

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: 1/13/20

AGENDA ITEM:	
Alliant Health Benefits Agreement	
PREPARED BY:	DIRECTOR APPROVAL:
Gloria Hirashima	
DEPARTMENT:	
Executive/Finance/HR	
ATTACHMENTS:	
1. Alliant contract.	
BUDGET CODE:	AMOUNT:
SUMMARY:	

Department staff from Executive, Human Resources and Finance have been researching health benefits options for 2020. The City Council approved the bargaining contract for MPOA which included the benefits change. The City had obtained health benefits through the Association of Washington Cities in the past (“AWC”).

City staff met with or interviewed staff from several cities to learn about their insurance programs and experiences. Many cities operate obtain health benefits through a broker (variations of self-insurance). These inquiries led the team to issue a Request for Proposal (RFP) for Consulting and Brokerage services. Mayor and City staff interviewed firms and selected Alliant to provide a proposal to the team.

2020 health benefits will be comparable to the program benefits offered through our prior Regence plan. The new program will offer benefits through Premera. A second plan option of Kaiser Permanente will continue to be offered through AWC. Over time, staff believes that the City will be better able to control costs and benefit changes through self-insurance.

<p>RECOMMENDED ACTION: Staff recommends the council authorize the Mayor to negotiate and sign forms for Alliant.</p>

CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement (“**Agreement**”) is effective January 1, 2020 (“**Effective Date**”) between Alliant Insurance Services, Inc., a Delaware corporation with its principal place of business at 1301 Dove Street, Suite 200, Newport Beach, CA 92660 (“**Alliant**”), and the City of Marysville, a public employer with its principal place of business at 1049 State Avenue, Marysville WA 98270 (“**Client**”). Alliant and Client may be referred to in this Agreement individually as a “Party” and together as the “Parties.”

1. **Services.**

- a. **Scope of Services.** Alliant shall provide the services described in Schedule I (collectively, “**Services**”) for Client’s employee benefit plan(s) for which Alliant is designated as the broker of record (“**Plan(s)**”).
- b. **Services Warranty.** Alliant warrants that the Services will be performed in a professional and workmanlike manner in accordance with industry standards and in compliance with applicable laws and regulations.

2. **Compensation.** As consideration for the Services, Alliant shall receive the compensation described in Schedule II.

3. **Client Obligations.**

- a. **Service-Specific Obligations.** Client shall be responsible for all client obligations identified in Schedule I.
- b. **Client-Provided Information.** Client shall, promptly after the Effective Date and thereafter upon Alliant’s request, provide all information requested by Alliant that may be necessary for Alliant to perform the Services, including, without limitation, information about Client, Client’s existing employee benefits plans, loss experience, and risk exposures; provided that, Client shall not provide Alliant with any individual’s personally identifiable information unless Alliant specifically requests such information in order to perform the Services. Client acknowledges that Alliant relies on such Client-provided information in order to perform the Services. Client confirms that all information it provides to Alliant will be complete and accurate.
- c. **Material Changes.** Client shall promptly report to Alliant in writing any significant changes in exposures, loss-related data, Client’s operations, coverages or limits, lines of coverage, or any other change that will change the scope or nature of Client’s insurance plans.
- d. **Review.** Client shall promptly review coverage documents, templates, and other documents for the Plan(s) provided by Alliant, the insurer, or the third party administrator (TPA), to ensure that the documents are consistent with Client’s specifications. Client shall promptly inform Alliant of any discrepancies or required changes.
- e. **Delay.** Client shall perform its obligations under this Section 3, including the obligation to provide all information requested by Alliant, as soon as practicable but no later than the dates agreed upon by Alliant and Client. Alliant is not liable for any delay or partial performance in performing the Services to the extent such delay or partial performance arises from Client’s delay in performing its obligations under this Section 3 or promptly making decisions related to the Plan(s).

