

2022 Proposed Customer Delight Performance Guarantee

The Standard Medical Service Fees (excluding Optional, Non-Standard Fees and that portion of the Standard Medical Service Fees attributable to Commission Funds, if applicable) (hereinafter referred to as "Fees") payable by You under this Agreement will be adjusted through a credit to your Service Fees in accordance with the performance guarantees set forth below unless otherwise defined in the guarantee. Unless otherwise specified, these guarantees apply to medical benefits and are effective for the period beginning January 01, 2022 to December 31, 2022 (Guarantee Period). With respect to the aspects of our performance addressed in this exhibit, these fee adjustments are your exclusive financial remedies.

These guarantees will become effective upon the later of (1) the effective date of the Guarantee Period; or (2) the date this Agreement is signed by both parties. In the event these guarantees become effective later than the effective date of the Guarantee Period: (1) quarterly guarantees will become effective beginning with the next calendar quarter following signature of this Agreement by both parties and (2) annual guarantees will become effective commencing with the Agreement Period during which this Agreement is signed by both parties.

We reserve the right from time to time to replace any report or change the format of any report referenced in these guarantees. In such event, the guarantees will be modified to the degree necessary to carry out the intent of the parties. We shall not be required to meet any of the guarantees provided for in this Agreement or amendments thereto to the extent Our failure is due to Your actions or inactions or if We fail to meet these standards due to fire, embargo, strike, war, accident, act of God, acts of terrorism or Our required compliance with any law, regulation, or governmental agency mandate or anything beyond Our reasonable control.

A minimum of 26,000 total employees enrolled in the UMR plan is required for the above guarantee(s) to remain in effect.

This document contains the business and financial guarantee commitment. The final legal contract language may vary.

Customer Delight - Applies to First Year Only		
Definition	Customer must be 'delighted' as our customer; contingent on total replacement of coverage with us.	
Measurement	Minimum score on a 5 point scale	Score 3
• Criteria	Quarterly survey measured during year one, with results averaged together for annual	
• Level	Customer specific	
• Period	Quarterly	
Payment Period	Annually	
Fees at Risk	Dollars at Risk for this metric	\$1,000,000
Payment Amount	Of the Dollars at Risk for this metric, percentage at risk for each gradient	N/A
Gradients	Not applicable	

This Customer Delight Guarantee is valid for the first year only, contingent on total replacement of coverage with UMR.

Proposed Medical Claims Performance Guarantee

Customer Name : State of Indiana

Plan Effective Date : 1/1/2022

I. Financial Accuracy

UMR agrees that Claim payments, on an aggregated dollar basis, shall be ninety-nine percent (99%) accurate to the plan of benefits. If however, the financial accuracy falls below the agreed upon level, UMR will give a credit as stated on the table below.

Financial Accuracy will be calculated by dividing the total audited dollars paid correctly by the total audited dollars processed. This will be measured on customer specific results.

UMR's Performance	Penalty
99% or higher	0%
98.5% to 98.9%	1%
98.0% to 98.4%	2%
Less than 98.0%	3%

II. Claim Procedural Accuracy

UMR agrees that the Claim Procedural Accuracy will be maintained at a level of ninety-five percent (95%). If the Claim Procedural Accuracy falls below the agreed upon level, UMR will give a credit as stated on the table below.

The Claim Procedural Accuracy percentage will be calculated by dividing the number of services not containing procedural errors in the audit period by the number of services audited during the same period. This will be measured on customer specific results.

UMR's Performance	Penalty
95.0% or higher	0%
94.5% to 94.9%	1%
93.0% to 94.4%	2%
Less than 93.0%	3%

III. Claim Payment Accuracy

UMR agrees that Claim Payment Accuracy will be maintained at a level of ninety-eight percent (98%). If, however, the Claim Payment Accuracy falls below the agreed upon level, UMR will give a credit as stated on the table below.

