

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

<u>INSURANCE COMPANY</u>	<u>PRESENT Lexington Insurance Company</u>	<u>PROPOSED UnitedHealth Group/Unimerica</u>
NAMED INSURED	El Dorado County (Jail Services)	El Dorado County (Jail Services)
A.M. BEST GUIDE RATING	A (Excellent); Financial Size Category XV (\$2,000,000,000 or greater) as of November 10, 2008	A (Excellent); Financial Size Category VIII (\$100,000,000 to \$250,000,000) as of January 29, 2008
STANDARD & POOR'S RATING	A+ (Strong) as of November 5, 2008	A- (Negative) as of October 31, 2007
CALIFORNIA STATUS	Non-Admitted	Admitted
COVERAGE TERM	July 15, 2008 to July 1, 2009	July 1, 2009 to July 1, 2010
COVERAGE	Off-Site Inpatient Services/Outpatient Surgical and associated Physician Services. The Maximum eligible allowable shall be limited to the lesser of the amount paid, or up to an "Average Daily Maximum" (ADM) Per admission of \$8,000 ADM for the first three days and \$4,000 ADM thereafter	Option 1 Off-Site Inpatient Services/Outpatient Surgical and associated Physician Services. The Maximum eligible allowable shall be limited to the lesser of the amount paid, or up to an " Average Daily Maximum " (ADM) Per admission of \$8,000 ADM for the first three days and \$4,000 ADM thereafter

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

<u>INSURANCE COMPANY</u>	<u>PRESENT Lexington Insurance Company</u>	<u>PROPOSED UnitedHealth Group/Unimerica</u>																		
COVERAGE (continued)	N/A	<p><u>Option 2</u> Off-Site Inpatient Services/Outpatient Surgical and associated Physician Services. The Maximum eligible allowable shall be limited to the lesser of the amount paid, or up to an “Average Daily Maximum” (ADM) Per admission of \$9,000 ADM for the first three days and \$5,000 ADM thereafter</p>																		
LIMITS	\$250,000	<p>Limit of Liability Per Inmate</p> <p><u>Option 1</u></p> <table border="0"> <tr><td>Plan I</td><td>\$250,000</td><td>Per Inmate</td></tr> <tr><td>Plan II</td><td>\$250,000</td><td>Per Inmate</td></tr> <tr><td>Plan III</td><td>\$250,000</td><td>Per Inmate</td></tr> </table> <p><u>Option 2</u></p> <table border="0"> <tr><td>Plan I</td><td>\$250,000</td><td>Per Inmate</td></tr> <tr><td>Plan II</td><td>\$250,000</td><td>Per Inmate</td></tr> <tr><td>Plan III</td><td>\$250,000</td><td>Per Inmate</td></tr> </table>	Plan I	\$250,000	Per Inmate	Plan II	\$250,000	Per Inmate	Plan III	\$250,000	Per Inmate	Plan I	\$250,000	Per Inmate	Plan II	\$250,000	Per Inmate	Plan III	\$250,000	Per Inmate
Plan I	\$250,000	Per Inmate																		
Plan II	\$250,000	Per Inmate																		
Plan III	\$250,000	Per Inmate																		
Plan I	\$250,000	Per Inmate																		
Plan II	\$250,000	Per Inmate																		
Plan III	\$250,000	Per Inmate																		
	\$750,000	<p>Aggregate Limit of Liability Per Policy</p> <p>No Aggregate Limit of Liability Cap</p>																		

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

<u>INSURANCE COMPANY</u>	<u>PRESENT Lexington Insurance Company</u>	<u>PROPOSED UnitedHealth Group/Unimerica</u>
DEDUCTIBLE	\$25,000 Per Inmate	<u>Option 1</u> Plan I \$25,000 Per Inmate Plan II \$50,000 Per Inmate Plan III \$75,000 Per Inmate <u>Option 2</u> Plan I \$25,000 Per Inmate Plan II \$50,000 Per Inmate Plan III \$75,000 Per Inmate

EXCLUSIONS OR LIMITATIONS

- All charges in connection with security or guarding any inmate for any reason
 - Charges which are incurred after the inmate has been released from custody
 - All charges for which government authorities are not legally obligated to pay
 - Charges paid outside the terms of the Policy
 - Charges which are not inpatient medical
 - All charges in connection with treatment of mental or nervous disorders
 - All charges in connection with treatment of substance abuse
- Same as Expiring

