

UNIVERSITY OF COLORADO HEALTH AND WELFARE TRUST

TRUST COMMITTEE RESOLUTIONS

ADOPTED AS OF JUNE 18, 2012

WHEREAS, The Regents of the University of Colorado, a body corporate and a state institution of higher education of the State of Colorado ("University"), the University of Colorado Hospital Authority, a body corporate and political subdivision of the State of Colorado ("Hospital"), and University Physicians, Incorporated, a Colorado nonprofit corporation ("UPI"), established the University of Colorado Health and Welfare Trust ("Trust") to among other things: (a) provide the funding vehicle for the University of Colorado Health and Welfare Plan ("H&W Plan"), and (b) hold, if applicable, the health care flexible spending account contributions for: (i) the University's and UPI's employees under the health care flexible spending account component of the University of Colorado Flexible Benefits Plan and (ii) the Hospital's employees under the health care spending account plan component of the University of Colorado Hospital Authority Cafeteria Plan; and

WHEREAS, the Trust Committee wishes to renew and ratify the engagements or extend the engagements for run-out services of the following service providers for the fiscal year beginning July 1, 2012: (a) Aon Hewitt, formerly known as Aon Consulting, (b) Mercer Health & Benefits LLC ("Mercer"), (c) Davis Graham & Stubbs LLP ("DGS"), (d) ASI Software, Inc. ("ASI"), (e) Kaiser Permanente Insurance Company, (f) Harrington Health Services, Inc., (g) Thomson Reuters (Healthcare), Inc. ("Thomson Reuters"), (h) Rocky Mountain Hospital and Medical Services, Inc. dba Anthem Blue Cross and Blue Shield. ("Anthem"), (i) Colorado Access doing business as Access Health Benefit Solutions ("Colorado Access"), (j) Navitus Health Solutions, LLC ("Navitus"), and (k) HealthSmart Payors Organization, LP ("HealthSmart");

WHEREAS, the Trust Committee wishes to engage CIGNA Health and Life Insurance Company and applicable affiliates (collectively "CHLIC") for the fiscal year beginning July 1, 2012 and approve and ratify ancillary actions taken therewith; and

WHEREAS, the Trust Committee wishes to approve the budget, in the form presented to the Trust Committee, for the fiscal year of the Trust beginning July 1, 2012, following the presentation by Mr. Mark Stanker, Trust Plan Administration, regarding the budget; and

WHEREAS, the Trust Committee wishes to approve and ratify Amendment No. Four to the Trust Agreement, effective July 1, 2012 to reflect the revised names of the component benefit plans under the H&W Plan; and

WHEREAS, the Trust Committee desires to authorize the Trustee serving as chairperson of the Trust Committee from time to time, or his or her delegates, to take any and all actions including but not limited to any actions with respect to wellness and prevention programs deemed necessary, appropriate or advisable and ratify and approve actions already taken, with respect to the Trust, the H&W Plan funded through the Trust, The University of Colorado Flexible Benefits Plan, but only with respect to the Health Care Flexible Spending Account Plan and the Pretax Premium Component for the H&W Plan, the University of Colorado Hospital Authority Cafeteria Plan, but only with respect to the Health Care Spending Account Plan and the Pretax Premium Component for the H&W Plan, the health care flexible spending account plans funded through the Trust, and any other health and welfare benefit plans that may be funded under the Trust.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Trust Committee, as further described in each item below, hereby approves and ratifies the renewal of the following service providers to perform such services as are described below or as may be requested of each such service provider for the fiscal year beginning July 1, 2012:

A. the engagement of Aon Hewitt, formerly known as Aon Consulting ("Aon Hewitt"), by the Trust and the University as the Plan Sponsor of the H&W Plan to serve as an independent advisor for the benefit of the participants in the H&W Plan and Trust who select the CU Health Plan – Exclusive, to provide its findings regarding its: (i) negotiation of the Hospital's fee schedule for the Hospital and pharmacy benefits in the aggregate under the CU Health Plan – Exclusive and evaluation of the competitiveness of the Hospital's fee schedule compared to similar facilities in the area; (ii) negotiation of the Hospital's fee schedule as an independent advisor for the benefit of the participants in the H&W Plan and Trust who select the CU Health Plan – Exclusive; (iii) recommendation that the Hospital provide hospital and pharmacy benefits under the CU Health Plan – Exclusive, and (iv) evaluation of the network adequacy with respect to healthcare facilities under the CU Health Plan – Exclusive, is approved and ratified by a unanimous vote of all the Trustees from the University and UPI, with the Trustees from the Hospital abstaining from the vote; and

