

PROPOSAL FOR

City of Rockville

RATES SHOWN ARE VALID FROM:

January 1, 2015 - March 15, 2015

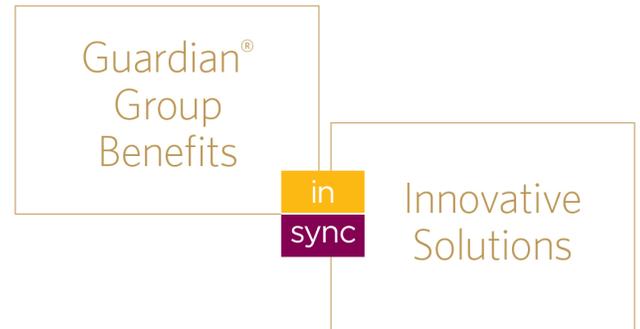
Presented by: USI Insurance Services LLC DC Metro

Sales Representative: Shawn Bryan

Telephone: (301) 957-7320

SIC Code: 9111 State & Zip: MD 20850

Created: November 10, 2014



PLAN DESIGN

We offer comprehensive benefits plans that can be customized to the needs of employers. To help you evaluate the plans, we have provided detailed benefits summaries within this package.

RATES

Rates and premiums presented are based on the employee data submitted in your request for a proposal. Final rates and premiums are based on the plans selected and the information provided on the enrollment forms.

BROAD RANGE OF PRODUCTS

We offer a variety of flexible, cost-effective employee benefits plans that can help employers meet the needs of employees and their families, and manage costs at the same time. Our benefits plans include Dental, Disability, Life, Vision, Critical Illness, and many more.

WHY GUARDIAN?

- **Enrollment Support** – Dedicated professionals help ensure smooth plan implementation
- **Multi-Product Discounts** – Combine plans to meet customer needs and save money
- **Convenient Access to Service** – One phone number and one secure website
- **Streamlined Billing** – All plans billed on one invoice
- **Experience & Expertise** – Over 50 years group benefits experience with exemplary ratings



DENTAL

DISABILITY

LIFE

VISION

CRITICAL ILLNESS

CANCER

ACCIDENT

RATES					
Plan #1					
	Employee	Employee Plus 1 Dependent	Full Family	Monthly Premiums	Annual Premium
Monthly Rate	\$31.29	\$61.85	\$92.93	\$5,027.85	\$60,334.20
Census	37	19	29		
Rate Guarantee	2 Years				

BENEFITS		High Plan	
		In-Network	Out-of-Network
Contribution/Participation	Contributory, Assumes 75% of eligible employees.		
Deductible	\$50		
Period	Calendar Year		
Family Limit	3 per family		
Waived For	Preventive		Preventive
Annual Maximum	\$2,000 plus Maximum Rollover		
Maximum Rollover			
Threshold	\$800		
Rollover Amount	\$400		
In-Network only Rollover	\$600		
Account Limit	\$1,500		
Claim Payment Basis	Negotiated Fee Schedule		Negotiated Fee Schedule
Network	DentalGuard Preferred		
Coinsurance - Preventive	100%		100%
	♦ Oral Exams (twice/calendar yr.) ♦ Cleanings (twice/calendar yr.) ♦ X-Rays (Full-mouth series once/60 mos.) ♦ Fluoride Treatment (to age 19, once/6 mos.) ♦ Sealants (to age 16, once/36 mos.) ♦ Space Maintainers/Harmful Habit Appliances		
Coinsurance - Basic	80%		80%
	♦ Fillings (include posterior composites) ♦ General Anesthesia ♦ Oral Cancer Screenings, includes Vizilite (age 40 or older, once/24 mos.)		
Coinsurance - Major	50%		50%
	♦ Bridges and Dentures (High Noble Metal is covered) ♦ Endodontic Services (eg. Root Canal) ♦ Implants ♦ Single Crowns (High Noble Metal is covered) ♦ Simple Extractions ♦ Complex Extractions ♦ Repair & Maintenance of Crowns, Bridges & Dentures ♦ Perio Maintenance Procedure (twice/calendar yr.) ♦ Combined Cleanings/Perio Maintenance Limit (2 in a calendar year) ♦ Periodontal Services (eg Scaling and Root Planing) ♦ Periodontal Surgery ♦ Inlays, Onlays & Veneers		
Coinsurance - Orthodontia	50% for children (Orthodontia in Progress - covered)		50% for children (Orthodontia in Progress - covered)
Orthodontia Lifetime Maximum	\$1,000		\$1,000
Dependent Age Limits	To Age 26		
Waiting Periods	None		
Plan Type & Code	Value Plan (VZ)		

