

# Consulting Agreement

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This Consulting Agreement, hereinafter referred to as "Agreement" is between **Webb County, Texas**, a political subdivision of the State of Texas, hereinafter referred to as "Client" and **HUB International Texas, Inc. (DBA HUB International Insurance Services)**, hereinafter referred to as "Consultant", will be effective as of the effective date as defined in Section 30 below.

WHEREAS, Client wishes to obtain the assistance of Consultant with strategic benefit planning, design, funding, administration, and communication with respect to its employee benefit programs;

WHEREAS, Consultant has knowledge and expertise in assisting employers with designing and servicing employee benefit plans; and

WHEREAS, the parties wish to set forth their respective expectations;

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereby agree as follows:

## **1. Scope of Services to be Provided by Consultant \*\***

Consultant will provide Client with consulting and account management services as described in its response to RFQ # 2019-006 for the following benefit programs listed below:

- Assistance in all phases of Request for Proposal (RFP) specifications, for the Webb County self-funded medical plan, which consists of evaluation of proposals received and review of contracts for the following Third Party Administration Services:
  - Administration Services
  - Utilization Review Services
  - Medical Network
  - Prescription Drug Network
  - Stop Loss Insurance
  - COBRA Administrations Services
- Assistance with all phases of Request for Proposals (RFP) specifications and negotiate a favorable renewal for employee group benefits and services such as life, disability, dental, vision, cancer, accident, critical illness, Flexible Spending Accounts, Medicare Supplement plans, online Benefit Administration Systems, and deferred compensation plans.
- The consultant shall keep the County apprised of and in compliance with industry changes, practices, costs and trends at the local, regional, and national levels and the impact on the public and private sectors, including but not limited to the HIPAA, Affordable Care Act; Medicare & Medicaid Creditable Coverage Disclosure and other federal and state laws.
- Assistance with insurance contract requirements/enforcement when requested.
- Assistance in maintaining insurance policies, service contracts and self-funded plan document during the course of the year, including any changes in these documents that may be required due to legislation.

- Assistance with the preparation of custom-made and general reports on budget cost estimates/forecasts for self-funded health plans in order to recommend plan changes/modifications, target areas of concern, etc.
  - Assistance in the creation and maintenance of Wellness Incentive Programs and results based reporting of progress and results of the program.
  - Availability to meet with County Staff and conduct presentations as necessary to employees, management, Commissioners Court.
  - Assistance in Collective Bargaining processes upon request.
- A. Strategic Benefit Planning.** Consultant will provide assistance in developing overall plan benchmarks and targets to ensure that the plan meets the objectives of Client and its employees.
- B. Benefit Design.** Consultant will help to ensure that benefit designs are consistent with the strategic benchmarks and targets set forth in the strategic benefit planning process.
- C. Administration.** Consultant will identify core administrative services, assess vendor performance, and manage vendor relationships to provide appropriate program administration.
- D. Communication.** Consultant will, upon request, assist in drafting employee communications regarding benefit program performance and changes, and assist in the review of plan documents and insurance certificates during the planning and enrollment process.
- E. Cost.** Consultant will advise and counsel regarding employee benefit plan design alternatives, recommend employer/employee contribution rates, solicit and evaluate proposals as directed by the Client and in conformance with the Client's established purchasing practices and provide recommendations to Client.
- F. Compliance Tools & Legislative Information.** Consultant will provide informational materials on legislative developments impacting employee benefit plans, including access to online reference tools on topics such as FMLA, COBRA, HIPAA, HIPAA Privacy, Section 125, and PPACA.
- G. Meetings with Client and Vendors.** Services will include attendance at and facilitation of meetings with Client and vendors as needed to facilitate program management including day-to-day operations and planning program changes.
- Upon Client request, Consultant shall meet with Client as needed to review all activities and projects. The meetings will include discussion of business concerns, including presentations of options and recommendations.
- H. Day-to-Day Administrative Issues.** Consultant shall provide assistance in the daily administration of programs, including resolution of vendor service issues and addressing questions and concerns raised by Client's employees and management.
- I. Data Analysis.** Upon receipt of acceptable claims data, Consultant will provide Client with a) a summary health plan management report analyzing health care claims paid during a specific period; b) claims analysis that allows for drill down and further analysis of data, c) modeling tools that evaluate the impact of plan design changes before they are

implemented. Consultant will provide calculations of Incurred But Not Reported liabilities. Consultant will analyze claims data and provide summary reports monthly or as requested.