4. Disclaimers.

- a. **Not Legal or Tax Advice.** Alliant is not responsible for Client's compliance with any laws, regulations, and/or statutes affecting the Plan(s). None of the services, advice, recommendations, or communications provided by Alliant constitutes legal or tax advice, analysis, or opinion, and Client shall not interpret or rely on any of Alliant's services, advice, recommendations, or communications as legal or tax advice, analysis, or opinion.
- b. **No Fiduciary Relationship.** Alliant will not have discretionary authority or discretionary control with respect to the administration or management of any of the Plan(s). Alliant also will not have authority to exercise any discretion or control with regard to the management, use, or disposition of any assets of the Plan(s) and will not render any investment advice with respect to the Plan(s) or any assets of the Plan(s). Alliant's performance of the Services will not make it a "fiduciary" for purposes of the Employee Retirement Income Security Act of 1974 ("**ERISA**"), as amended. Client shall not represent that Alliant is a fiduciary for purposes of ERISA.
- c. **Plan Recommendations and Funding.** Any plans or plan provisions recommended by Alliant are solely recommendations, and Client, not Alliant, has the ultimate authority to select and modify the plans. Alliant shall have no responsibility, risk, liability, or obligation for funding the Plan(s). All responsibility, risk, liability, and obligation for funding the Plan(s) lies solely with the Plan(s) and the plan sponsor(s).
- d. **Other Brokers.** Alliant is not responsible for, and hereby disclaims all liability for, any acts, errors, and/or omissions of Client's previous brokers, consultants, and/or advisors. If Client has any employee benefits plan(s) for which Alliant is not the broker of record, Alliant is not responsible for performing any services with respect to such plan(s) and hereby disclaims all liability for any acts, errors, and/or omissions of Client's other brokers, consultants, and/or advisors.

5. Confidentiality.

- a. **Definitions.** The Services and work product exchanged by the Parties under this Agreement are to be used exclusively to carry out the terms, conditions, and purposes set forth in this Agreement. During the Term, the Parties may each exchange information considered confidential, proprietary, and/or trade secret, including, without limitation, financial information, pricing information, intellectual property, ideas, concepts, systems, designs, research and technical information, business and operational policies, plans, processes, procedures and strategies, system design and operating specifications, data, recommendations, proposals, reports and similar information (collectively, "**Confidential Information**"). For purposes of this Section 5, the Party disclosing Confidential Information is the "**Disclosing Party**" and the Party receiving Confidential Information is the "**Receiving Party.**"
- b. **Exclusions.** Confidential Information does not include information that is (i) in, or that becomes part of, the public domain other than as a result of a breach of this Section 5; (ii) independently developed by the Receiving Party as demonstrated by its records; (iii) lawfully known by the Receiving Party, without any obligation of confidentiality or other restriction on use or disclosure, prior to disclosure of the information by Disclosing Party; or (iv) disclosed by a third party whom the Receiving Party has no reason to believe has any confidentiality or fiduciary obligation to such information's owner.

- c. **Legal Compulsion.** A Receiving Party may disclose Confidential Information only to the extent necessary to comply with a valid order of a court or governmental agency with proper jurisdiction or as required by law or regulation; provided that, the Receiving Party shall, to the extent allowed by law, promptly advise the Disclosing Party of the order, subpoena, or request in order to enable the Disclosing Party to employ lawful means to avoid or limit disclosure. **Either Party is also entitled to release Confidential Information as required to prosecute or defend any claim under this Agreement; provided however, that the Party seeking to release or use the information shall take all reasonable steps necessary to avoid disclosing Confidential Information, including filing documents and papers under seal.**
- d. **Public Records Act.** Alliant acknowledges that the Client is subject to the Public Records Act, chapter 42.56 RCW (the "**PRA**"). All records owned, used, or retained by the Client are public records subject to disclosure unless exempt under the PRA, whether or not the records are in the possession or control of the Client or Alliant. All exemptions to the PRA are narrowly construed.
- i. **Confidential Information.** Any records provided to Client by Alliant which contain information that Alliant in good faith believes is not subject to disclosure under the PRA shall be marked "Confidential" and shall identify the specific information that Alliant in good faith believes is not subject to disclosure under the PRA and a citation to the statutory basis for non-disclosure.
 - ii. **Responding to Public Records Requests.** Client shall exercise its sole legal judgment in responding to public records requests.
 - iii. Client may rely upon the lack of notification from Alliant in releasing any records that are not marked "Confidential."
 - iv. If records identified as "Confidential" by Alliant are responsive to a PRA request, Client will seek to provide notice to Alliant at least ten (10) business days before the date on which Client anticipates releasing records. Client is under no obligation to assert any applicable exemption on behalf of Alliant. Alliant may seek, at its sole cost, an injunction preventing the release of information which it believes is protected.
 - v. If Client, in its sole legal judgment, believes that Alliant possesses records that (1) are responsive to a PRA request and (2) were used by Client, the Client will request the records from Alliant. Alliant will, within ten (10) business days:
 - 1. Provide the records to Client in the manner requested by Client;
 - 2. Obtain a court injunction, in a lawsuit involving the requester, covering all, or any confidential portion of, the records and provide any records not subject to the court injunction; or
 - 3. Provide an affidavit, in a form acceptable to the City Attorney, specifying that Alliant has made a diligent search and did not locate any requested documents.