Claims Payment Accuracy will be calculated by dividing the total number of services not containing payment errors in the audit period by the total number of services audited in that same period. This will be measured on customer specific results.

UMR's Performance	Penalty
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98.0% or higher	0%
97.0% to 97.9%	1%
95.0% to 96.9%	2%
Less than 95.0%	3%

IV. Turnaround Time

UMR agrees that ninety percent (90%) of all clean Claims will be processed within 10 business days from the date that UMR receives all information necessary to adjudicate the Claim. In the event that UMR's turnaround time falls below the agreed upon level, UMR will give a credit as stated on the table below.

Claims will be considered "processed" when UMR has released the Claim for payment, denial or request for additional information. This will be measured on customer specific results.

UMR's Performance	Penalty
90.0% or higher	0%
85.0% to 89.9%	1%
80.0% to 84.9%	2%
Less than 80.0%	3%

V. Customer Service

UMR guarantees the following levels of customer service will be maintained. These areas are all measured based on department results.

1. Average speed-to-answer telephone calls

UMR agrees that on average, calls will be answered in thirty (30) seconds or less. If calls are answered in more than thirty (30) seconds, UMR will give a credit as stated on the table below.

UMR's Performance	Penalty
30 seconds or less average	0%
31 to 45 seconds average	1%
46 seconds to 1 minute average	2%
1 minute or higher average	3%

2. Abandonment Rate

UMR agrees that on average, three percent (3%) or less of calls may be abandoned. If more than the agreed upon level of calls are abandoned, UMR will give a credit as stated on the table below.

UMR's Performance	Penalty
3.0% or less average	0%
3.1% to 4.0% average	1%
4.1% to 5.0% average	2%
More than 5.0% average	3%

3. Customer Satisfaction Surveys

UMR agrees that on average, ninety percent (90%) or more of survey respondents will be “very satisfied, somewhat satisfied or satisfied” on a UMR standard Customer Service Questionnaire. If less than the agreed upon level of satisfaction percentage is achieved, UMR will give a credit as stated on the table below.

UMR's Performance	Penalty
90.0% or higher	0%
85.0% to 89.9%	1%
Less than 85.0%	2%

Aggregate Penalty: The aggregate maximum penalty will not exceed 20% of the annual base medical administration fee and the network access fees.

Performance Guarantee Conditions:

- Performance Guarantees begin 90 days after plan effective date.
- Performance Guarantees are for medical claims administration.
- Performance Guarantees are measured annually.
- Performance Penalties will be credited on the invoice following the annual measurement.
- Performance Guarantees are not in effect until a signed administrative service contract is received.
- In the event of a pandemic, UMR reserves the right to revisit or revoke this guarantee.

Proposed Account Management Performance Guarantee

Customer Name : State of Indiana
Plan Effective Date : 1/1/2022

Account Management

UMR agrees the account management scorecard will be an average of 3 or higher. Every quarter we will send the scorecard to you via email. You will have three weeks to respond. If we don't hear back from you, the rating defaults to an automatic average of 4 (4=always meets expectations). If however, the score falls below the agreed upon level, UMR will give a credit as stated on the table below.

The guarantee is calculated by the average of all eight measurable needs on the attached account management service scorecard:

UMR's Performance	Penalty
Average score of 3 or higher	0% of medical administration and network access fee
Average score of 2.5 through 2.99	3% of medical administration and network access fee
Average score of 2.0 through 2.49	4% of medical administration and network access fee
Average score below 2	5% of medical administration and network access fee

Aggregate Penalty: The aggregate maximum penalty will not exceed 5% of the annual base medical administration fee and the network access fees.

Guarantee Conditions:

- Performance Guarantees are measured annually.
- Performance Penalties will be credited on the invoice following the annual measurement.
- Performance Guarantees are not in effect until a signed administrative service contract is received.
- In the event of a pandemic, UMR reserves the right to revisit or revoke this guarantee.

