

December 10, 2018

Teresa Fleming, Buyer
State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, NE 68508

Subject: RFP 5953 Z1; Life Insurance Plans

Dear Ms. Fleming,

On behalf of UnitedHealthcare, We are pleased to submit our response to the State of Nebraska's RFP for Basic Life/AD&D, Supplemental Life/AD&D, and Dependent Life. Today's successful organizations understand that a high quality, cost-effective benefit package can be a key factor in attracting and retaining the best talent. At UnitedHealthcare, we are committed to enhancing our existing relationship with the State of Nebraska by providing these additional benefits which will further strengthen the benefits package available to the State's teammates.

UnitedHealthcare offers an advantage our competitors cannot match: the security and vast financial and technological resources of our ultimate parent organization, UnitedHealth Group. UHG is the top ranking company in the insurance and managed care sector on *Fortune's* 2018 "World's Most Admired Companies" list. This is the eighth straight year UnitedHealth Group ranked No. 1 overall in its sector.

We've embedded several value-added services with our life insurance to help beneficiaries plan for and cope with the impact of a loss, including travel assistance, financial and legal services, wealth management, will and trust preparation, and grief support. These valuable support services, which go beyond traditional financial benefits, help give the State of Nebraska teammates a sense of security and the satisfaction of knowing they're well-prepared for the unexpected. These programs are provided as value-added services with no extra premium cost.

In addition, because UnitedHealthcare has an existing relationship with the State of Nebraska for the administration of medical and pharmacy benefits, we are able to offer a **\$1 per employee per month** savings credits for each year that we provide the contract for both the Life coverage as well as the medical/pharmacy administration. This is given as a separate line item credit on the medical invoice and is based on the number of UHC medical subscribers each month. Here is a quick rough calculation on what this means:

~13,250 employees x \$1 = \$13,250 in monthly credits (**\$159,000** annually)

Thank you for your consideration of our proposal. We welcome the opportunity to discuss it with you and answer any questions you may have.

Sincerely,

Jane L Perez, CEBS
Strategic Client Executive
Office: 763-283-3597
Mobile: 402-312-3282
Email: Jane_L_Perez@uhc.com

**REVISED COST PROPOSAL
RFP 5953 Z1**

BASIC LIFE, AD&D, SUPPLEMENTAL LIFE (DEPENDENT) AND SUPPLEMENTAL LIFE (EMPLOYEE) INSURANCE PLAN OPTIONS

Bidder Name: UnitedHealthcare Insurance Company

Bidders shall fill in the proposed monthly premium amounts for each column provided below. All premium amounts specified are guaranteed by Bidder and are inclusive of all costs. Each monthly premium amount proposed should be evenly divisible by "2" with no rounding to accommodate two even deductions per month through our payroll system. Any premium amount not divisible by "2" will be reduced to the nearest lower amount that is divisible by "2" for scoring. By submitting this proposal, Bidder accepts this lower amount if a contract is awarded.

BASIC LIFE	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for \$20,000 per \$1,000 Per Month	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.052	\$ 0.055

AD&D	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Flat rate for \$5,000 Per Employee Per Month	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
Flat rate for \$7,500 Per Employee Per Month	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14
Flat rate for \$10,000 Per Employee Per Month	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20

SUPPLEMENTAL LIFE - DEPENDENT	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Low Option - \$5,000						
Spouse age below 70 and/or Dependent child(ren) up to age 26	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54
Spouse Age 70 or Older and/or Dependent child(ren) up to age 26	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10

SUPPLEMENTAL LIFE - DEPENDENT	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
High Option - \$10,000						
Spouse age below 70 and/or Dependent child(ren) up to age 26	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Spouse Age 70 or Older and/or Dependent child(ren) up to age 26	\$ 8.22	\$ 8.22	\$ 8.22	\$ 8.22	\$ 8.22	\$ 8.22