- vi. **Indemnification.** In addition to its other indemnification and defense obligations under this Agreement, Alliant shall indemnify and defend Client from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, reasonable attorneys' fees and litigation expenses), suits, judgments, or damages (collectively "**Damages**") arising from or relating to any request for records related to this Agreement, to the extent such Damages are caused by action or inaction of Alliant. This indemnification and defense obligation shall survive the expiration or termination of this Agreement.
- e. **Non-Disclosure; Reasonable Efforts.** Except as otherwise provided in this Agreement or as required by applicable law, a Receiving Party shall not distribute, use, or rely upon Confidential Information without the Disclosing Party's permission. Additionally, except as otherwise provided in this Agreement, a Receiving Party shall not directly or indirectly communicate, divulge, or otherwise disclose the Confidential Information to any unauthorized person or entity. The Parties shall employ reasonable and customary business practices to protect and secure Confidential Information from unauthorized release or distribution and to limit access and usage of Confidential Information to those employees, officers, directors, agents, subcontractors, representatives, and advisors (including, without limitation, attorneys, accountants, and financial advisors) (collectively, its "**Representatives**") who have legitimate "need to know" the information in order to perform under this Agreement and who are bound by obligations of confidentiality no less restrictive than this Section 5. The Receiving Party will be liable for any breach of this Agreement by any of its Representatives.
- f. **Ownership of Confidential Information.** Except as otherwise provided in this Agreement, Confidential Information is and remains the absolute and exclusive property of the Disclosing Party and its unique and variable asset.
- g. **Return of Confidential Information.** Upon this Agreement's termination or earlier upon the Disclosing Party's request, the Receiving Party shall promptly return all Confidential Information, including all copies, received in non-electronic form and shall destroy all information received electronically. Notwithstanding anything to the contrary in this Agreement, the Receiving Party may retain copies of Confidential Information in order to comply with legal or regulatory requirements and any electronic files automatically saved pursuant to its archiving and document retention procedures and that cannot reasonably be deleted; with respect to all such retained copies, the Receiving Party will remain subject to the confidentiality obligations stated in this Section 5 for so long as the copies are retained.
- h. **Survival.** The obligations contained in this Section 5 will survive termination of this Agreement for a period of two years or longer as required by law. Nothing in this section limits or otherwise diminishes the protections afforded to trade secret information or by applicable law.
- i. **Injunctive Relief.** A breach of this Section 5 may cause irreparable injury to a Disclosing Party. For this reason, in the event of a breach, a Disclosing Party is entitled to seek injunctive relief or other equitable relief, without prejudice to any other remedies that may be available.
6. **Licenses and Ownership.**

- a. **Media License.** To the extent that Alliant will prepare benefit brochures, open enrollment materials, or other benefit communications for Client's employees (collectively, "**Benefit Materials**"), and Client has or will provide photographs, images, other media, trademarks, and/or logos (collectively, "**Media**") to include in the Benefit Materials, Client hereby grants Alliant a worldwide, perpetual, royalty-free, non-exclusive, sublicensable right and license to use the Media in the Benefit Materials. This license includes the right to use, reproduce, edit, crop, retouch, distribute, and create derivative works of the Media as needed to incorporate the Media into the Benefit Materials and to otherwise prepare and distribute the Benefit Materials. Client represents and warrants that (i) it is the owner of the Media or has the right to grant Alliant the licenses to use the Media, free of all liens, claims, and encumbrances; and (ii) Alliant's use of the Media as specified in this Agreement will not infringe the rights, including the personal or proprietary rights, of any other party.
- b. **Other Client Information.** Client hereby grants Alliant a worldwide, royalty-free, non-exclusive, sublicensable, and revocable license to use all Client-provided information as necessary to provide the Services. Client represents and warrants that it has or will obtain the necessary consents from each individual before providing or otherwise disclosing any of the individual's personally identifiable information to Alliant.
- c. **Ownership.** Except as otherwise expressly stated in this Agreement, Client will retain all ownership rights in the Media and other Client-provided information. Alliant will retain all ownership rights to all information, data, benefit analysis, materials, specifications, and products supplied by Alliant (collectively, "**Work Product**"), together with all intellectual property rights in the Work Product. Work Product is solely for use by Client and its Plan(s) and may not, without Alliant's prior written consent, be shared with anyone other than Client's employees and advisors who have a legitimate need to know, Plan participants and beneficiaries, or as required by law.