Account Management Scorecard

Customer Name: State of Indiana

Evaluation Period:

Date Completed:

By:

Using the rating guide below, and the definitions provided, please rate our performance for each measurable need for the period indicated above.

Rating Methodology:

- 5 - Exceeds Expectations
- 4 - Always Meets Expectations
- 3 - Usually Meets Expectations
- 2 - Sometimes (once in a while) Meets Expectations
- 1 - Consistently Does Not Meet Expectations

Measurable Need	Rating	Definitions
1. Accessibility		Able to contact within 24 hours.
2. Responsiveness to issues/questions		48 hour return call after issue identification
3. Timely notification of problems		Notification of problems as they are identified.
4. Coordination of issue resolution		Updates provided weekly (or agreed upon timeframe) on outstanding issues
5. Communication of plan's results		End of the month following reporting period
6. Attendance at scheduled meetings		Attendance at scheduled meetings
7. Delivery of Standard Data Reporting		15 business days following reporting period
8. Development of comprehensive action plans to resolve issues		Action items & activities outlined within 1 week of issue identification.

Comments:

PROPOSED CARE MANAGEMENT – UM/CM PERFORMANCE GUARANTEE

Customer Name: State of Indiana
Effective Date: 01/01/2022 – 01/01/2026

The purpose of performance guarantees (PGs) is to ensure results and foster a strong partnership between the State of Indiana and UMR Care Management over the term of the contract. In order to accomplish this, the State of Indiana and UMR Care Management have agreed to mutually acceptable metrics of performance. UMR Care Management will place the following fees at risk by category.

A. Financial Guarantee

UMR Care Management is willing to place 5 percent of total utilization management and case management fees at risk for a financial guarantee.

ROI	Penalty
Greater than or equal to 2.5	0%
Less than 2.5 but greater than or equal to 2.0	1%
Less than 2.0 but greater than or equal to 1.0	3%
Less than 1.0	5%

The guarantee is based on the savings methodology utilized by UMR Care Management to determine return on investment at the time the calculation is done.*

B. Care Management Program Satisfaction Guarantee

UMR Care Management is willing to place 5 percent of utilization management and case management fees at risk for satisfaction. For percentages below 85 percent satisfaction with the program, UMR Care Management will pay the percent of our fees indicated in the table below. A minimum of 15 surveys must be returned.

Satisfaction Score	Penalty
Greater than or equal to 85%	0%
Less than 85% but greater than or equal to 82.5%	1%
Less than 82.5% but greater than or equal to 80%	3%
Less than 80%	5%

C. Additional Requirements

1. The Administrative Services Agreement (ASA) must be signed and returned The State of Indiana before performance standards apply.
2. No credits are due to The State of Indiana for any periods when The State of Indiana's fees to UMR are past due or insufficient funds are in The State of Indiana's bank account to pay claims.

* Case Management Savings Methodology

Case management savings are measured through hard and soft savings achieved during the management of each case. Hard savings include proven cost savings, dollars saved based on negotiated rates for service and/or a change in intensity and duration of service. Soft savings include projection of dollars to be saved based on future reductions, cost savings estimated for alternate care and avoided events, anticipated treatment costs avoided and the impact on an outcome that can be measured financially. This may include avoidance savings, decrease in hospital bed days and alternative funding.

Case management savings are reported monthly and reflects data that includes:

- Current year-to-date (YTD) savings by program. This measure provides an overview on what percentage of the total savings can be attributed to the case management program
- Current YTD and prior year savings amounts
- Current YTD and prior year program participants
- Current YTD and prior year average savings per program participant

Savings are achieved through various actions and tasks performed during the case management process. UMR care management actions and tasks include the following:

- Alternative care received
- Care received in a less intensive, lower cost setting
- Negotiations
- Better condition management
- Care not necessary due to condition improvements
- Care ordered but not eligible for coverage

Savings are calculated using the following methodologies:

- Negotiated savings are determined by taking the difference between the standard amount and the negotiated amount, times the number of eligible for coverage units
- Avoided savings are determined by calculating the difference between the requested amount and the eligible for coverage amount, times the standard dollar amount
- If case management results in a transfer of the patient to a less costly setting (for example from hospital to home health), case managers are instructed to record their savings as the difference between the cost of the higher cost setting and the alternative lower cost setting, so as not to overstate the savings
- While it is possible that the employer might incur additional savings due to less time taken as disability, we currently are *not* including this type of savings in our reported savings.

