Dear trustees:

Prior to the start of each Renewal Term as stated in the current SOW, we are sending you a copy of the signed SOW together with a request to reconfirm that the Services, terms and conditions set forth in this SOW will continue for the following year. The Parties agree that the Services outlined in this SOW reflect the Services you want Mercer to perform for the following 12–month period, unless you inform Mercer in writing to the contrary within ten (10) business days of Client’s receipt of such confirmation request by Mercer.

Below is an update of the table that we have historically included in the SOW for reference:

|  |  |  |  |
| --- | --- | --- | --- |
| **2017-2018 Estimated Budget**  | **2017-2018 YTD Actual through April (10 months)** | **Core Consulting Services** | **2018-2019 Estimated Budget** |
| $35,000 | $12,758 actual charges | General Administration: 1. District questions
2. Benefit Clarifications
3. Carrier Follow-up
4. Appeal Research
5. Problem Resolution
6. Monitor Performance Guarantees
 | $35,000 |
| $30,000 (covered by commissions) | $74,945 commissions received | Renewals/Carrier Relations: 1. Evaluate Cost Containment
2. Negotiate Preferred Rates and Contract Terms
3. Renewal Rate Analysis
4. Create Renewal Report
 | $30,000 (covered by commissions) |
| $25,000 (covered by commissions) | Included in commissions received above | Consultant Meetings: 1. Preparation for and Attendance at Trust Meetings
2. Participate in medical carrier annual or bi-annual cost and utilization meetings
3. Project Management
 | $25,000 (covered by commissions) |
| $25,000 (covered by commissions) | Included in commissions received above | Financial Services: 1. Benefit Cost Impact
2. Cost and Contribution Calculations
3. Prepare Premium and COBRA Rate Calculations
4. Prepare and provide regular experience reporting for insured medical and vision plans
 | $25,000 (covered by commissions) |
| $10,000 | Included in actual charges above | Plan Review: 1. Contract Review
2. Benefit Summary Review
3. Compliance Reviews
 | $10,000 |
| **$125,000** | **$87,703** | **Total** | **$125,000** |

Please let me know if you have any questions.

Thanks,

Sean