7. **Term and Termination.**

- a. **Term.** Unless terminated in accordance with this Section 7, this Agreement will have an initial term of one year and will automatically renew for two additional one year periods unless Client gives written notice of its intent not to renew for the following year to Alliant no later than August 31st. The Initial Term and all Renewal Term(s) are collectively the "**Term.**"
- b. **Termination.**
 - i. **For Convenience.** Either Party may terminate this Agreement by notifying the other Party in writing of its intent not to renew the Agreement. Additionally, during any Renewal Term, either Party may terminate this Agreement for any reason upon prior written notice.
 - ii. **For Cause.** During the Initial Term or any Renewal Term, either Party may terminate this Agreement if the other Party's material breach remains uncured for 30 days following its receipt of the terminating Party's written notice of the breach.
- c. **Final Fees.** No later than 30 days after this Agreement's termination, Alliant shall issue a final invoice for any services performed and expenses incurred by Alliant on

or before the Agreement's effective date of termination and that remain payable by Client. The Client shall pay such invoice within 45 days of its receipt of the invoice.

d. **Survival.** Except as otherwise stated in this Agreement, the rights and obligations contained in Sections 5, 7, 8, 9, 10, and 11 of this Agreement shall survive the termination of this Agreement.

8. **Indemnification.** Indemnification and Hold Harmless. Alliant shall defend, indemnify, and hold Client, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including reasonable attorneys' fees, arising out of or resulting from the acts, errors, or omissions of Alliant in performance of this Agreement, provided that, notwithstanding anything stated to the contrary herein, Alliant's indemnification obligations do not include any portion of the claims, injuries, damages, losses, suits, or other liability (including reasonable attorneys' fees) that arise from Client's, including Client's officers, officials, employees, and/or volunteers, own acts, negligence, errors, or omissions. The provisions of this section shall survive the expiration or termination of this Agreement.

9. **Limitation of Liability.** Alliant will not be liable to Client for any special, indirect, consequential, or punitive damages arising out of this Agreement, even if Alliant knows of the possibility of such damages. Additionally, Alliant will not be liable to Client for damages of any kind in an amount in excess of the total amount Client paid to Alliant for the Services in the twelve-month period preceding the incident giving rise to such liability. Notwithstanding the foregoing, nothing in this Section 9 shall limit a Party's indemnification obligations under Section 8 or limit a Party's liability resulting from the Party's fraud, gross negligence, or willful misconduct.

10. **Disputes.** The Parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

11. **Miscellaneous.**

a. **Independent Contractor.** Alliant is an independent contractor for Client. This Agreement does not create a partnership, joint venture, franchise, employment, or any agency relationship between the Parties. Neither Party has any authority to act on behalf of the other Party or bind the other Party in any respect; provided, however, that Alliant has the authority to act as a broker on behalf of Client as contemplated hereunder.

b. **Notice.** All notices given under this Agreement shall be in writing and deemed given: (i) on the business day when delivered personally; (ii) one business day after being sent by a reputable overnight courier services (charges prepaid); or (iii) five business days after being sent by certified mail (charges prepaid). Notices must be sent to the Party's following address or any other address that the Party designates by proper notice:

If to Client:

City of Marysville
1049 State Avenue
Marysville, WA 98270
Attn: Gloria Hirashima

If to Alliant:

Alliant Insurance Services, Inc.
1420 5th Avenue, Suite 1500
Seattle, WA 98101
Attn: Julie Forinash

With a copy to:

General Counsel
701 B Street, 6th Floor
San Diego, CA 92101

- c. **Governing Law; Venue.** This Agreement has been executed and delivered in the State of Washington, and the validity, enforceability, and interpretation of any of its provisions shall be determined and governed by the applicable laws of this state, without regard to any conflict of law provisions. The exclusive venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Snohomish County, Washington.
- d. **Assignment.** Neither Party may assign this Agreement without the prior written consent of the other Party, except that prior written consent will not be required for a Party to assign this Agreement to its successor in interest after a merger, consolidation, reorganization, or sale of substantially all of that Party's assets. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the Parties and their permitted successors and assigns.
- e. **Waiver.** A Party's failure to enforce any provision of this Agreement shall not be construed as a waiver of that provision and shall not prevent the subsequent enforcement of each and every provision of this Agreement.
- f. **No Third Party Beneficiaries.** Except as stated in this Agreement, this Agreement does not create any right or cause of action in or on behalf of any person or entity other than the Parties.
- g. **Entire Agreement; Amendments; Severability.** This Agreement, together with its attached schedules, constitutes the entire agreement between the Parties relating to its subject matter and supersedes all prior or contemporaneous agreements, negotiations, representations and proposals of any kind, whether written, oral, express or implied, related to its subject matter. Any modification to this Agreement must be in writing and signed by authorized representatives of both Parties. If any provision of this Agreement is declared invalid by a court of competent jurisdiction, that provision will be severed from this Agreement without affecting the validity or enforceability of all other provisions of this Agreement, which will remain in full force and effect.
- h. **Construction.** The Parties jointly negotiated the terms of this Agreement and each Party has had an opportunity to review and discuss each provision with legal counsel, to the extent desired. Therefore, the normal rule of construction that construes any ambiguities against the drafting party shall not be employed in the interpretation of this Agreement.

SO AGREED:

City of Marysville

By: _____

Name:

Title:

Alliant Insurance Services, Inc.

By:  _____

Name: Julie Forinash

Title: VP, Consultant

SCHEDULE I

SERVICES

“Standard” services as indicated in this Schedule I are included in fees. If an additional fee applies, it is indicated below. Except where specified, the services set forth below do not include the provision of TPA services.

A. Strategic Benefit Consulting	
1. Quarter One - Annual benefit objective setting and development of strategic plan with post-open enrollment review, if applicable.	Standard
2. Quarter Two Meeting – Planning or Pre-renewal	Standard
3. Quarter Three Meeting - Pre-renewal or Renewal	Standard
4. Quarter Four Meeting – Renewal or Open Enrollment	Standard
5. Agenda, meeting notes and project management	Standard
6. Annual service/benefit calendar	Standard
7. Introduction to new and progressive benefit innovations	Standard
8. Benchmarking	Standard
B. Health & Productivity Consulting	
1. Development and alignment of health and productivity strategy including incentive design in coordination with annual benefit planning and goal setting	Standard
2. Annual review of Incentive design review in partnership with compliance team, if needed	Standard
3. Assistance in procuring carrier dollars for wellness and leveraging carrier solutions	Standard
4. Access to annual benchmarking reports, updates on industry trends and proprietary health and wellness toolkits and templates	Standard
5. Assistance in implementing wellness champion programs, facilitating meetings and implementing culture building policies and strategies	Standard
6. Access to health education library includes posters, pamphlets and monthly employee facing newsletter	Standard
7. Vendor review, market assessment and project management of implementation, as needed	Standard
C. Annual Renewal Report & Financial Analysis	
1. Vendor marketing (as required)	Standard
a. Pre-qualify potential vendors and develop bid specs	Standard
b. Detailed evaluation of plan design, cost and funding alternatives	Standard