UMR Implementation Guarantees*		
State of IN		
Effective Date	1/1/2022	DUE
Definition	ID cards generated by UMR will be mailed	
If all Customer Contingencies met	Provide notice of award and benefits in the form of SPDs or plan documents	09/15/21
	Approve account structure	10/11/21
	Provide complete and accurate electronic eligibility test file, if applicable	10/26/21
	Approve ID card proof	11/19/21
	Provide complete and accurate eligibility production file (electronic or spreadsheet)	11/22/21
	Approve census	12/08/21
Payment Period	One time	
Fees at Risk	Percentage of first year's medical and network access fees at risk for this metric	2.5%
Definition	Procedures and systems in place to begin processing medical claims	
	If accumulator files and other information from prior administrator not required	01/03/22
	OR	
	If accumulator files and other information from prior administrator are required	01/28/22
If all Customer Contingencies met	Provide notice of award and benefits in the form of SPDs or plan documents	09/15/21
	Provide all network information, including all network provider demographics, fee schedules, contracts, etc., if applicable	09/15/21
	Provide information regarding all vendor connections, including contacts, file feed requirements, etc.	09/15/21
	Approved account structure and installation documents and provide all information requested for set up	10/11/21
	Provide test file of all accumulators and other information to be transferred	12/03/21
	Provide complete and accurate eligibility production file (electronic or spreadsheet)	11/22/21
	Provide complete production file of all accumulators and other information to be transferred	01/10/22
	Customer banking:	
	Provide completed MICR spec sheet, bank contact and issue file layout	11/15/21
	Provide approval of test file and confirmation bank is ready if positive pay requested	12/15/21
	OR	
	Custodial banking:	
	Provide bank account set up information	11/30/21
	Provide required deposit amount	12/30/21
Payment Period	One time	
Fees at Risk	Percentage of first year's medical and network access fees at risk for this metric	2.5%
* Implementation guarantees do not apply if system development is required, which is often not determined until more details are provided during the implementation process. The contingency and deliverable dates in this document do not apply to UMR's creation of the Summary of Benefits and Coverage (SBC) for Customer, if Customer elects UMR's SBC Services.		

2022 Covered Charge Trend Guarantee

Introduction

UMR is pleased to present this Covered Charge Trend Guarantee to State of Indiana. The outline below demonstrates our dedication and commitment to controlling State of Indiana's health care costs. We are pleased to be presented with this opportunity and look forward to partnering with State of Indiana.

Trend Guarantee Development

We will provide a 2022 Covered Charge Trend Guarantee, which will be developed by reviewing State of Indiana's full year 2021 Covered Charge experience for a continuously enrolled population, and applying an adjustment based on a combination of Trend and the application of UMR programs designed to lower State of Indiana's claim costs. As part of the offer we will develop a Guaranteed Trend Factor that will apply against the actual 2021 Covered Charges to develop a 2022 Covered Charge trend projection (incurred in 12/paid in 15 contract basis), which will be the basis of our guarantee.

Required Claim Data

We will base our Covered Charge Trend Guarantee calculation on full year 2021 Covered Charges. We will require 2021 monthly incurred Covered Charges and capitation charges, by plan, processed through March 31, 2022 with corresponding monthly enrollment for a continuously enrolled population. We will also require a census file containing plan election and coverage tier information. The plan designs must be provided for all 2021 plans.

