing the employee to print statements. Employees can view or print statements outside the enrollment period if needed.

16. How long does the system store previous year's elections for employees to access?

The system stores all election information for as long as the client uses the platform.

## Benefit Administrator Experience

1. Explain the responsibilities of the HR department for the following scenarios:

- a. EOI notifications
- b. Dependent verification such as overage dependents
- c. Qualifying events

HR admin with appropriate privileges would have access to view all pending EOI, dependent verification and qualifying events for approval.

2. Who will be the application administrators?

The Client Advocate assigned to the client along with the HR Admin will administrate the application.

3. Demonstrate the tracking system for HR responsibilities. How is HR notified/reminded of a task?

The HR Admin will access their dashboard on the Admin site for all notifications and reminders.

4. Describe the training process at implementation and ongoing. How are new HR staff members trained? Are there ongoing learning opportunities?

The client advocate assigned to the client will train the HR Admin staff. There is additional training available via online guides and videos.

5. Describe varying levels of access for the client's HR/Risk/Benefits, IT, and payroll staff members.

Roles are assigned permissions; users are assigned roles. Some roles can view full data or limited data. Some roles can make changes to data and some cannot. These roles are assigned at the direction of the client.

6. How are new hires/new enrollees put into the system. Is it data entry or is there a feed that is updated with the payroll system?

New hires/enrollees can be entered manually or via payroll upload.

7. Explain the types of notices that are pushed out to employees and how this is done at the Admin level (automated alerts via email, text, new hires, reminders, incomplete enrollment, etc.) Can Admin target messaging to specific groups of employees?

The BenSelect platform can send automated alerts via email to employees with specific messaging regarding enrollment. Our Engage platform is much more robust and allows for targeting outbound campaigns well beyond open enrollment for active employee engagement via email and text.

8. Describe reporting capabilities: standard reports available, custom reports, ad-hoc. Can reports be scheduled?

BenSelect reporting is highly configurable, both in terms of user permissions and data output. A standard report template can be setup to output only one column of data or all columns of data, run to output only changes by processing date, or for a full file, with options to include or exclude things like waivers and COBRA related data, by date, sorted by employee or coverages and much more. Using custom JScript.NET and the Selerix business object library, the system is realistically only limited by the skills of the report developer.

All reports can be scheduled by the HR/Admin user. Once the report's parameters are set, the HR/Admin will have the option to schedule the report for delivery. The system provides a simple point and click interface that HR/Admin can use to create most reports.

9. What format(s) are these standard reports in?

We can customize display options to whatever you and your client need. We can display reports in spreadsheet format Excel, Access database files, text files, HTML, or PDF.

10. Can you provide a sample of the different standard reports available?

Attached you will find the frequently used standard reports and a brief description of each. Please review and let us know which you would like to see a copy. There are over 100 reports that are available and there is also a way to create custom reports.

11. Please describe the timetable and fees for replacing benefit plans in the future.

The timetable for annual open enrollment is the same as the initial set-up (60 days). This allows the clients HR Admin, the broker, carriers and vendors to gather all required information for the Selerix

team to update the platform for OE. Fees are nominal and based on the level of changes to the benefit plans. 1st year fees are roughly 10% of initial set up fee.

12. Please describe the dependent verification process. Does the system pend enrollments for missing documents and provide updates to staff?

The platform can require the employee to add dependent information including documentation if needed. The system will pend any information for the HR Admin to approve.

13. Please explain the year-end process for all components.

Once your enrollment is complete, additional steps are required to finalize the process. This process is referred to as case wrap-up and consists of determining your organization's wrap-up rules, configuring your site to follow those rules, preparing pre-wrap reports, executing the wrap-up procedure and preparing the post-wrap reports and audits. This also includes all eligibility files sent to carriers.

14. Can reporting be performed based on payroll deduction codes?

Yes, reporting can be based on payroll deduction codes.

15. How does your system handle non-tax qualified dependents enrollment such as domestic partners and adult dependent children (age 26-30)?

The BenSelect systems handles non-tax qualified dependents both domestic partner, children of domestic partners through the case upset modules. The system will support dependent child over 26 to 30 utilizing jsript in the case setup modules.

## System Features

1. How does the system manage new hire enrollment during the annual enrollment period?

Employees hired during the open enrollment that are eligible for the previous and current plan year, enroll in both plan years within the same enrollment session. After completion of enrollment in the current plan year they are prompted to make open enrollment elections.

2. Does your system have the ability to track the status of new hires in the new hire enrollment process, and have the ability to generate correspondence to the employee regarding their status?

BenSelect will track the status of new hires in enrollment process and HR Admin can view Completed, Not Begun, Begun, In process. Reminders can be sent to employees regarding their status.

3. Are there any plan designs or eligibility rules the system cannot support, including multiple contribution levels and rate structures, multiple eligibility rules, multiple pay cycles, etc.?

BenSelect is designed to handle diverse groups with complex eligibility rules and plan designs. A robust event-driven scripting model ensures that the system can handle enrollment of practically any benefit plan design, eligibility rule, or dependency.