## 2. Disclosure and Record Keeping

- A. **Full Disclosure.** Client has the right to approve any arrangements and/or the utilization of any intermediaries in connection with, or arising out of, or in any way related to Client's Employee Benefits program. Consultant must seek approval from Client prior to the use of any of the above in connection with the Client's insurance Employee Benefits program.
- B. **Record Keeping.** Consultant will maintain accurate and current files including, but not limited to, insurance policies and correspondence with insurers or brokers in accordance with industry standard record retention practice or as otherwise directed by Client.

## 3. Term & Termination

- A. **Term.** This initial term of this Agreement shall be effective as of **the effective date as defined in Section 30 below until the second anniversary of the agreement. At the Client's election, the agreement can be extended for an additional two one year periods.**
- B. **Termination.** This Agreement may be terminated by either party only as follows:
  - a) Effective upon thirty (30) days advance written notice to the other party stating that such other party is in breach of any of the provisions of this Agreement, provided such breach (if able to be cured) is not cured within fifteen (15) days after the notice is received;
  - b) effective upon six (60) days advance written notice to the other party given with or without reason; or
  - c) By mutual written agreement of the parties.

## 4. Cost of Services

Consultant professional fees are based upon time and effort expended by specific individuals. The fees do include out-of-pocket expenses, including expenses related to Client requested travel. Client agrees to pay reasonable and documented Consultant annual professional fees. Consultant agrees to submit invoices to Client monthly unless other billing and payment arrangements are made. Client also agrees that, upon early termination of contract, any balance remaining for unpaid monthly installments shall be payable in full to Consultant within 30 days of termination date.

The fee structure shall be based upon an hourly rate billed in 15 minute increments. The Scope of Work shall be segmented accordingly. In no event, will the sum total of all categories exceed \$48,000 per year.

Service Category	Hourly Rate	Not to exceed Annual Maximum
Health Plan RFP and other related activities	\$200.00	\$14,000
Other Voluntary Benefit RFP and related activities	\$200.00	\$10,000
General Benefit Consulting Services (budget forecasting, analysis, compliance, research, training)	\$200.00	\$24,000
Combined Not to Exceed Annual Limit		\$48,000

#### 5. Personnel

Consultant will assign its personnel according to the needs of Client and according to the disciplines required to complete the appointed task in a professional manner. Consultant retains the right to substitute personnel with reasonable cause. Notwithstanding the foregoing, all Consultant personnel, including any substitutions to Consultant personnel, shall be pre-approved by Client.

#### 6. Client's Responsibilities

Client will make available such reasonable information as required for Consultant to conduct its services. Such data will be made available as promptly as possible. It is understood by Consultant that the time of Client's personnel is limited, and judicious use of that time is a requirement of this Agreement. Client agrees to make payments of the annual professional fees as set forth elsewhere in this Agreement.

#### 7. Records and Information

Consultant understands and agrees to limit its use and disclosure of protected health information as required by HIPAA regulations and in accordance with any separate HIPAA business associate agreement entered into, from time to time, between Client or its affiliates and Consultant.

**8. Independent Contractor.** It is understood and agreed that Consultant is engaged by Client to perform services under this Agreement as an independent contractor. Consultant shall use its best efforts to follow written, oral, or electronically transmitted (i.e., sent via facsimile or e-mail) instructions from Client as to policy and procedure.