Claim Adjustments

Our trend projection is based upon the adoption of the listed affordability programs. The following adjustments will be made to State of Indiana's 2021 incurred Covered Charges (factors are multiplicative – not additive). If State of Indiana does not elect UMR's GenYou program, our trend projection will need to be adjusted.

<i>Guaranteed Covered Charge Trend Factor – factor applied to 2021 Covered Charge experience to establish 2022 Covered Charge target. (Exclusive of any benefit plan changes)</i>	2.46%
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*Our ChoicePlus Network Adjustment is based on the geographic distribution of in-network employees.

Plan Relativity Adjustments will be applied, depending on the final plan designs and configuration, relative to the plan designs in force in 2021 to the extent plan design changes will impact Covered Charges.

Our Commitment:

Guarantee

We will apply an adjustment to our ASO fees based upon our performance in achieving the 2022 Covered Charge Trend developed by applying the Guaranteed Trend Factor shown above, to the 2021 PMPM incurred Covered Charge experience. The guarantee will include a 0.0% risk free corridor. The Covered Charge Trend Development is illustrated in the Table shown below.

Basis of our Guarantee:

Illustrative 2022 Covered Charge Development

A.	2021 PMPM Incurred Covered Charges (Covered Charges Incurred from January 01, 2021 through December 31, 2021, and Paid through March 31, 2022)	\$550.00
B.	Application of the Guaranteed Covered Charge Trend Factor	2.46%
C. $\{A \times (1+B)\}$	Composite Covered Charge PMPM for the Incurral Period January 1, 2022 through December 31, 2022, and Paid through March 31, 2023 (12/15 Basis)	\$563.53
D.	Risk Free Corridor	0.00%
E. $\{C \times (1+D)\}$	Composite Covered Charge Trend Guarantee PMPM for the Incurral Period January 01, 2022 through December 31, 2022, and Paid through March 31, 2023 (12/15 Basis) [Threshold for Penalty]	\$563.53
F. $\{(E \div A) - 1\}$	Year over Year Trend Guarantee (Including risk free corridor)	2.46%

Penalties:

The Table below provides a schedule of Penalties based on our performance relative to achieving the 2022 Trend commitment. The maximum penalty is up to 30.0% of the Standard Medical Service Fees (excluding Optional and Non-Standard Fees) for the assumed subscribership payable by State of Indiana under the Administrative Services Agreement.

Actual 2022 Trend	Adjustment to 2022 ASO Fee	Annual Adjustment \$\$ Value*
Less than 2.47%	No Penalty	No Penalty
2.47% to 3.46%	-6.00%	-\$697,885
3.47% to 4.46%	-12.00%	-\$1,395,770
4.47% to 5.46%	-18.00%	-\$2,093,656
5.47% to 6.46%	-24.00%	-\$2,791,541
6.47% or greater	-30.00%	-\$3,489,426

*Total \$\$ at risk are subject to change if final PEPM fee varies from the illustrations above.

Timeline Illustration for setting of Year 1 Target:

Covered Charges incurred in 2021 with 3 months runout under current arrangement.	May of 2022. Actual target set based on review of Covered Charges incurred in 2021 and paid through March 31, 2022.	May of 2023. Reconciliation is completed to determine Covered Charge Trend Guarantee results.
↓	↓	↓
Prior Year - 2021	Year 1 with UnitedHealthcare	Year CTG is Reconciled

Our Covered Charge Trend Guarantee is subject to the following requirements:

- Medical Coverage awarded to UMR on a full-replacement basis in sites where offered, with a minimum total enrollment of 26,000 subscribers.
- Covered Charges are defined as the portion of submitted charges considered for payment. This amount is before member contributions (e.g., copays, deductibles, coinsurance) and after discounts, savings, benefit limits, reduction amounts due to duplicates.

- UMR Choice network is required.
- Medicare eligible participants are excluded.
- Trend Guarantee assumes UMR's GenerationYou model is in place for 2022
- Incurred in 12/Paid in 15 Contract Basis.
- Guarantee applies to first policy year only.
- If State of Indiana does not renew in Year 2, our Claim Target guarantee will not apply.