4. How is information retained historically? How long will information be kept on the system before being transferred to historical files?  
Historical data is kept on the platform for as long as the client remains. Data can be archived however it remains available for the client to reference.
5. How are upgrades and updates made to the system? To what extent do clients have influence over product development?  
Major releases happen in the 3rd quarters or each year. Bi-weekly hot fix releases address any critical or case-specific issues that may arise between scheduled major releases. Selerix welcomes input from clients regarding product development.
6. Describe scalability capability in the event of rapid workforce growth, changes in benefits strategy, and ease of configuration changes.  
Our VP of Client Services is always monitoring staff and clients to make sure we have the capability to manage growth of client.
7. Please advise on multi-lingual capability.  
BenSelect is currently available in English, Spanish and French. Additional languages can be configured however the lead time is 60-90 days based on complexity of the request.
8. Is the system able to accommodate rate offsets such as tobacco, spousal surcharge, or wellness credits?  
Yes, BenSelect can accommodate rate offsets mentioned above.
9. Can the system be pre-loaded with all employee data, as well as dependents, including existing elections?  
BenSelect can pre-load all employee data including dependents and existing elections.
10. Can grandfathered populations with benefits no longer offered to the benefit-eligible population be supported?  
Yes, grandfathered benefits can be supported.
11. Does the system capture beneficiary information? Can electronic beneficiary designations be imported into the system?  
Yes, BenSelect captures beneficiary information and electronic designations can be imported into the system.
12. Are age reduction formulas built into the system? Does this trigger any associated deduction change?  
Age requirements are set during implementation and the system tracks and reports dependents once they hit age limits. Maintenance reports can be placed on a recurring schedule to automatically run, examine coverage data and make adjustments to coverage's, rates, eligibility and so forth.



13. Does the system calculate spouse life insurance rates?

Yes, BenSelect calculates spouse life insurance rates.

14. Can system accommodate different guarantee issue rules for open enrollment, new hires and status changes?

BenSelect can accommodate multiple GI rules based on client specifications.

15. Describe voluntary benefits integration and enrollment capability.

Voluntary benefit integration and enrollment capabilities are a standard functionality of BenSelect. Our robust event-driven scripting model ensures that our platform can accommodate enrollment of practically any plan design for voluntary products including Accident, CI, Cancer, Pet insurance, Legal, etc.

16. What is your software roadmap for the next five years?

As Selerix works with an agile methodology, we do not plan 5 years out. The following are changes planned within the 2020 calendar year:

- New administration HR view, including enhanced, one-stop view for employee information, and new workflows for processing life events and other administrative changes – expected Beta testing beginning late 3rd quarter 2020.
- Additional API integrations with payroll companies, carriers, and access to APIs into our system to return payroll or enrollment data – various throughout the year.
- Enhanced user experiences for enrollment – expected release 3rd quarter 2020

## Electronic Data Interface

1. Provide a sample file layout of the data feeds required for integration on inbound and outbound data feeds.

Please see attached Selerix Census Template. The tabs we typically use for implementation are the Employees, Spouse & Dependents and Current Benefits tabs. The bolded columns are the required fields, but there may be other required fields depending on the structure of the case and the plans we build for CoFL. We do not expect CoFL to match our format exactly, as we would prefer to receive your raw files. We will use our Census Expert program to perform any data manipulation needed on our end, a huge time saver. This template is simply for you to know the data fields we need. For outbound files to you partners or carriers, they provide Selerix with their file specs and we build accordingly.

2. What file format is required and what is the frequency of submission.

File formats can be reviewed with the client and their vendors during implementation. Frequency is set at the client's request.

3. Describe your ability to interface with HRIS, payroll, carriers and other vendors. Are you currently sending feeds to companies providing services to us? Describe relationships and efficiencies that could result.

In practice, we can integrate easily with practically any payroll provider. The system is easily configurable to deliver new data file formats quickly and securely. Integration with payroll providers, carriers or other vendors requires that the provider support a basic import capability for spreadsheets or tabular files.

4. Will a data feed schedule be established during implementation, that has been agreed upon between all parties (carriers, client, vendors)? Is there a process to monitor any missed/late/rejected files or records?

Data feed schedule is set during implementation based on the client specifications and agreements with all parties.

The HR Admin dashboard will verify if files were sent or failed for any reason.

5. Describe the method of sending and receiving payroll and HR information to or from carriers, third party vendors or client.

While actual workflow depends on the administrator's preferences, a simple example begins with defining the payroll file layout; file format and data columns to be included in the output as required by the employer or TPA. If the file will be transferred over SFTP most common delivery because of enhanced security capabilities, the site administrator configures a SFTP plugin with all the necessary login information, encryption keys, and related options as required by the recipient. Then the file is scheduled for transmission on a recurring basis.

6. What is the frequency of indicative data you require from the City's HRMS/Payroll system? Do you require a full file or changes only?

Frequency is set based on client specifications. Selerix can accept a full file or changes only, however we prefer a full file.

7. How is the data between the system of record reconciled with the carriers on an ongoing basis? What checks and balances does your company have in place?

Once the EDI/file share to the carrier is sent, the carrier reports directly to the client for reconciling and/or discrepancies. The HR Admin and the carrier in conjunction with the Client Advocate works through any discrepancies.

8. Can feeds be scheduled to run automatically, or will manual processing be required?

Feeds can be scheduled to run automatically.

9. Do you have a process to manually move data if a carrier will not accept a file feed?

In those cases, the system can send a excel file with enrollment date to the carrier.

10. Please clearly define the term "data integrations "and identify the integrations that have been included in your proposal.

Selerix has many standard integrations with other HR/payroll vendors and carriers. Below is a list (not limited to): Aflac Humana Allstate LifeMap American Fidelity MetLife American Public Life The Standard Colonial Life Transamerica CHUBB Trustmark First Financial Group of America USABLE Life The Hartford Washington National Paychex Paylocity MUNIS Lawson ADP Skyward Kronos PeopleSoft.

11. What data transmission options do you offer? S/FTP, MFT?

SFTP is the most commonly used transmission protocol for outbound data from BenSelect for security reasons.

12. Are there any changes to EDI data elements (i.e. field names, field options, plan options, billing structure options) after initial implementation and is that support included in the contract charges or are there additional charges?

EDI data changes can be made after initial implementation. Most are completed with no additional charges; however, a cost could be associated based on the complexity of the change request.