PLAN HIGHLIGHTS	
Strong Network Coverage Nationwide	
<ul style="list-style-type: none"> • Guardian's DentalGuard Preferred network is the #2 network nationally and we're growing fast. In many parts of the country, Guardian offers more providers than any other network (Netminder, 3/12). • Guardian has over 100,000 dentists at more than 256,000 locations. • Network dentists charge discounted fees - savings average 34%. 	

PLAN HIGHLIGHTS (continued)

- Guardian has an easy to use provider online search. Just visit GuardianLife.com and select 'Find a Provider'.

Dental Value Plan

- With Value Plan, in-network and out-of-network benefits are paid at the same coinsurance percentages, but all benefits are paid based on the PPO fee schedule. So, when employees seek in-network care, they receive our regular PPO savings. If they choose to seek out-of-network care, they'll still receive substantial benefits, although the dentist may charge them up to their regular fee.

International Dental Travel Assistance

- While traveling internationally, Guardian members can get a referral to a local dentist for immediate dental care through the International Dental Travel Assistance Program. This service is available 24/7, in over 200 countries. Coverage will be considered under the out-of-network benefits.
- International Dental Travel Assistance services are administered by AXA Assistance USA, Inc. AXA Assistance is not affiliated with Guardian Life Insurance, and the services they provide are separate and apart from the benefits provided by Guardian Life Insurance.

IMPORTANT NOTES

Rates and Premiums were determined using a census of eligible employees and dependents. Final rates and premiums are based on the plan and employee/dependent data provided on the enrollment forms. State specific requirements apply.

- We reserve the right to adjust rates if actual participation is below assumed level. We also reserve the right to adjust rates if there is an average of more than 4 children per dependent unit (EE+CH or FAM).
- We reserve the right to withdraw this proposal if actual employee participation is below the greater of 25% or 5 enrolled employees. This requirement does not apply to any pre-paid dental plans quoted.
- If your plan includes Section 125/Flex Plan, open enrollment must be held the month prior to the renewal/anniversary date.
- Orthodontia, when covered, is for dependent children who are less than age 19 when active appliance is first placed.

Please see the Summary of Plan Limitations and Exclusions that appears either on this page or the last page of this coverage.

RATES					
Plan #2					
	Employee	Employee Plus 1 Dependent	Full Family	Monthly Premiums	Annual Premium
Monthly Rate	\$18.58	\$36.99	\$55.41	\$11,115.07	\$133,380.84
Census	100	72	119		
Rate Guarantee	2 Years				