## **9. Fiduciary Responsibility.**

Client acknowledges that: (i) Consultant shall have no discretionary authority or discretionary control respecting the management of any of the employee benefit plans; (ii) Consultant shall exercise no authority or control with respect to management or disposition of the assets of Client's employee benefit plans; and (iii) Consultant shall perform services pursuant to this Agreement in a non-fiduciary capacity. Client agrees to notify Consultant as soon as reasonably possible of any amendments to the employee benefit plans' legal documents to the extent that the amendments would affect Consultant in the performance of its obligations under this Agreement, as determined by Client in its sole and absolute discretion. Client agrees to submit (or cause its agent, consultants, or vendors to submit) all information in its (or their) control reasonably necessary for Consultant to perform the services covered by this Agreement, as determined by Client in its sole and absolute discretion.

## **10. Appointment Acknowledgement.**

Client acknowledges that Consultant is appointed with various insurance carriers as a licensed agency/brokerage firm. Client also acknowledges that, for the purpose of this agreement, Consultant may be required to utilize assigned agent/broker numbers for communication and authorization purposes. .

Consultant agrees that no commissions payments, either direct or indirect, will be accepted from any vendor for services that vendors provide to the Client.

## **11. Compliance with Laws and Agreements**

Consultant agrees to fully comply with and observe any and all federal or state laws or regulations that are or may be applicable to Consultant or the performance of Services under this Agreement. Consultant hereby warrants that it is in no way compromising any rights or trust relationships between itself or any other party, or creating a conflict of interest or any possibility thereof for Consultant or Client.

## **12. Indemnity and Insurance**

Consultant shall defend indemnify and save harmless Client, its successors, assigns, affiliates and parent entities and the employees, officers, directors and agents of any of them from and against all losses, damages, injuries, liabilities, expenses, fines, fees (including without limitation attorneys' fees and costs) and claims (collectively "Losses") arising from or relating to this Agreement or the performance of Services hereunder, including but not limited to bodily injury, death or property damage, to the extent such Losses are caused by the negligence or willful misconduct of Consultant. The obligations of the Parties under this Section shall survive the expiration or termination of this Agreement. Consultant agrees to maintain insurance with policy limits in an amount sufficient to cover its liability arising out of this Agreement. Consultant further agrees to furnish Client with written proof that the required insurance coverage is in effect at the request of the Client, and to give notice of any changes in the insurance coverage or insurer.

### **13. Alternate Dispute Resolution**

THE PARTIES AGREE THAT TO THE EXTENT ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT DOES NOT EXCEED \$500,000, THE PARTIES WILL ENDEAVOR TO MEDIATE SAID DISPUTE BEFORE FILING ANY ACTION IN STATE OR FEDERAL COURT.

### **14. Applicable Law and Venue**

This Agreement shall be governed exclusively by, and construed exclusively in accordance with, Texas law, without regard to conflicts of laws rules or principals as applied in Texas. If, for any reason, any dispute hereunder becomes the subject of litigation, venue for such litigation shall be exclusively in the state or federal court(s) of competent jurisdiction in Webb County, Texas. The Parties waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the bringing of any such action or proceeding in such jurisdiction.

### **15. Gifts**

No director, officer, employee or agent of Consultant or of any subcontractor or vendor of Consultant shall give or receive any commission, fee, rebate, or gift or entertainment of significant (not to exceed \$50) cost or value in connection with the services provided under this Agreement, or enter into any business arrangement with any director, officer, employee or agent of Client or its parent or affiliated entities other than as a representative of Consultant or its affiliate, without Client's prior written agreement. Consultant shall promptly notify Client of any violation of this paragraph. Any representative(s) authorized by Client may audit any and all records of Consultant and any such subcontractor or vendor for the sole purpose of determining whether there has been compliance with this paragraph.

### **16. Entire Agreement**

This constitutes the entire Agreement between the parties, and any other agreement, whether in writing or otherwise, providing for consulting services by the Consultant for the benefit of Client is hereby superseded in its entirety by this Agreement.

### **17. Amendment**

Subsequent amendments to this Agreement shall only be in writing signed by both parties.

### **18. Inconsistencies**

Where there exists any inconsistency between this Agreement and other provisions of collateral contractual agreements that are made a part hereof by reference or otherwise, the provisions of this Agreement shall control.

## 19. Severability

Each paragraph and provision hereof is severable from the entire Agreement and if any provision is declared invalid, the remaining provisions shall nevertheless remain in effect.