13. How will Business requirements be translated to technical requirements?

BenSelect is recognized as the most capable enrollment system in the business. Our system provides customization options built into the product, and our carrier product templates can accommodate complex business rules with versatility that our competitors cannot match. In addition, every facet of our enrollment system can be further augmented with custom JScript.NET, allowing it to accommodate the most intricate enrollment requirements.

14. Can your system provide application configuration/customization design (***field naming (customization if necessary), required fields, etc.: these affect file specs***)?

BenSelect is a highly configurable, robust platform. A standard report template can be setup to output only one column of data or all columns of data, run to output only changes by processing date, or for a full file, with options to include or exclude things like waivers and COBRA related data, by date, sorted by employee or coverages and much more. Using custom JScript.NET and the Selerix business object library, the system is realistically only limited by the skills of the report developer.

15. Please provide (1) Multiple Carrier File Specifications for the City's benefit providers, and (2) HR/ Payroll Cyborg to Benefits Vendor File Specifications.

Carrier specs range for every carrier and are typically provided to us from the carriers during case implementation. We work with all sorts of formats: text formats, CSV, 834s, delimited files, etc. Selerix has built well over 100 carrier and vendor interfaces (EDIs). We do not have an EDI with Cyborg currently built, but as part of your case set up fee, all vendors of the client who wish to receive data from BenSelect including Cyborg Payroll will be built for you to fully-automate the platform and eliminate human intervention.

16. Please provide a sample file layout of the data feeds required for integration, inbound and outbound data feeds.

Attached is **Census Template Key** that shows all the data elements and those that are required for our platform.

17. We will also need to know what file format is required. What will be the frequency?

BenSelect file formats include Excel, Access database, ANSI 834, and common plain-text formats. BenSelect can deliver reports daily, weekly, multiple times per week, monthly or on an ad hoc basis.

18. Please provide contact information for System administrator for EDI.

The Client Advocate assigned to the client will be the point of contact for all requests, including EDI. They will facilitate the request and assist the client by working with the Selerix internal team.

## Implementation

1. Describe the structure of the team that will be handling the implementation of this account and their interface with us.

The Client will be assigned a designated Client Services Advocate upon signing a contract with Selerix. The CSA is your main point of contact during the implementation and for the future. Your CSA is a Selerix direct employee and works with our internal team members to manage your case set-up and handle the City's custom requests for the life of the account.

2. Please describe the implementation process, to include discovery, timeline, meetings, data needs, branding, and documentation of implementation project. Describe responsibilities for each party.

The Client will work with your assigned Selerix CSA to obtain requirements for both your core plans, voluntary benefit products, payroll, HSA/FSA/HRA and COBRA plans. Your employee benefit broker and The Client will review and test the case setup (once complete) for accuracy. Using your current employee benefit booklet (AKA handbook), Selerix begins the initial case set up. We will request an employee census from the Client to begin formatting the employee population. Using our proprietary program Census Expert, we will take your census data in almost any format and load it into BenSelect; therefore, eliminating the need for the Client to provide file specifications to your payroll, benadmin or other vendors from whom we get a census file.

Specific responsibilities of the City:

- provide Selerix with an e-copy of your current employee benefit booklet
- attend kick off meeting and weekly "check ins" with Selerix team (web calls)
- request employee census data
- review and test the case setup
- attend BenSelect training

Specific responsibilities of Selerix:

- Handles all communication with client, broker, carriers, etc.
- Gathers all requirements for case build (Workbook, Census, Account Structure/Billing)
- Gathers all requirements and facilitates communication regarding EDI (case-by-case basis)
- Responsible for documenting and ensuring EDI files are scheduled and are delivered to carriers
- Responsible for workbook completion and maintenance
- Responsible for the creation and management of Project Timeline
- Responsible for client, broker, and enrollment company training
- Responsible for adding and maintaining user accounts
- Creation and Configuration of case based on the provided documents
- Responsible for ensuring all EDI files are scheduled and reporting properly
- Works with carrier to complete building and testing of files
- Main point-of-contact with carrier while testing files

- Responsible for all case-level issues that are reported

- What implementation methodology do you use? Do you have a sample project plan you can share? What is the implementation timeline, project duration?

Selerix has a “Live in 60 Day” implementation process that will actively involve the Client in the case set-up, as described above in #2. Client implementation is divided into three distinct phases: Elaboration, Construction and Service. The Client will sign off on each implementation phase to assure successful results. (sample timeline below based on 11.15.20 Go Live)

Case Name:	Sample Client
OE Start Date/Site Live:	11/15/2020
OE End Date:	11/30/2020
Coverage Effective Date:	1/1/2021
Enrollment Type:	Re-enroll



**Selerix Case Implementation Timeframe - Sample Client**  
 Enrollment begins: 11/15/2020  
 Reenrollment with Carrier/Plan/Rate changes