The following are the assumptions used to develop this guarantee. UMR reserves the right to revise (or revoke) this guarantee if there are changes in these assumptions:

- No changes in the proposed benefits that were requested in the RFP which would influence the value of the Covered Charges relative to the baseline period of the 2021 Incurred Covered Charges.
- Covered Charges in excess of \$200,000 per claimant will be excluded.
- Pharmacy Claims are Excluded.
- Mental Health/Substance Abuse claims are Included.
- COBRA enrollees are Included.
- Early retirees are Excluded.
- Obesity coverage is Included.
- Infertility coverage is Included.
- If the number of covered medical subscribers varies by 10% or more from the assumed enrollment of
- Reasonable and customary charge guidelines for out of network surgical, medical, lab and x-ray claims using FAIR Health database 80th percentile.
- FAIR Health does not apply if MNRP is utilized.
- Pay the Enrollee program will apply. Payment will be made to the enrollee for services rendered by non-network physicians and facilities.
- An average contract size of 1.97. If the average contract size, defined as the total number of enrolled members divided by the total number of enrolled subscribers, varies by 10% or more from the assumed average contract size of 1.97.
- A demographic factor will be used to adjust for changes in the demographic distribution of employees from the base period and the claims guarantee period. Actuarial factors will be shared and included as part of the final guarantee document.
- If the geographic distribution of in-network employees, by site, varies by 10% or more from the expected distribution of in network subscribers by site. The expected geographic distribution for the larger sites is:

Site Name	Subscribers
Indianapolis	19,975
Fort Wayne	2,128
Nw Indiana (& Chicago)	2,106
Southwest Indiana	1,554
Southeast Indiana	670
Western Kentucky	65
Northwestern Kentucky	59
Southern Illinois	59
Southwest Mi	52
Chicago	44

- The actual enrollment by product varies by 10 percent or more from the following:

Product	Subscribers
Choice Plus	26,850

- If there is a change to the current contribution strategy.

- Changes in federal, state or other applicable legislation or regulation may require changes to this proposal.
- The benefits or service requirements requested and/or quoted change prior to or after the effective
- Minimum In-Network Utilization of 90%.
- Our trend guarantee takes into account gross savings expected from our Value Based Contracting programs and/or initiatives. As such, any fees and/or bonus payment to providers associated with these programs and/or initiatives are excluded from the reconciliation of this guarantee.
- We reserve the right to revise the guarantee if bulk recovery is suppressed.
- In the event of a pandemic, UnitedHealthcare reserves the right to revisit or revoke this guarantee.
- Unanticipated impacts of the Health Care Reform and its regulations that would impact the scope of this guarantee would be itemized and reconciled accordingly in the trend guarantee.
- In the event of labor strife within a market, UnitedHealthcare reserves the right to revisit the guarantee to evaluate the one-time effects of the event on the utilization of benefits or other demographic shifts that would be beyond the scope and intent of the trend guarantee.
- The Trend Guarantee assumes that there are no unique or special discount arrangements between the incumbents and State of Indiana such as higher negotiated facility or physician discount that is exclusive to State of Indiana and not available to other customers using the same incumbent carriers.
- Due to the fact that a Trend Guarantee measurement inherently captures the overall effect of discounts, employee behavior changes, and care/clinical management effectiveness, any fees that may be paid out on each of the individual guarantees for Network Discounts and Optum Health will be deducted from any potential fees owed as part of this Trend Guarantee reconciliation.

2023 Covered Charge Trend Guarantee

Introduction

UMR is pleased to present this Trend Guarantee to State of Indiana. The outline below demonstrates our dedication and commitment to controlling State of Indiana's health care costs. We are pleased to be presented with this opportunity and look forward to partnering with State of Indiana.