2. Premium rate and service fee negotiation	Standard
3. Benefit analysis and plan design modeling (self-funded)	Standard
4. Employee contribution strategy	Standard
5. Annual cost summary	Standard
6. Underwriting calculations	
a. Annual Renewal Projection	Standard – Self-funded
b. Annual High Claims Analysis	Standard – Self-funded
c. Quarterly IBNR	Standard – Self-funded
7. Experience Reports (monthly, quarterly)	Standard – Quarterly/Monthly
D. Plan Implementation & Administration Support	
1. Project Management of vendor relationship	
a. Regular evaluation of service providers	Standard
b. Resolve problems relating to vendor performance	Standard
c. Network updates	Standard
d. Assist in resolving claim problems or procedures, plan design issues, billing problems, etc.	Standard
2. Create custom employee communication campaign and materials to include:	
a. Branded benefit summary	Standard
b. Open enrollment memos	Standard
c. Annual notices (i.e. Medicare Part D, CHIP, etc.)	Standard
d. Open enrollment PPT presentations	Standard
e. Ben-IQ Mobile application	Standard
f. Employee portal	Standard
g. Home mailings	Standard
h. Wallet cards	Standard
i. Total compensation statements	Standard
3. Coordinate/conduct open enrollment meetings and/or benefits fairs	
a. WebEx	Standard
b. Travel for meetings	Standard
c. Travel for meetings in locations with less than 25 employees	Standard
4. Benefit Advocate Department – Assist HR, employees and families with benefit questions, claims issues, appeals	Standard
a. Quarterly utilization reports	Standard

E. Compliance Consulting	
1. Plan Administration Support <ul style="list-style-type: none"> a. Integrated daily support from assigned in house compliance professional b. Risk analysis and recommendations for short term and long term plan design strategies 	Standard
2. Ongoing Client Education <ul style="list-style-type: none"> a. Compliance Alerts b. Compliance Updates c. Alliant Insights (white papers) d. Friday Fast Facts e. Quarterly HRCI accredited webinars f. Compliant with Alliant Podcast 	Standard
3. Annual Reporting and Disclosure Support <ul style="list-style-type: none"> a. Facilitate annual 5500 Preparation and Filing b. Wrap SPD Plan Document c. Summary Material Modification d. Customizable Compliance Calendar and Checklist e. Annual Notices Package f. PCORI Fee Calculation Support 	Standard
4. HIPAA Compliance Infrastructure <ul style="list-style-type: none"> a. Review plan design and recommend HIPAA compliance strategy b. Implementation-ready HIPAA Privacy & Security Policies and Procedures c. HIPAA Training for Benefits Team 	Standard
5. Practical Compliance Tools <ul style="list-style-type: none"> a. Cadillac Tax Modeler b. ACA Employer Reporting Guide c. Pay or Play Risk Assessment d. ACA Health Care Reform Review Analysis 	Standard
F. Human Resources Consulting (ThinkHR)	Standard
G. Benefit Administration Outsourcing	
1. Vendor RFP and evaluation	Standard
2. Implementation support	Standard

SCHEDULE II
COMPENSATION

1. **Compensation.** As consideration for the Services, Alliant shall receive the following compensation:
 - a. **Fees and Payment.**
 - i. **Fees.** The fee for the standard Services will be \$23.30 per employee per month.
 - ii. **Payment.** Client shall pay any fee hereunder within 45 days of its receipt of invoice.
 - b. **Changes in Services.** If Client requests a change in Services or if changes in Client's size, operations, or organization require a change in the scope and/or nature of the Services and/or Plans, the compensation described in this Section 1 will be adjusted accordingly.
2. **Transparency and Disclosure.** Upon Client's reasonable request, Alliant will disclose compensation it receives, where possible, in connection with any insurance placements on behalf of Client under Alliant's "Transparency and Disclosure" policy, a copy of which is made available upon request. Pursuant to its policy, Alliant will conduct business in conformance with all applicable insurance regulations and in advancement of the best interests of its clients. In addition, Alliant's conflict of interest policy precludes it from accepting any form of broker incentives that would result in business being placed with carriers in conflict with the interests of Alliant's clients.
3. **Services Included in Cost of Premium.** In addition to the compensation described in this Schedule II, Alliant and/or its related entities may receive additional compensation for underwriting, program administration, and other services that are (a) provided to either Client or the insurance carrier, (b) not contracted for directly by Client, and (c) outside the scope of Services described in Schedule I. This additional compensation, if any, will be included in the cost of the premium Client pays to the carrier and accordingly, will create no additional cost for Client. Notwithstanding this paragraph, any services contracted for directly by Client may be subject to additional costs, as provided in Section 1 above.
4. **Indirect Income.** Alliant has provided the City of Marysville with an "opt-out" form for review and sign off. The form may also be found on Alliant's website: <http://www.alliant.com/Legal-Notices/Pages/Disclosure-Policy.aspx>. The City of Marysville has elected to have the premium associated with all policies managed by Alliant excluded from consideration in any and all contingent and supplemental income.