MILESTONE	Number of Business Days Prior to Enrollment	Latest Completion Date	Completion Date	Adjusted Timelines	Responsibility	Notes
<b>Elaboration Phase</b>						
Implementation Call Scheduled	45	9/14/2020			Selerix/Broker/Client	
Timeline provided to Employer & Broker	45	9/14/2020			Selerix	
<b>Implementation Call</b>	40	9/21/2020			Selerix/Broker/Client	
<b>Group Census Received</b>	35	9/28/2020			Broker/Client	
GI Changes/Modifications Confirmed	35	9/28/2020			Selerix/Broker/Client	
Workbook Plan Details Reviewed	30	10/5/2020			Broker/Client	
Carriers Confirmed	30	10/5/2020			Selerix/Broker	
Carriers Contacted to confirm EDI and UW	30	10/5/2020			Selerix/Broker	
<b>Completed Workbook Approval</b>	27	10/8/2020			Broker/Client	
Updated Communication/Marketing Materials	20	10/19/2020			Broker/Client	
New Rates Received	20	10/19/2020			Broker/Client	
<b>Construction Phase</b>						
<b>System Build Complete in BenSelect</b>	18	10/21/2020			Selerix	
Solutions Consultant Testing	17	10/22/2020			Selerix	
Client Advocate Testing Complete	15	10/26/2020			Selerix	
QA Review of Case	11	10/30/2020			Selerix	
Carrier Compliance Review Approval	10	11/2/2020			Voluntary Carrier(s)/Selerix	
Client Audition	9	11/3/2020			Selerix/Broker/Client	
Client Testing Matrix Received	6	11/6/2020			Broker/Client	
Client Final Approval	2	11/12/2020			Broker/Client	
Site Prepared for Enrollment	1	11/13/2020			Selerix	
<b>Enrollment Begins/Site Live</b>	0	11/15/2020				
<b>Enrollment Ends</b>	-	11/30/2020				
<b>Service Phase</b>						
MILESTONE	Number of Days After Enrollment	Latest Completion Date	Completion Date	Adjusted Date	Responsibility	Notes
<b>Case Wrap Up/Audit Complete</b>	7	12/9/2020			Selerix	
File Testing with Carriers/Payroll Complete	-	12/9/2020			Selerix	
<b>OE Files Delivered/Confirmed</b>	7	12/18/2020			Selerix	
New Plan Year Ongoing Files Scheduled	14	1/7/2021			Selerix	

- What does “go-live” mean to you?

To Selerix our “Go Live in 60 Days” means the plans/products, rates, historical elections, eligibility rules, employee population and EDI feeds are in the system, tested and fully functional to begin benefit administration on the Go Live date chosen by the City.

- Please describe the testing process. Is there a separate test system loaded with production data? Do you provide test scenarios or are we responsible for identifying which records to test to ensure configuration is correct?

Throughout the year, Selerix performs random audits and case reviews to ensure all files are scheduled correctly and the appropriate settings are in place to track the delivery of files to carriers and employers. The development department checks changes into our development environment using subversion. Code is reviewed by the Chief Technology Officer and unit and regression tested by the QA department. Changes are then released to our testing environment, where they are verified by

Support and/or Product Management. Support and/or Product Management then determines what release a change can go into and the change is then released to production.

6. Describe process to work with our carriers. When do you begin building the file feeds?

Typically, we share data via direct EDI files to your carriers. With well over 100 established carrier EDIs already built in Selerix, we will have the majority of the EDIs you will need already built. However, to Selerix, all of the Client's carriers/vendors are considered a priority for building file feeds during implementation so that they are established and functioning by the "Go Live" date. These EDIs are built and tested about halfway through the 60-day implementation process. Selerix is responsible for the communication and handling/building of the EDIs for the Client.

7. How will you ensure data quality is maintained during the migration to the new system?

BenSelect has internal checks and balances that review the data and create error messages if there are inconsistencies. A QA report is also generated which provides alerts to possible system and/or data errors. The Client in conjunction with your CSA will be directly involved to ensure data is correct during (and after migration) and will manage any discrepancies together. All changes in the system are tracked including who, what, where and when they were done. BenSelect can allow manual manipulation to data, if necessary.

8. Please describe the transition process post-implementation.

The City will be assigned a designated Client Services Advocate upon signing a contract with Selerix. The CSA is your main point of contact during the implementation and for the future. Your CSA is a Selerix direct employee and works with our internal team members to manage the case set-up and handle your custom requests throughout the life of the case.

9. What is your implementation lead time?

Before we can begin implementation activities, we would need an executed contract. As previously discussed, typical implementation timeline is 60 days, but this window can be shortened or extended by a week or two based on complexity of the group. We communicate the timeline in the initial implementation conversations and as we go along so that everyone is onboard. Supplying all required data (demographics and benefit booklets) to Selerix upon request can keep the timeline on track or even shorten the timeline. The 60 day "clock" starts the day we choose the Go Live date for the City.

10. If there are any changes to EDI data elements (*i.e. field names, field options, plan options, billing structure options*) after initial implementation is that support included in the contract fees or are there additional charges?

No, there is typically no fees to adjust existing EDI data fees unless the carrier changes the entire structure. If the group changes vendors there would be a fee to configure the new plan, rules, rates and build the new EDI report. That cost would be approximately \$1,000.

11. What kinds of challenges have you faced during implementation and how were they resolved?

After being in the benefits administration business for 17+ years, we've encountered all sort of challenges during implementation. Since data is "king" most of the issues that delayed or thwarted our efforts are centered around case builds on poor data quality from the census reports. To that end, the

we created a program specifically to mitigate problems around census data disconnects – Census Expert. This program takes the census data almost in any format and digitally builds a bridge of the data to our system so that ultimately the data can be exported, cleaned up and the process is not hindered or delayed.

## Service Delivery Model

1. Is the ongoing team the same as the implementation team? If not, please describe the transition.

Yes, it is the same with your designated CSA your primary point of contact.

2. Where is the team located?

The City will be assigned a support team located in the South East - Selerix has an office in Columbia, SC. ACA reporting services will be provided from South Carolina, as well.

3. Please describe team experience, average length of time in current position, and number of clients assigned to each team member. Do you know who would be assigned to our case?

The average length of experience is over 12 years in benefits and most of our employees have been with Selerix for over 6 years. There are two key individuals that will be assigned to CoFL. The first is a Client Advocate whose main point of contact for implementation, training and ongoing service and support, your lead contact for the client will be assigned upon contracting with Selerix. Our Client Advocates are uniquely prepared to handle the client's needs for benadmin.

The second person is a Solutions Consultant who's assigned to will work directly with the Client Advocate to gather requested documentation and build the case on the BenSelect platform and scheduling fees.

