



EXHIBIT TO THE STOP-LOSS INSURANCE POLICY

Policyholder Group Name: City of Ann Arbor

Policyholder Group Address: 301 East Huron

City: Ann Arbor State of Situs: Michigan Zip Code: 48107

Customer ID Number: 102815

Policyholder Group Number: 007000981

Effective Date of Policy: July 1, 1983

Policy Period: These specifications are for the Policy Period commencing on January 01, 2016 and ending on December 31, 2016.

The specifications below shall become effective on the first day of the Policy Period specified above and shall continue in full force and effect until the earliest of the following dates: (1) The last day of the Policy Period; (2) The date the Policy terminates; or (3) The date this Exhibit is superseded in whole or in part by a later executed Exhibit.

A. Aggregate Stop-Loss Insurance: Yes No

If yes, the Attachment Point will be set at 0% of the expected Claims for the Policy Period, and items 1 through 6 below should be completed.

1. Stop-Loss Coverage Period:

New Coverage: Claims incurred and paid during the Policy Period.

Standard: Claims incurred and paid during the Policy Period.

"Run-in" only applies to claims incurred under experience rated coverage provided to Group by Blue Cross Blue Shield of Michigan on or after and paid during the Policy Period.

Renewal of Existing Coverage: Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

2. Aggregate Stop-Loss insurance shall apply to Amounts Billed for:

Medical Claims

Medical Claims and Outpatient Prescription Drug Claims

All lines of covered business as identified in the Schedule A to the Administrative Services Contract

Other (please specify):

3. Attachment Point -The Attachment Point for Aggregate Stop-Loss coverage shall be the average of the number of Coverage Units for the Policy Period multiplied by the following amount: \$0, for each Coverage Unit.

4. Aggregate Stop-Loss Coverage

Amounts Billed during the current Policy Period (less Specific (Individual) Stop-Loss Claims, if any) that exceed the Attachment Point. For any aggregate credits to be provided, a twelve month period is required.

5. Premium: Monthly Premium shall be equal to the amounts obtained by multiplying the number of Coverage Units for a particular Month by the premium rate of \$0.00 for each Coverage Unit.

6. The number of current Coverage Units is 1,451. If the number of Coverage Units varies by +/- 10%, the premium rate and Attachment Point may be revised.

B. Specific Stop-Loss Insurance:

Yes No

If yes, complete items 1 through 6 below.

1. Stop-Loss Coverage Period:

New Coverage (Select one from below):

Standard: Claims incurred and paid during the Policy Period.

"Run-in" included: Claims incurred on or after and paid during the Policy Period.

"Run-in" includes claims paid by Policyholder's prior claim administrator: Yes No

Renewal of Existing Coverage: Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

"Run-Out" included: Claims incurred on or after the original Effective Date of Policy and paid during the Run-Out Period. **(If Run-Out is selected, Policyholder must place initials on the line next to selection)**
initial here

2. Specific (Individual) Stop-Loss Insurance shall apply to Amounts Billed for:

Medical Claims

Medical Claims and Outpatient Prescription Drug Claims

3. Specific (Individual) Stop-Loss Coverage Attachment Point is \$350,000 per Coverage Unit.

4. Specific (Individual) Stop-Loss Coverage - The Amounts Billed during the current Policy Period in excess of the individual Attachment Point in B.3. above per Policy Period.

5. Run-Out Stop-Loss Insurance - The Amounts Billed during the Run-Out Period for Claims incurred since the original Effective Date of Policy in excess of the individual Attachment Point identified in B.3. above less any Specific (Individual) Stop-Loss Claims previously paid for Amounts Billed paid during the Run-Out Period.

6. Premium:

If The Policyholder has selected Specific (Individual) Stop-Loss Coverage, the Monthly Premium shall be equal to the amounts obtained by multiplying the number of Coverage Units for a particular Month by the premium rate of \$20.10 for each Coverage Unit.

If The Policyholder has selected Run-Out Stop-Loss Insurance, the Monthly Premium shall be equal to the amounts obtained by multiplying the number of Coverage Units for the final month before termination by the same amount described above for Stop-Loss Premium and shall be payable for the first three months after termination of the Administrative Services Contract. However, if the number of Coverage Units in the final month is less than the number in the month exactly one year earlier, BCBSM shall calculate the Monthly Premium using the higher count from one year earlier.

7. The number of current Coverage Units is 1,451. If the number of Coverage Units varies by +/- 10%, the premium rate and Attachment Point may be revised.

Additional Provisions:

The undersigned person represents that he/she is authorized and responsible for purchasing stop-loss coverage on behalf of the Policyholder. It is understood that the actual terms and conditions of coverage are those contained in this Exhibit and the Stop-Loss Coverage Policy into which this Exhibit shall be incorporated at the time of acceptance by Blue Cross Blue Shield of Michigan, a nonprofit mutual disability insurer ("BCBSM"). Upon acceptance, BCBSM shall issue a Stop-Loss Coverage Policy to the Policyholder. Upon acceptance of this Exhibit and issuance of the Stop-Loss Coverage Policy, the Policyholder Group shall be referred to as the "Policyholder."

Signature of BCBSM Representative

Signature of Authorized Purchaser

Title of BCBSM Vice President or Delegate

Title of Authorized Purchaser

Date

Date