## 20. Prohibition against Assignment

There shall be no assignment or transfer of this Agreement without the prior written consent of both parties hereto.

## 21. Notices

All notices called for or contemplated hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or forty eight (48) hours after mailed to each party by certified mail, return receipt requested, postage prepaid to the following:

If to Client: Webb County Judge  
1000 Houston St. 3<sup>rd</sup>. floor  
Laredo, Texas 78040

Copy to: Risk Management  
Webb County  
1110 Washington St., Suite 204  
Laredo, Texas 78040

If to Consultant: Randy McGraw  
Senior Vice President  
HUB International Texas, Inc.  
(DBA HUB International Insurance Services)  
201 E. Main Street, Suite 800  
El Paso, Texas 79901

## 22. Confidentiality

Any confidential information provided to or developed by Consultant in the performance of this Agreement shall be kept confidential, unless otherwise provided by law, and shall not be made available to any individual or organization without the prior approval of Client.

## 23. Headings

The headings used herein are for convenience of reference only and shall not constitute a part hereof or affect the construction or interpretation hereof.

## 24. Waiver

The failure on the part of any party to exercise or to delay in exercising, and no course of dealing with respect to any right hereunder shall operate as a waiver thereof; nor shall any

single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies provided herein are cumulative and not exclusive of any remedies provided by law or in equity, except as expressly set forth herein.

## **25. Counterparts**

This Agreement may be executed in any number of and by the different parties hereto on separate counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same document.

## **26. Terminology and Definitions**

All personal pronouns used herein, whether used in the masculine, feminine, or neutral, shall include all other genders; the singular shall include the plural and the plural shall include the singular.

## **27. Rule of Construction**

The parties hereto acknowledge that each party and its legal counsel have reviewed and revised this agreement, and the parties hereby agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this agreement or any amendments or exhibits hereto.

## **28. Immunity**

Client does not waive or relinquish any immunity or defense on behalf of themselves, their trustees, commissioners, offices, employees and agents as a result of the execution of this Agreement and performance of the functions and obligations described herein.

## **29. No rights created**

This Agreement is not intended and does not create any rights or interest in persons not a party hereto.

## **30. Effective Date**

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed.

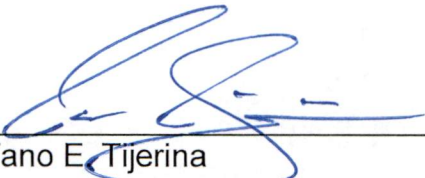
[Signatures on Following Page]



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date set forth below.

**CLIENT:**


WEBB COUNTY

  
\_\_\_\_\_  
Tano E. Tijerina  
Webb County Judge

Date: July 22, 2019

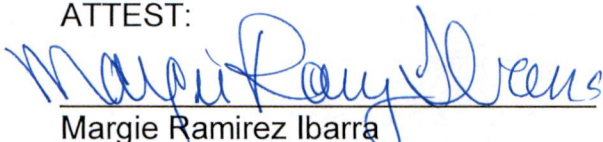
**CONSULTANT:**

HUB International Texas, Inc.  
(DBA HUB International Insurance  
Services)

  
\_\_\_\_\_  
Randy McGraw  
Senior Vice President

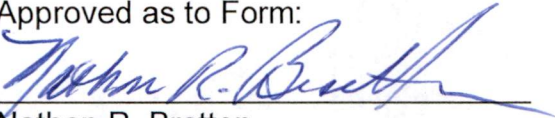
Date: 7-16-19

**ATTEST:**

  
\_\_\_\_\_  
Margie Ramirez Ibarra  
Webb County Clerk



**Approved as to Form:**

  
\_\_\_\_\_  
Nathan R. Bratton  
General Counsel  
Civil Legal Division\*

\*The General Counsel, Civil Legal Division's office, may only advise or approve contracts or legal documents on behalf Webb County, its client. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their own respective attorney(s).

MARGIE R. IBARRA  
COUNTY CLERK  
FILED

2019 OCT 24 AM 11:14

WEBB COUNTY, TEXAS

BY VR DEPUTY