Our Guarantee

UMR will guarantee that State of Indiana's Actual 2023 Covered Charge Trend will be 2.00% lower than Actual UnitedHealthcare 2023 National Accounts Book of Business Covered Charge Trend. Our guarantee includes up to 30.0% of the Standard Medical Service Fees (excluding Optional and Non-Standard Fees) at risk.

Trend Guarantee Development

State of Indiana's actual 2023 trend will be measured by taking State of Indiana's Incurred Covered Charge (12/15) PMPM for 2023, dividing them by State of Indiana's 2022 Incurred Covered Charge (12/15) PMPM and subtracting 1.

Required Claim Data

We will base our Trend Guarantee calculation on full year 2022 Covered Charges, using monthly incurred Covered Charges and capitation charges processed through March 31, 2022.

Comparison of National Accounts Book of Business Trend to State of Indiana's Trend %

UMR will use UnitedHealthcare's National Accounts Book of Business Covered Charge Trend as the trend percentage to compare with State of Indiana's Covered Charge Trend percentage. This trend percentage is the multiplicative total of the following Core Trend Components:

- ~ Core Unit Cost
- ~ Core Utilization
- ~ Mix and Severity of Services
- ~ Work/Calendar Day Adjustments

Once the 2023 Actual National Account Book of Business Covered Charge Trend % is known (about six months after the close of the guarantee period), UMR will compare that trend % to State of Indiana's actual 2023 trend %. We will apply an adjustment to our ASO fees based upon our performance in achieving the 2023 Trend as reflected in the Penalties Table below.

Illustrative 2023 Covered Charge Development

A.	2022 Incurred Covered Charge PMPM (Covered Charges Incurred from January 01, 2022 through December 31, 2022, and Paid through March 31, 2023)	\$550.00
B.	2023 Incurred Covered Charge PMPM (Covered Charges Incurred from January 01, 2023 through December 31, 2023, and Paid through March 31, 2024)	\$572.00

C. (B / A) -1	Actual State of Indiana's 2023 Incurred Covered Charge Trend %	4.00%
D.	Illustrative Actual 2023 UnitedHealthcare National Accounts Book of Business Incurred Covered Charge Trend %.	6.50%
E.	UMR's Guarantee to be below the National Accounts Book of Business Covered Charge Trend %.	-2.00%
F. (C - D)	Difference in State of Indiana's Actual 2023 Incurred Covered Trend vs. Actual 2023 National Accounts Book of Business Covered Charge Trend %.	-2.50%

Penalties:

The Table below provides a schedule of Penalties based on our performance relative to achieving the 2023 Trend commitment. The maximum penalty is up to 30 percent of the Standard Medical Service Fees (excluding Optional and Non-Standard Fees) for the assumed subscribership payable by State of Indiana under the Administrative Services Agreement.

State of Indiana's Actual 2023 Trend relative to 2023 National Accounts Book of Business (BoB) Covered Charge Trend	Penalty Adjustment to 2023 ASO Fee	Annual Adjustment \$\$ Value*
-2.00% or Less than UnitedHealthcare BoB Trend	No Penalty	No Penalty
Between -1.99% and -1.00% of UnitedHealthcare BoB Trend	-6.00%	-\$697,885
Between -0.99% and 0.00% of UnitedHealthcare BoB Trend	-12.00%	-\$1,395,770
Between 0.01% and 1.00% of UnitedHealthcare BoB Trend	-18.00%	-\$2,093,656
Between 1.01% and 2.00% of UnitedHealthcare BoB Trend	-24.00%	-\$2,791,541
Greater than 2.00% over UnitedHealthcare BoB Trend	-30.00%	-\$3,489,426

*Total \$\$ at risk are subject to change if final PEPM fee varies from the original estimate.

Our trend guarantee is subject to the following conditions and/or requirements:

- Medical Coverage awarded to UMR on a full-replacement basis in sites where offered, with a minimum total enrollment of 26,000 subscribers.