BENEFITS		Low Plan 1	
		In-Network	Out-of-Network
Contribution/Participation	Contributory, Assumes 75% of eligible employees.		
Deductible	\$25		
Period	Calendar Year		
Family Limit	3 per family		
Waived For	Preventive		Preventive
Annual Maximum	\$1,500 plus Maximum Rollover		
Maximum Rollover			
Threshold	\$700		
Rollover Amount	\$350		
In-Network only Rollover	\$500		
Account Limit	\$1,250		
Claim Payment Basis	Negotiated Fee Schedule		Negotiated Fee Schedule
Network	DentalGuard Preferred		
Coinsurance - Preventive	100%		100%
	♦ Oral Exams (twice/calendar yr.) ♦ Cleanings (twice/calendar yr.) ♦ X-Rays (Full-mouth series once/60 mos.) ♦ Fluoride Treatment (to age 19, once/6 mos.) ♦ Sealants (to age 16, once/36 mos.) ♦ Space Maintainers/Harmful Habit Appliances		
Coinsurance - Basic	30%		30%
	♦ Fillings (include posterior composites) ♦ General Anesthesia ♦ Oral Cancer Screenings, includes Vizilite (age 40 or older, once/24 mos.)		
Coinsurance - Major	30%		30%
	♦ Bridges and Dentures (High Noble Metal is covered) ♦ Endodontic Services (eg. Root Canal) ♦ Implants ♦ Single Crowns (High Noble Metal is covered) ♦ Simple Extractions ♦ Complex Extractions ♦ Repair & Maintenance of Crowns, Bridges & Dentures ♦ Perio Maintenance Procedure (twice/calendar yr.) ♦ Combined Cleanings/Perio Maintenance Limit (2 in a calendar year) ♦ Periodontal Services (eg Scaling and Root Planing) ♦ Periodontal Surgery ♦ Inlays, Onlays & Veneers		
Coinsurance - Orthodontia	40% for children (Orthodontia in Progress - covered)		40% for children (Orthodontia in Progress - covered)
Orthodontia Lifetime Maximum	\$1,000		\$1,000
Dependent Age Limits	To Age 26		
Waiting Periods	None		
Plan Type & Code	Value Plan (VZ)		

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SUMMARY OF PLAN LIMITATIONS AND EXCLUSIONS

- Coverage is limited to charges that are necessary to prevent, diagnose or treat dental disease, defect or injury. Depending on plan type, deductibles, waiting periods, per service frequency limitations, and payment limits may apply.
- The list of dental services shown is not exhaustive.
- This coverage will not be effective until approved by a Guardian underwriter. Please refer to certificate of coverage for full plan description.

This plan does not pay for:

- Any restoration procedure, appliance or dental prosthesis used solely to: a) alter vertical dimension; b) restore or maintain occlusion, except to the extent that this plan covers orthodontic treatment; c) splint or stabilize teeth for periodontal reasons; or d) treat a condition caused by abrasion or attrition.
- Cosmetic or experimental treatments, unless specifically listed in the BENEFIT DETAIL section of this proposal as a covered cosmetic service.
- Replacing a lost, stolen or missing appliance or prosthetic device; or making a spare appliance or device.
- Treatment needed due to: a) an on-the-job or job-related injury; or b) a condition for which benefits are payable by Workers' Compensation or similar laws.
- Replacing an appliance or prosthetic device with a like appliance or device, unless: a) it is damaged while in the covered person's mouth in an injury suffered while insured, and can't be fixed; or b) can't be made usable and meets the replacement age criteria selected by the employer.
- Treatment for which no charge is made.
- The replacement of extracted or missing third molars/wisdom teeth.
- Treatment of congenital or developmental malformations, or the replacement of congenitally missing teeth.
- Evaluations and consultations for non-covered services; detailed and extensive oral evaluations.
- Any procedure performed in conjunction with, as part of, or related to a non-covered procedure.
- Any procedure not specifically listed as a covered benefit.
- GP-1-DG2000 et al.
- Guardian Dental is underwritten by The Guardian Life Insurance Company of America, New York, NY. Products are not available in all states. Policy limitations and exclusions apply. Optional riders and/or features may incur additional costs. Plan documents are the final arbiter of coverage.

Guardian's Innovative Dental Maximum Rollover

Members Can Accumulate Annual Maximum Dollars

With Maximum Rollover, we'll roll over a portion of each DentalGuard member's unused annual maximum into their personal Maximum Rollover Account (MRA). The MRA can be used in future years if a member reaches the plan's annual maximum. If a member uses the services of preferred providers exclusively during the benefit year, we'll increase the amount credited to his or her MRA.

To qualify, a member must have a paid claim (not just a visit) and must not have exceeded the paid claims threshold during the benefit year. Each member's MRA may not exceed the MRA limit.

The employee and each insured dependent maintain separate MRAs based on their own claim activity. Employers, employees, and dependents can view their annual MRA statements online at www.GuardianAnytime.com

How Maximum Rollover Works

Depending on the plan's annual maximum, an individual's claims dollars for the year must not exceed a certain amount called the "threshold". If the threshold is not exceeded, an individual can rollover the set Maximum Rollover Amount that is pre-determined based on the annual maximum. To encourage in-network care, more money is rolled over if in-network dentists are used exclusively during the benefit year. The Maximum Rollover Limit is the most money that can be kept in the Maximum Rollover Account.