B. the engagement of Aon Hewitt by the Trust and the University as the Plan Sponsor of the H&W Plan, to: (i) serve as an independent advisor for the benefit of the participants in the H&W Plan and Trust who select the CU Health Plan – Exclusive, and (ii) provide its findings regarding its evaluation of the network adequacy with respect to the physicians under the CU Health Plan – Exclusive, is approved and ratified by a unanimous vote of all the Trustees from the Hospital and the University, with the Trustee from UPI abstaining from the vote; and

C. the engagement of Mercer by the Trust and the University as the Plan Sponsor of the H&W Plan to serve as an independent advisor for the benefit of the participants in the H&W Plan and Trust who select the CU Health Plan – Exclusive, and to document its findings regarding the competitiveness of the fee in a written report(s) regarding its: (i) comparison of UPI’s global payment fee to market based physician costs within the Denver/Boulder market for like HMO products in order to determine that UPI’s fees in the aggregate meets competitive market benchmarks and (ii) determination of a process to reconcile and the reconciliation of the global payment fee to actual claims, is approved and ratified by a unanimous vote of all the Trustees from the Hospital and the University, with the Trustee from UPI abstaining from the vote; and

D. the engagement of the actuarial firm of Mercer to perform actuarial calculations for the self-funded health plans and provide other appropriate related services, is approved and ratified by a unanimous vote of all the Trustees; and

E. the engagement of the law firm of DGS to provide such legal services as may be requested from time to time, is approved and ratified by a unanimous vote of all the Trustees and, in connection therewith, the Trust Committee hereby waives any conflicts with DGS’s representation of the University, the Hospital and/or UPI; and

F. the engagement of ASI as the administrator for the health care flexible spending account component of The University of Colorado Flexible Benefits Plan, is approved and ratified by a unanimous vote of all the Trustees; and

G. the engagement of Kaiser Permanente Insurance Company and Harrington Health Services, Inc. as Named Claims Fiduciary, with respect to the administration of the CU Health Plan – Administered by Kaiser Permanente Insurance Company, are approved and ratified by a unanimous vote of all the Trustees; and

H. the engagement of Thomson Reuters to provide decision support services (a data warehouse), effective January 16, 2012, is approved and ratified by a unanimous vote of all of the Trustees; and

I. the extension of the Administrative Services Agreement by and among the University as the Plan Sponsor of the H&W Plan, the Trust, and Anthem as the third party administrator and claims administrator for claims run-out, for each of the following component benefit plans of the H&W Plan funded through the Trust, which include: (i) BlueAdvantage HMO Plan for the University of Colorado (HMO Colorado) (which includes Blue View Vision for the University of Colorado), (ii) Lumenos Health Savings Account (HSA-Compatible) Plan for the University of Colorado, (iii) UA Net Plan for the University of Colorado (which includes Blue View Vision for the University of Colorado), and (iv) Medicare Primary Plan for the University of Colorado (collectively,

the "Anthem-Administered Plans") is approved and ratified by a unanimous vote of all the Trustees; and

J. the extension of the Administrative Services Agreement by and among Colorado Access, the University as the Plan Sponsor of the H&W Plan and the Trust, for the UA Net Plan – Colorado Springs component of the H&W Plan, and with Navitus to provide pharmacy benefit management services for the claims run-out period and HealthSmart for Provider Network Access for the claims run-out period, is approved and ratified by a unanimous vote of all the Trustees from UPI and the University and by Darryl Varnado of the Hospital with Anthony DeFurio abstaining from the vote and the Trustees from each of UPI, the University and the Hospital providing any relevant information and any conflict of interest to the Trustees involved in the decision making process; and

2. The Trust Committee, as further described in each item below, hereby takes the following actions with respect to CHLIC, for the fiscal year beginning July 1, 2012:

A. the selection of CHLIC as the administrative service provider and the claims administrator for each of the following component benefit plans of the H&W Plan funded through the Trust: (i) CU Health Plan – Access Network, (ii) CU Health Plan – High Deductible, (iii) CU Health Plan – Exclusive, and (iv) CU Health Plan – Medicare (collectively "CU Plan") and the actions taken or to be taken to establish and maintain a bank account at JPMorgan Chase Bank, N.A. in the name of the Trust by Donald A. Eldhart, Joseph D. Tinucci, Gary Bomba and/or Rick Todd as officers authorized to provide instructions with respect to such account, are approved and ratified by a unanimous vote of all the Trustees;

B. the engagement of CHLIC by the Trust and University to serve as an independent fiduciary with respect to the CU Plan consistent with the Emory prohibited transactions exemption (PTE 93-62) to:

- i. select the healthcare providers in the CU Plan (including the Hospital and its pharmacy),
- ii. select, build and maintain the provider network for the CU Plan, with respect to:
 - a. the CU Plan overall,
 - b. the Hospital and its pharmacies, and
 - c. the providers under the CU Health Plan – Exclusive,