Assignments of employees to accounts will be determine closer to the implementation date so that resources can be reviewed. This account will be handle out of the South Carolina office and will be managed by Kristen Vinson, AVP Service Opertations.

4. Describe customer and technical support and response/resolution time. How are open items tracked and what visibility do we have into open items?

SELERIX will provide technical support as required to fix technical problems with BenSelect as described below. Technical problems are defined as follows:

- "Severity 1 Problem" means any defect or interruption in service for which there is no workaround and that prevents the user from completing a critical task.
- "Severity 2 Problem" means any defect that poses an inconvenience to the user but does not prevent the user from completing critical tasks in the system.
- "Severity 3 Problem" means a minor defect or suggestion for improvements for which the Client use of the system is not seriously impaired.

SELERIX timeline for resolutions is:

- Severity 1 Problems within 24 hours.
- Severity 2 Problems within 7 days.
- Severity 3 Problems within 30 days.

5. Who will provide level 1, 2 and 3 support? What does that entail? What are the support hours? Is the support staff located in the United States?

Our Support Team will provide all three levels of support. They are located in McKinney, Texas. Technical Support is provided during normal business hours, which are defined as 8 a.m. to 6 p.m. Central Time, Monday through Friday. Support issues are handled via an electronic ticketing system through our CRM – Microsoft Dynamics and are assigned based on support level. Response/resolution of the support tickets are communicated via secure e-mail.

6. How many hours of employee training and support are provided during implementation, and after?

Training:

Your Selerix CSA will provide case-specific training to the Client on our BenSelect platform. Additionally, Selerix will provide up to 6 hours of web-based training, as well as, stand-alone training videos. The group can request additional web-based training (for an additional cost of \$100 per hour). BenSelect has on-line administrator guides, webinars and online training videos you can access at any point.

Client Support:

SELERIX will provide up to 8 hours of Client Support per month for the Client. Client Support is defined as support the City needs to assist in utilizing the BenSelect system.

7. Describe your internal culture as regards training, resources and development for team members.

Selerix continually recruits top professionals and provides training on the platform and the industry. Our retention has improved over the past few years with a turnover rate of >5% for the past year. We are a diverse group of individuals, representing several countries, races and genders. Our culture is one of inclusion, professionalism and integrity laced with good humor and flexibility. Selerix supports individual professional development by providing scholarships, training opportunities, etc. to its employee base.

8. What are the processes to resolve any service issues? Describe escalation channels.

Any service issues you might experience should first go through your CSA. If the CSA is the source of your service issue, then the issue can be escalated as follows via e-mail:

Client Services:

AVP of Operation Services, Kristen Vinson | [kristen.vinson@selerix.com](mailto:kristen.vinson@selerix.com)

VP of Operations, Paula Kapavik | [paula.kapavik@selerix.com](mailto:paula.kapavik@selerix.com)

## Security Review

1. Please advise on your SSAE 16 SOC auditing. Reference: <http://www.ssaе-16.com/>  
Selerix has a SSAE 16 SOC2 Type II audit.
2. Are you able to provide a SOC2 Type II Report?



Yes, we can provide an audited SOC2 Type II report.

3. Please describe backup protocol.

Backups are performed continuously, encrypted, and replicated off-site by dedicated archival servers.

4. Have you ever had a data breach? If so when? What was the impact? How was it mitigated? What is your process if one were to happen?

No.

5. What is your disaster recovery and redundancy plan? Explain your backup recovery system and the standard number of days to be up and operational.

Selerix's Disaster Recovery Plan, which is available for view upon request, is tested on a semi-annual basis. BenSelect is deployed on a server cluster managed by Selerix personnel. Data resides in a primary co-location, and a second, disaster-recovery co-location, both enterprise class infrastructure providers. Client databases are backed up within the cluster to a standby database server. In addition, backups are encrypted and copied to an off-site location (25 miles away) at 15-minute intervals. In the event of a disaster, fail-over takes place between the primary and secondary co-locations. Selerix performs recurring, internal and external penetration testing and vulnerability assessments (third-party); mandatory, discretionary and role-based access control; network security infrastructure (firewalls, IDS/IPS, AV, etc.); data center access limited to authorized personnel only; data encryption.; sensitive data access limited to employees based on job function requirement.

6. What procedures do you have in place in order to be HIPAA Compliant and for usage of electronic communication and recordkeeping technologies to include data encryption during transfers and at rest?

Selerix adheres to guidelines specified by HIPAA Security Rule Standards 164.308, 164.310 and 164.312 (Administrative, Physical and Technical Safeguards). Data is encrypted at all times. Selerix uses strong cryptography and encryption techniques to protect critical Selerix Information Assets during transmission over public networks as well as data at rest.

7. Describe your process to protect information internally. What is the disciplinary policy for violations? Are employees subject to HIPAA training, restricted data access, and background checks?

All employees are subject to HIPAA training, restricted data access and background checks as well as annual security training. Employees who do not follow security rules are counseled and written corrective action is placed in their file. Selerix uses 3DES for database field encryption. User roles are defined by their permission.

8. What procedures are followed to protect, retain and destroy information?

Selerix retains all information for as long as the client remains on the platform. Data destruction follows established NIST and government guidelines for both the disposal of PII and PHI information.

9. Can you describe your security measures at the organizational, architectural and operational levels to ensure the data, application and infrastructure remain safe?

All traffic to and from external servers is encrypted. No confidential information is permitted to be transmitted to or from the servers without first being encrypted using a cryptographically strong algorithm. The networks on which our servers are deployed are partitioned into various zones, which provide increased separation from the Internet to minimize the risk of intrusion.

DMZ – The most accessible network zone is known as the demilitarized zone (DMZ), which houses the servers that interact directly with the Internet. Access to the BenSelect administrative site requires use of VPN and compliance.