Consider the following example: if a plan's annual maximum is \$1,500, up to \$500 of unused annual maximum could be rolled over to the next year as long as in-network dentists are used exclusively and annual claims do not exceed \$700. In this case, the Maximum Rollover Account Limit would be \$1,250.

Maximum Rollover Lite

For cost-conscious employers looking to control escalating costs at future renewals, Maximum Rollover Lite offers Maximum Rollover amounts and limits that are 50% lower than the traditional plans.

Key Facts on Maximum Rollover

- If an amount has been rolled over into an individual's MRA and a claim for preventive services is not submitted the following benefit year, the member will not lose the amount currently in his/her MRA amount.
- For calendar year accumulation cases with a plan effective date in October, November or December, the Maximum Rollover feature starts as of the first full benefit year. For example, if a plan starts in November of 2013, claim activity in 2014 will be used by and applied to MRAs for use in 2015.
- The Maximum Rollover feature applies to new entrants who join the plan (calendar year or policy year accumulation) with 3 months or less remaining in the benefit year, as of the next benefit year.
- The Maximum Rollover feature is deferred for members who have coverage of Major Services Deferred. For these members, Maximum Rollover starts when coverage of Major services starts, or the start of the next benefit year if 3 months or less remain until the next benefit year.
- If a plan has a different annual maximum for PPO benefits vs. non-PPO benefits, the non-PPO maximum determines the Maximum Rollover plan.
- The Maximum Rollover feature is not available in some states and on cases that don't cover Major services.

Guardian's Dental Insurance is underwritten and issued by The Guardian Life Insurance Company of America, New York, NY. Products are not available in all states. Policy limitations and exclusions apply. Optional riders and/or features may incur additional costs. Plan documents are the final arbiter of coverage.

A Secure Website for Group Benefits Plans

GuardianAnytime[®], our secure website for group benefits plans, offers comprehensive self-service capabilities for brokers, employers, employees, and health care professionals. Our intuitive web tools make going online easy!

For Brokers – Easy Management of Guardian Group Business

Brokers can manage their Guardian business more efficiently:

- Receive e-mail notifications of groups nearing cancellation to help with follow-up
- Check clients' premium payments, eligibility information and status of an Evidence of Insurability application
- Track commissions and compensation programs
- View/print/e-mail forms and materials
- Visit www.guardiananytime.com

For Employers – Simplified Benefits Administration

Benefits managers have a one-stop source of comprehensive administration tools for their Guardian benefits plans:

- Enroll new hires, add dependents, terminate members and check status of an Evidence of Insurability application
- Allow employees to enroll, update benefits, and check status of a disability claim online¹
- View and pay bills online
- Download, print and order forms, plan materials, and ID cards
- Delegate access to staff based on job responsibility
- Visit www.guardiananytime.com

For Employees – Helpful Benefits Information Available 24/7

Members and dependents can access helpful, secure information about their Guardian benefits:

- Review benefits and update information¹
- Check the status of a claim or Evidence of Insurability application
- View and print ID cards
- Submit a Short-Term Disability claim online
- Receive e-mails when a claim has been processed and a response is available online²
- Use the Find-A-Provider app to locate a provider anytime. Download the app to an Android or iPhone smart phone.
- Visit www.guardiananytime.com

For Health Care Professionals – Efficient Handling of Administrative Matters

Health care professionals have instant access to Guardian benefits information:

- Check eligibility, claim status, and coverage amounts
- In-network providers can view fee schedules

Access FlexPlan and Reed Group, our Absence Management subsidiary, directly from the Guardian Anytime site.

Call Your Guardian Group Benefits Expert Today for More Information.

¹Employer must grant permission for employees to enroll or make changes to their benefits outline. Ask your Guardian representative for more details about eligibility requirements. ²Available to employees with Guardian Dental.