- iii. ensure that to the extent CU Plan Participants access healthcare services provided by the Hospital, any resulting claims paid will be reimbursed to such provider at reimbursement rates equal to or lower than those of all similarly situated TPA/Administrative Services customers of CHLIC, utilizing the same providers pursuant to like coverage within the same network, whether or not fully insured or self-insured,
- iv. ensure that to the extent CU Plan Participants access healthcare services provided by the University, any resulting claims paid will be reimbursed to such provider at reimbursement rates equal to or lower than those of all similarly situated TPA/Administrative Services customers of CHLIC, utilizing the same providers pursuant to like coverage within the same network, whether or not fully insured or self-insured,
- v. ensure that to the extent CU Plan Participants access healthcare services provided by UPI, any resulting claims paid will be reimbursed to such provider at reimbursement rates equal to or lower than those of all similarly situated TPA/Administrative Services customers of CHLIC, utilizing the same providers pursuant to like coverage within the same network, whether or not fully insured or self-insured,
- vi. ensure that the fee schedule and pharmacy benefits provided under the CU Plan are competitive,
- vii. ensure the adequacy of the CU Plan network with respect to:
 - a. the overall CU Plan network,
 - b. the healthcare facilities under the CU Health Plan – Exclusive, and
 - c. the physicians under the CU Health Plan – Exclusive, and
- viii. be solely responsible for acting as a liaison with providers for the CU Plan, including but not limited to, responding to provider inquiries, negotiating rates and fees with providers or auditing providers with respect to:
 - a. the CU Plan overall,
 - b. the healthcare facilities under the CU Health Plan – Exclusive, and
 - c. the providers under the CU Health Plan – Exclusive,

is, (a) with respect to Items 2.B.vii.a. and viii.a., approved and ratified by a unanimous vote of all of the Trustees, (b) with respect to Items 2.B.i, ii.b., iii, vi, vii.b. and viii.b, approved and ratified by a unanimous vote of all the Trustees from the University and UPI, with the Trustees from the Hospital abstaining from the vote and providing any relevant information to the Trustees involved in the decision making process, (c) with respect to Item 2.B.iv, approved and ratified by a unanimous vote of all of the Trustees from the Hospital and UPI with the Trustees from the University abstaining from the vote and providing any relevant information to the Trustees involved in the decision making process, and (d) with respect to Items 2.B.ii.a. and c., v., vii.c., and viii.c., approved and ratified by a unanimous vote of all of the Trustees from the University and the Hospital with the Trustees from UPI abstaining from the vote and providing any relevant information to the Trustees involved in the decision making process.

3. The budget, in the form presented to the Trust Committee, for the fiscal year of the Trust beginning July 1, 2012, following the presentation by Mr. Mark Stanker, Trust Plan Administration, regarding the budget is approved and ratified by a unanimous vote of all the Trustees; and

4. Amendment No. Four to the Trust Agreement regarding the revised names of the component benefit plans under the H&W Plan, effective July 1, 2012, is approved and ratified by a unanimous vote of all of the Trustees; and

5. The Trust Committee hereby authorizes the Trustee serving as chairperson of the Trust Committee from time to time, or his or her delegates, to take any and all actions including but not limited to any actions with respect to wellness and prevention programs deemed necessary, appropriate or advisable and ratify and approve actions already taken, with respect to the Trust, the University of Colorado Health and Welfare Plan funded through the Trust, and the University of Colorado Flexible Benefits, but only with respect to the Health Care Flexible Spending Account Plan, and the Pretax Premium Component for the H&W Plan, the University of Colorado Hospital Authority Cafeteria Plan, but only with respect to the Health Care Spending Account Plan and the Pretax Premium Component for the H&W Plan, and any other health and welfare benefit plans that may be funded through the Trust, and such authorization is approved and ratified by a unanimous vote of all the Trustees.

PASSED AND ADOPTED at a Trust Committee meeting held on June 18, 2012 at which all Trustees were present or represented by proxy, in Denver, Colorado or participated in such meeting by telephone.

**CERTIFICATION OF ADOPTION OF UNIVERSITY OF COLORADO
HEALTH AND WELFARE TRUST COMMITTEE RESOLUTIONS**

I, E. Jill Pollock, Chairperson of the Trust Committee and Secretary of the Trust Committee, hereby certify that the above Trust Committee Resolutions were adopted as stated above on June 18, 2012.

**UNIVERSITY OF COLORADO HEALTH
AND WELFARE TRUST**

By



E. Jill Pollock

Chairperson of the Trust Committee and
Secretary