Firewalls – dedicated rules-based security appliances –regulate the flow of information to and from the DMZ. The DMZ adds an additional layer of security between public traffic and private LAN traffic.

A defense in depth security control method is utilized for protecting the clustered environment. Inner zones of the private LAN network are separated from the DMZ by firewalls, which restrict the type of traffic allowed between the zones.

Computers located in these inner network zones are physically separated from the Internet. The computers are deployed on subnets so no communication can occur directly between the servers. This aspect of layering further increases the security to our private LAN network. The main function of the firewalls is to filter network traffic. In setting up the firewall rules, we restrict the type of network traffic allowed, as well as which hosts are able to send or receive a given type of traffic. Firewall rules are reviewed on a regular basis as part of the on-going data security process.

Selerix also utilizes dedicated systems known as IDS/IPS's (Intrusion Detection and Prevention Systems) to detect attacks against the computer network. The IDS/IPS is capable of terminating traffic from sources that are attempting to break into the network, as well as analyzing the behavior of servers on the network to detect illicit activity.

Direct system, network and server access is restricted to Selerix administrative personnel based on their role or job function. System and network administrators are required to connect via encrypted VPN channels and must authenticate utilizing multifactor authentication (MFA) techniques. Direct server or services access is facilitated using secure, hardened "jump" servers which also require MFA and accessed from trusted subnets only.

Finally, each server deployed on the network goes through a process known as hardening before deployment. During the hardening process, we disable any services that are not needed on the server and restrict the ways in which the server can communicate with the network.

10. Do you have secure email capability?

Yes, A minimum of 128-bit 3DES encryption and Transport Layer Security (TLS) is used for all sensitive information transmitted over public networks. Sensitive data at rest is protected at both the database field level and disk drives are encrypted utilizing 3DES and AES256 encryption standards.

11. Please provide contact information for System administrator for security.

Dwayne Masters, VP of Infrastructure Services. Dwayne.masters@selerix.com

## Additional Services

1. Describe ACA capabilities. Do you track eligibility, populate forms, and e-file? Do you mail statements and at what cost?

BenSelect offers an optional end to end solution for ACA including variable hourly tracking, 1095 (B&C) forms, IRS filing and form distribution. 1095 forms can be mailed at a cost of \$1.50 per form and \$1.00 per corrected form.

2. Can your system accept historical information for the purpose of populating 2020 ACA forms and perform e-filing?

Historical data can be uploaded for the purpose of populating forms and performing e-filing.

3. Describe COBRA administration services

BenSelect's functionality includes capturing all COBRA events, including data on retirees. The system can be setup to allow special enrollments or these can be handled during the regular open enrollment period at the administrator's discretion. Individuals in a COBRA job class may be configured to have their own set of eligibility rules, rates, and enrollment windows. The system may be configured to grant individuals the ability review their coverage's and related information online, at the administrator's discretion. Enrollment and qualifying events reporting is sent to the COBRA Administrator via EDI/files. These reports are real-time and can be auto scheduled at any interval desired. System Administrators with appropriate privileges can review COBRA information and plans.

BenSelect is fully compliant with COBRA regulations. During case setup, case administrators define which plans are COBRA-eligible and they define employment job classes to track status. After initial benefits enrollment, individuals who enroll in a COBRA-eligible coverage can automatically be sent an Initial Notice at the administrator's discretion. Later, when an individual has a COBRA Qualifying Event, a COBRA offering letter can be generated by the system and if accepted, the person or persons may then be placed into a COBRA enrolled status. All system deduction management functionality can be applied to individuals in COBRA status as needed. Selerix, however, is not a COBRA TPA.

4. Describe HSA/ FSA capabilities

BenSelect has the functionality to capture all HSA / FSA information, track participation and has multiple reports available that can be sent to the Administrator. HSA / FSA statements can be delivered at an interval fully configurable by the client administrator. The client administrator can also produce reports as needed via the Admin Dashboard.

At the client's administrator discretion, the enrollment site may be configured to allow individuals to review and optionally change their current elections at any time by logging back into the enrollment site. BenSelect can include employer contributions with employee contribution calculating by year and per pay period. Claims forms and instructions can also be provided in the Form Library.

A link to the HSA bank / FSA Administrator web page login site can be embedded in BenSelect.

The HSA/FSA plans can be configured with administrator-defined grace periods and effective dates. The system can be configured to allow both self-service and administrator approved new hire enrollments. In plan setup, site administrators define at their discretion which plans must be enrolled before an applicant is eligible for another plan. Dependency rules are defined in a table-like view in the UI.

Regulatory compliance on HSA/FSA legislation is part of the annual Service Organization Control Report auditing process. Selerix posts updates in BenSelect on the client's dashboard as well as email communications.

BenSelect currently has over 40 HSA/FSA file integrations. We can also custom create a file with any HSA vendor that will accept electronic file share.

Selerix does not currently partner with an HSA / FSA Administrator, however we can connect the client with several Administrator options. Debit Cards, Card Suspension, auto- reimbursement claims, etc. would be handled by the HSA Administrator.

5. Describe dependent audit capabilities, both initial and ongoing.

The system can require that dependent verification be taken and will pend any elections with dependents so they must be approved later. However, actually doing the verification will be up to HR Admin.

6. Is paper fulfillment available?

Paper fulfillment is not available through Selerix; however, the clients HR Admin can accept paper and enter into the platform.

7. Are total compensation statements available?

Yes, the Total Compensation Statement provides an annualized view relating to total compensation. The results are totaled into categories of Earnings, Health Care, Survivor Benefits, Income Protection, Retirement Benefits, and Other. On the "Custom Category Parameters" tab you can set what fields should be reported in each category. You have the ability to add plan data, employee data relating to compensation, or custom fields.