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

<u>INSURANCE COMPANY</u>	<u>PRESENT</u> <u>Lexington Insurance Company</u>	<u>PROPOSED</u> <u>UnitedHealth Group/Unimerica</u>
EXCLUSIONS OR LIMITATIONS BUY BACK COVERAGE OPTION (s)	<ul style="list-style-type: none"> All Charges incurred as a result of AIDS/HIV illnesses (Buy Back Available) All charges in connection with pregnancy (Buy Back Available) 	<ul style="list-style-type: none"> Same as Expiring
PREMIUM	\$81,221.00 \$ 2,436.63 <u>\$ 101.53</u> \$83,759.16	<u>Option 1</u> <u>Plan I</u> \$ 31.49 344 \$ 129,991 <u>Plan II</u> \$ 19.03 344 \$ 78,556 <u>Plan III</u> \$ 12.99 344 \$ 53,623
		Rate per inmate/month Inmate population Estimated Annual Premium Rate per inmate/month Inmate population Estimated Annual Premium Rate per inmate/month Inmate population Estimated Annual Premium

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

<u>INSURANCE COMPANY</u>	<u>PRESENT Lexington Insurance Company</u>	<u>PROPOSED UnitedHealth Group/Unimerica</u>
PREMIUM (Continued)		<u>Option 2:</u>
		<u>Plan I</u>
		\$ 32.43 344
		Rate per inmate/month Inmate population Estimated Annual Premium
		\$ 133,871
		<u>Plan II</u>
		\$ 19.60 344
		Rate per inmate/month Inmate population Estimated Annual Premium
		\$ 80,909
		<u>Plan III</u>
		\$ 13.38 344
		Rate per inmate/month Inmate population Estimated Annual Premium
		\$ 55,233

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

<u>INSURANCE COMPANY</u>	<u>PRESENT Lexington Insurance Company</u>	<u>PROPOSED UnitedHealth Group/Unimerica</u>
PREMIUM FOR BUY BACK COVERAGE OPTION (s)	Aids/HIV & Pregnancy (quoted separately)	Aids/HIV & Pregnancy (quoted combined with 20% reduction from previous year)
	<u>Aids/HIV</u>	<u>Option 1</u>
	Option 1: \$22,387	Plan I \$12,999
	Option 2: \$16,726	Plan II \$ 7,856
	Option 3: \$15,182	Plan III \$ 5,362
	<u>Pregnancy</u>	<u>Option 2</u>
	Option 1: \$11,193	Plan I \$13,387
	Option 2: \$ 8,363	Plan II \$ 8,091
	Option 3: \$ 7,591	Plan III \$ 5,523

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

<u>INSURANCE COMPANY</u>	<u>PRESENT Lexington Insurance Company</u>	<u>PROPOSED UnitedHealth Group/Unimerica</u>
--------------------------	--	--

CONDITIONS

- Eligible claims are those occurring in 12 months and paid in 18 months
- The Company reserves the right to audit the inmate count
- Large claim updates may be required
- This quote is an estimate based on data received and submitted

COMMISSION

Average Commissions

- 10% for Alliant Insurance Services, Inc.

Average Commissions

10% for Alliant Insurance Services, Inc.

QUOTE VALID UNTIL

N/A

- Quote is valid for 30 day from June 5, 2009
- Quote is valid and depended upon updated claims information 30 days prior to renewal
- The company retains the right to re-quote the renewal at any time (Alliant has submitted all known claim information to the carrier prior to receipt of carrier's quote.

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

INSURANCE COMPANY

PRESENT

Lexington Insurance Company

PROPOSED

UnitedHealth Group/Unimerica

BROKER

**ALLIANT INSURANCE SERVICES, INC.
Newport Beach, CA**

**Nazie Arshi, First Vice President
Shawn Kraatz, Vice President**

**EI DORADO COUNTY JAIL SERVICES
CATASTROPHIC INMATE MEDICAL INSURANCE PROGRAM (CIMI)
2009-2010 INSURANCE RENEWAL PROPOSAL**

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliantinsurance.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at Alliant Insurance Services, Attention Chief Operating Officer, 1301 Dove Street, Suite 200, Newport Beach, CA 92660.

*Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations.

Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com.

For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com

To learn more about companies doing business in California, visit the California Department of Insurance website at www.insurance.ca.gov

***NOTE: THIS PROPOSAL IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY IN ANY WAY.
PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION.***