SUPPLEMENTAL LIFE COVERAGE - EMPLOYEE						
Rate/\$1,000	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Under 25	\$ 0.024	\$ 0.024	\$ 0.024	\$ 0.024	\$ 0.024	\$ 0.024
25-29	\$ 0.024	\$ 0.024	\$ 0.024	\$ 0.024	\$ 0.024	\$ 0.024
30-34	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032
35-39	\$ 0.049	\$ 0.049	\$ 0.049	\$ 0.049	\$ 0.049	\$ 0.049
40-44	\$ 0.073	\$ 0.073	\$ 0.073	\$ 0.073	\$ 0.073	\$ 0.073
45-49	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.105
50-54	\$ 0.178	\$ 0.178	\$ 0.178	\$ 0.178	\$ 0.178	\$ 0.178
55-59	\$ 0.381	\$ 0.381	\$ 0.381	\$ 0.381	\$ 0.381	\$ 0.381
60-64	\$ 0.729	\$ 0.729	\$ 0.729	\$ 0.729	\$ 0.729	\$ 0.729
65-69	\$ 1.191	\$ 1.191	\$ 1.191	\$ 1.191	\$ 1.191	\$ 1.191
70-74	\$ 1.620	\$ 1.620	\$ 1.620	\$ 1.620	\$ 1.620	\$ 1.620
75-79	\$ 3.677	\$ 3.677	\$ 3.677	\$ 3.677	\$ 3.677	\$ 3.677
80 and over	\$ 3.677	\$ 3.677	\$ 3.677	\$ 3.677	\$ 3.677	\$ 3.677

DEPARTMENT OF LABOR ACTIVE EMPLOYEES (Grandfathered Group) BASIC LIFE, AD&D AND SUPPLEMENTAL LIFE (DEPENDENT) INSURANCE						
BASIC LIFE	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for base annual salary adjusted to next higher \$1,000 plus \$2,000. \$10,000 salary minimum. \$60,000 salary maximum. High age reductions.	\$ 0.167	\$ 0.167	\$ 0.167	\$ 0.167	\$ 0.167	\$ 0.167
AD&D	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for base annual salary adjusted to next higher \$1,000 plus \$2,000. \$10,000 salary minimum. \$60,000 salary maximum. High age reductions.	\$ 0.013	\$ 0.013	\$ 0.013	\$ 0.013	\$ 0.013	\$ 0.013
SUPPLEMENTAL LIFE - DEPENDENT	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Spouse - \$2,000; Child - \$500 (3 days - 6 months) \$1,000 (6 months - 19 years)	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38

**DEPARTMENT OF LABOR RETIRED EMPLOYEES (Grandfathered Group)
BASIC LIFE INSURANCE**

BASIC LIFE	Initial Contract Period				Optional Year 1	Optional Year 2
Varies depending on amount in force at retirement. Refer to Attachment C: Census Report	Year 1	Year 2	Year 3	Year 4		
	\$ 0.190	\$ 0.190	\$ 0.190	\$ 0.190	\$ 0.190	\$ 0.190

**REVISED COST PROPOSAL
RFP 5953 Z1**

**BASIC LIFE, AD&D, SUPPLEMENTAL LIFE (DEPENDENT) AND SUPPLEMENTAL LIFE
(EMPLOYEE) INSURANCE PLAN OPTIONS**

Bidder Name: UnitedHealthcare Insurance Company

Bidders shall fill in the proposed monthly premium amounts for each column provided below. All premium amounts specified are guaranteed by Bidder and are inclusive of all costs. Each monthly premium amount proposed should be evenly divisible by "2" with no rounding to accommodate two even deductions per month through our payroll system. Any premium amount not divisible by "2" will be reduced to the nearest lower amount that is divisible by "2" for scoring. By submitting this proposal, Bidder accepts this lower amount if a contract is awarded.