8. Please describe call center and service center support for employees and HR, to include hours and languages. Can employees enroll or make changes via the call center?

BenSelect is currently utilized in many call center environments, however Selerix does not offer that service directly. We can connect you with multiple call center partners we would recommend.

## Billing, Reconciliation and Financial Reporting

1. Is auditing between payroll, carriers and the system done routinely, or only upon request?

The built in QA report can be generated which provides alerts to possible system and/or data errors.

2. What is your premium billing and reconciliation process? How are errors or rejected records communicated and corrected?

Selerix does not provide a billing and reconciliation process. We do however provide reporting that can be produced to allow for someone to compare a billing report from the system to a carrier bill.

3. Describe how retroactive deductions are managed.

Selerix change files report changes by processing date, not effective date. So if a retroactive change is made on 2/15 with an effective date of 1/1, the change will be posted on the 2/15 report and show an effective date of change of 1/1. Because change reports are typically run on a recurring schedule (weekly, bi-weekly, or monthly) for the next recurrence, reporting by processing date allows us to report on retroactive changes.

4. Describe process for direct billing of premium that the employee is responsible for while out on unpaid leave, to include reconciliation and remittance to carrier.

BenSelect captures all data for employees on leave and allows for entry of payment information from employee. This information can be forwarded to the carrier for processing.

5. Does your service include actually paying carrier bills? If so, describe customer options (i.e., paper bill, online, wire transfer/ACH, etc.).

Reports can be process for billing and sent to the carriers, however we do not process payments.

6. Are consolidated monthly bills available?

Yes, BenSelect reporting is fluid in terms of capability. What is not provided in an existing report can be created in a new one. The combination of JScript.NET and the Selerix data access object library makes it possible to generate any type of analysis imaginable.

7. Is the system able to break out and report departments for general ledger purposes?

BenSelect's reporting features are robust and allow for multiple break outs for GL purposes.

## Proposal

The following may apply if you have not yet received a pricing proposal:

1. Do you have everything you need to provide a detailed pricing proposal to us?

Yes, see attached proposal from May 15, 2020

2. Please provide a detailed breakout of charges for each service to include charges for additional services required. Set up and ongoing fees should be illustrated.

BenSelect costs to the City of Fort Lauderdale based on number of employees enrolled in at least one benefit plan:

- \$2.50 PEPM based on 2,600 benefit enrolled employees or \$6,500 per month
- Estimated case set-up fee of \$7,400 configuring the BenSelect system
- The first-year cost would be \$85,400 The estimated case set-up fee above includes the following. Any additional plans, files, etc. could incur an additional charge

18 Products with 2 additional rate sets.

7 EDI files

2 Forms

1 Census

NOTE: 2,600 is an estimate and could increase or decrease depending on the actual number of employees (both full and part-time) enrolled in at least one benefit.

3. Please provide any carrier subsidies or discounts that may be available through current carriers offered.

Your employee benefits broker can work with the selected voluntary benefit carriers to negotiate tech credits from them for the City's purchase and promotion of their benefit plans to CoFL employees.

The following may apply if you have already received a pricing proposal from the vendor:

1. When is the implementation fee charged? When does the PEPM fee go into effect?

Implementation fees and CoFL's first month's PEPM fees will be charged the month after the "Go Live" date.

2. Can I add on optional services in the future, or do I have to decide prior to implementation?

Optional add-ons to BenSelect such as Decision Support and/or BenRecommend, can be added later as well as, optional services such as ACA Reporting and Selerix Engage can be added in the future.

Please Provide a sample agreement. The contract was sent on Friday, May 15.

Proposal must include initial and annual fee transparent disclosure of all fees for all services. Are there any additional costs for services that have not been addressed? The formal proposal was sent on May 15.

## **Business Associate Agreement**

This Business Associate Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the City of Fort Lauderdale, a Florida municipality (hereinafter referred to as the "Covered Entity" or "City"), and Selerix Systems, Inc., a Delaware corporation authorized to transact business in the State of Florida, (hereinafter referred to as "Business Associate" or "Contractor").

WHEREAS, the Covered Entity and the Business Associate have established a business relationship in which Business Associate, acting for or on behalf of Covered Entity, receives Protected Health Information as defined by the Health Insurance Portability and Accountability Act of 1996 ("Act"); and

WHEREAS, the Covered Entity and the Business Associate desire to comply with the requirements of the Act's Privacy Rule as further set out below.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Covered Entity and the Business Associate agree as follows:

### **1. Definitions**

a. Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy and Security Rules ("Privacy Rule"), as codified in 45 Code of Federal Regulations Parts 160 through 164, as may be amended. In addition, "Secretary" means the Secretary of the United States Department of Health & Human Services.

### **2. Obligations and Activities of Business Associate**

a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as Required by law.

b. Business Associate agrees to use 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 or subcontractor, to whom it provides 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, at the request of Covered Entity, and in a reasonable time and manner, to Protected Health Information in a Designated Record Set, 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, if the Business Associate has Protected Health Information in a Designated Record Set.

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

Associate has Protected Health Information in a Designated Record Set, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.526.

h. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, 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 Covered Entity, or to the Secretary, in a reasonable time and manner or as designated by 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 or an Individual, within thirty (30) days of receipt of a written request from the Covered Entity or an Individual, 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.

k. Sections 164.308, 164.310, 164.312, and 164.316 of Title 45, Code of Federal Regulations, shall apply to Business Associate in the same manner that such sections apply to Covered Entity.

l. Business Associate shall comply with the privacy, security, and security breach notification provisions applicable to a business associate pursuant to Subtitle D of the Health Information Technology for Economic and Clinical Health Act which is Title XIII of Division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), 42 U.S.C.A. §17921 *et seq.* (2020), as may be amended or revised, ("HITECH"), any regulations promulgated thereunder, and any amendments to the Privacy Rule, all of which are hereby incorporated herein by reference.