- Covered Charges are defined as the portion of submitted charges considered for payment. This amount is before member contributions (e.g., copays, deductibles, coinsurance) and after discounts, savings, benefit limits, reduction amounts due to duplicates.
- UMR Choice network is required.
- Medicare eligible participants are excluded.
- Trend Guarantee assumes UMR's GenerationYou model is in place for 2022-2023
- Incurred in 12/Paid in 15 Contract Basis.
- Guarantee applies to first policy year only.
- If State of Indiana does not renew in Year 3, our Trend guarantee will not apply.
- No changes in the proposed benefits that were requested in the RFP which would influence the value of the Covered Charges relative to the baseline period of the Incurred Covered Charges.
- Covered charges in excess of \$200,000 per claimant will be excluded.
- Pharmacy Claims are Excluded.
- Mental Health/Substance Abuse claims are Included.
- COBRA enrollees are Included.
- Early retirees are Excluded.
- Obesity coverage is Included.
- Infertility coverage is Included.
- If the number of covered medical subscribers varies by 10% or more from the assumed enrollment of 26,850 Subscribers.
- Reasonable and customary charge guidelines for out of network surgical, medical, lab and x-ray claims using FAIR Health database 80th percentile.
- FAIR Health does not apply if MNRP is utilized.
- Pay the Enrollee program will apply. Payment will be made to the enrollee for services rendered by non-network physicians and facilities.
- An average contract size of 1.97. If the average contract size, defined as the total number of enrolled members divided by the total number of enrolled subscribers, varies by 10% or more from the assumed average contract size of 1.97.
- A demographic factor will be used to adjust for changes in the demographic distribution of employees from the base period and the claims guarantee period. Actuarial factors will be shared and included as part of the final guarantee document.
- If the geographic distribution of in-network subscribers, by site, varies by 10% or more from the expected distribution of in network subscribers by site. The expected geographic distribution for the larger sites is:
- If the geographic distribution of in-network employees, by site, varies by 10% or more from the expected distribution of in network subscribers by site. The expected geographic distribution for the larger sites is:

Site Name	Subscribers
Indianapolis	19,975
Fort Wayne	2,128
Nw Indiana (& Chicago)	2,106
Southwest Indiana	1,554
Southeast Indiana	670
Western Kentucky	65
Northwestern Kentucky	59
Southern Illinois	59
Southwest Mi	52
Chicago	44

- The actual enrollment by product varies by 10 percent or more from the following:

Product	Subscribers
Choice Plus	26,850

- If there is a change to the current contribution strategy.
- Changes in federal, state or other applicable legislation or regulation may require changes to this proposal.
- The benefits or service requirements requested and/or quoted change prior to or after the effective date.
- Minimum In-Network Utilization of 90%.
- We reserve the right to revise the guarantee if bulk recovery is suppressed.
- In the event of a pandemic, UnitedHealthcare reserves the right to revisit or revoke this guarantee.
- Unanticipated impacts of the Health Care Reform and its regulations that would impact the scope of this guarantee would be itemized and reconciled accordingly in the trend guarantee.
- In the event of labor strife within a market, UnitedHealthcare reserves the right to revisit the guarantee to evaluate the one-time effects of the event on the utilization of benefits or other demographic shifts that would be beyond the scope and intent of the trend guarantee.
- The Trend Guarantee assumes that there are no unique or special discount arrangements between the incumbents and State of Indiana such as higher negotiated facility or physician discount that is exclusive to State of Indiana and not available to other customers using the same incumbent carriers.
- Our trend guarantee takes into account gross savings expected from our Value Based Contracting programs and/or initiatives. As such, any fees and/or bonus payment to providers associated with these programs and/or initiatives are excluded from the reconciliation of this guarantee.
- Due to the fact that a Trend Guarantee measurement inherently captures the overall effect of discounts, subscriber behavior changes, and care/clinical management effectiveness, any fees that may be paid out on each of the individual guarantees for Network Discounts and Optum Health will be deducted from any potential fees owed as part of this Trend Guarantee reconciliation.
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