BASIC LIFE	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for \$20,000 per \$1,000 Per Month	\$ 0.165	\$ 0.165	\$ 0.165	\$ 0.165	0.173	\$0.182

AD&D	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Flat rate for \$5,000 Per Employee Per Month	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
Flat rate for \$7,500 Per Employee Per Month	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14
Flat rate for \$10,000 Per Employee Per Month	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20

SUPPLEMENTAL LIFE - DEPENDENT	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Low Option - \$5,000						
Spouse age below 70 and/or Dependent child(ren) up to age 26	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54
Spouse Age 70 or Older and/or Dependent child(ren) up to age 26	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10

SUPPLEMENTAL LIFE - DEPENDENT	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
High Option - \$10,000						
Spouse age below 70 and/or Dependent child(ren) up to age 26	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Spouse Age 70 or Older and/or Dependent child(ren) up to age 26	\$ 8.22	\$ 8.22	\$ 8.22	\$ 8.22	\$ 8.22	\$ 8.22

SUPPLEMENTAL LIFE COVERAGE - EMPLOYEE						
Rate/\$1,000	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Under 25	\$ 0.035	\$ 0.035	\$ 0.035	\$ 0.035	\$ 0.035	\$ 0.035
25-29	\$ 0.042	\$ 0.042	\$ 0.042	\$ 0.042	\$ 0.042	\$ 0.042
30-34	\$ 0.056	\$ 0.056	\$ 0.056	\$ 0.056	\$ 0.056	\$ 0.056
35-39	\$ 0.063	\$ 0.063	\$ 0.063	\$ 0.063	\$ 0.063	\$ 0.063
40-44	\$ 0.070	\$ 0.070	\$ 0.070	\$ 0.070	\$ 0.070	\$ 0.070
45-49	\$ 0.106	\$ 0.106	\$ 0.106	\$ 0.106	\$ 0.106	\$ 0.106
50-54	\$ 0.162	\$ 0.162	\$ 0.162	\$ 0.162	\$ 0.162	\$ 0.162
55-59	\$ 0.303	\$ 0.303	\$ 0.303	\$ 0.303	\$ 0.303	\$ 0.303
60-64	\$ 0.464	\$ 0.464	\$ 0.464	\$ 0.464	\$ 0.464	\$ 0.464
65-69	\$ 0.894	\$ 0.894	\$ 0.894	\$ 0.894	\$ 0.894	\$ 0.894
70-74	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450
75-79	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450
80 and over	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.450

DEPARTMENT OF LABOR ACTIVE EMPLOYEES (Grandfathered Group) BASIC LIFE, AD&D AND SUPPLEMENTAL LIFE (DEPENDENT) INSURANCE						
BASIC LIFE	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for base annual salary adjusted to next higher \$1,000 plus \$2,000. \$10,000 salary minimum. \$60,000 salary maximum. High age reductions.	\$ 0.167	\$ 0.167	\$ 0.167	\$ 0.167	\$ 0.167	\$ 0.167
AD&D	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for base annual salary adjusted to next higher \$1,000 plus \$2,000. \$10,000 salary minimum. \$60,000 salary maximum. High age reductions.	\$ 0.013	\$ 0.013	\$ 0.013	\$ 0.013	\$ 0.013	\$ 0.013
SUPPLEMENTAL LIFE - DEPENDENT	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Spouse - \$2,000; Child - \$500 (3 days - 6 months) \$1,000 (6 months - 19 years)	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38

**DEPARTMENT OF LABOR RETIRED EMPLOYEES (Grandfathered Group)
BASIC LIFE INSURANCE**

BASIC LIFE	Initial Contract Period				Optional Year 1	Optional Year 2
Varies depending on amount in force at retirement. Refer to Attachment C: Census Report	Year 1	Year 2	Year 3	Year 4		
	\$ 2.804	\$ 2.804	\$ 2.804	\$ 2.804	\$ 2.804	\$ 2.804