### **3. Permitted Uses and Disclosures by Business Associate**

a. Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the ACA Subscription Agreement dated September 15, 2020, between the City of Fort Lauderdale and the Business Associate ("Original Contract"), provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

### **4. 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 or to carry out the legal responsibilities 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 remain 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. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

d. Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. § 164.502(j)(1).

e. Business Associate may use Protected Health Information to deidentify the information in accordance with 45 C.F.R. 164.514(a)-(c).

f. Business Associate may use Protected Health Information as Required by law.

g. Business Associate agrees to make uses and disclosures and requests for protected health information consistent with Covered Entity's minimum necessary policies and procedures.

h. Business Associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific uses and disclosures set forth above.

## **5. Obligations of Covered Entity**

a. Covered Entity shall notify Business Associate of any limitation(s) in the notice of privacy practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.

b. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose his or her Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.

c. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of Protected Health Information that Covered Entity has agreed to or is required to abide by under 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

## **6. Permissible Requests by Covered Entity**

a. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except that Business Associate may use or disclose Protected Health Information for data aggregation or management and administrative activities of Business Associate if required by the terms of the Original Contract.

## **7. Term and Termination**

a. The Term of this Agreement shall be effective as of the effective date of the Original Contract, and shall terminate when the Original Contract terminates. Upon termination, 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, shall be destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, or if it is illegal to destroy Protected Health Information, the protections are extended to such information, in accordance with the termination provisions in this Section.

b. Upon either party's knowledge of a material breach by the other party, the nonbreaching party shall either:

1. Provide an opportunity of at least thirty (30) days for the breaching party to cure the breach or end the violation and terminate this Agreement and the Original Contract if the breaching party does not cure the breach or end the violation within the time specified by the nonbreaching party;

2. Immediately terminate this Agreement and the Original Contract if the breaching party has breached a material term of this Agreement and cure is not possible; or

3. If neither termination nor cure is feasible, the nonbreaching party shall report the violation to the Secretary.

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, except as prohibited by the Florida public records law, all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

2. In the event that Business Associate's return or destruction of the Protected Health Information would be infeasible or illegal, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible or illegal, for so long as Business Associate maintains such Protected Health Information. Upon written request from the Covered Entity, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible or illegal. At all times Business Associate shall comply with the Florida public records law and exemptions therefrom, and applicable Florida records retention requirements.

**8. Miscellaneous**

a. A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended or revised.

b. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191. If the parties are unable to reach agreement regarding an amendment to this Agreement, either Business Associate or Covered Entity may terminate this Agreement upon ninety (90) days written notice to the other party.

c. The respective rights and obligations of Business Associate under Sections 7(c)(1) and 7(c)(2) of this Agreement shall survive the termination of this Agreement.

d. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule.

e. Business Associate shall protect and defend at Business Associate's expense, counsel being subject to Covered Entity's approval, and indemnify and hold harmless the Covered Entity and the Covered Entity's officers, employees, volunteers, and agents, (collectively "indemnitees"), against any and all claims, actions, lawsuits, damages, losses, liabilities, judgments, fines, penalties, costs, and expenses incurred by any of the indemnitees arising out of or in connection with Business Associate's or any of Business Associate's officers', employees', agents', or subcontractors' breach of this Agreement or any act or omission by Business Associate or by any of Business Associate's officers, employees, agents, or subcontractors, including Business Associate's failure to perform any of its obligations under the Privacy Rule. Business Associate shall pay any and all expenses, fines, judgments, and penalties, including court costs and attorney fees, which may be imposed upon any of the indemnitees resulting from or arising out

of Business Associate's or any of Business Associate's officers', employees', agents', or subcontractors' breach of this Agreement or other act or omission.

f. Venue for any lawsuit by either party against the other party or otherwise arising out of this Business Associate Agreement, and for any other legal proceeding, shall be in Broward County, Florida, or in the event of federal jurisdiction, in the United States District Court for the Southern District of Florida.

g. **IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS, AT 954-828-5002, [PRRContract@fortlauderdale.gov](mailto:PRRContract@fortlauderdale.gov), 100 NORTH ANDREWS AVENUE, FORT LAUDERDALE, FLORIDA, 33301, ATTENTION: CITY CLERK.**

Notwithstanding any inconsistent provision contained in this Agreement or in the Original Contract, except as otherwise provided by federal law, Contractor shall comply with public records laws, and Contractor shall:

1. Keep and maintain public records required by the City to perform the service.
2. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes (2019), as may be amended or revised, or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the Contractor does not transfer the records to the City.
4. Upon completion of the Contract, transfer, at no cost, to the City all public records in possession of the Contractor or keep and maintain public records required by the City to perform the service. If the Contractor transfers all public records to the City upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

IN WITNESS WHEREOF, the City of Fort Lauderdale and Selerix Systems, Inc., execute this Business Associate Agreement as follows:

City of Fort Lauderdale

By: \_\_\_\_\_  
Christopher J. Lagerbloom, ICMA-CM  
City Manager

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

WITNESSES:

Selerix Systems, Inc.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

By: \_\_\_\_\_  
Christopher McCoy, CFO

ATTEST:

(Corporate Seal)

\_\_\_\_\_  
Craig Stephens  
Secretary

STATE OF TEXAS:  
COUNTY OF COLLIN:

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by Christopher McCoy as CFO for Selerix Systems, Inc., a Delaware corporation authorized to transact business in the State of Florida.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas  
(Signature of Notary Public)

\_\_\_\_\_  
(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known \_\_\_\_ OR Produced Identification \_\_\_\_

Type of Identification Produced \_\_\_\_\_