PROPOSAL FOR
COBRA, FSA & HSA RENEWAL

A Better Benefits Experience Starts Here

PREPARED BY:

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PREPARED FOR:

City of League City

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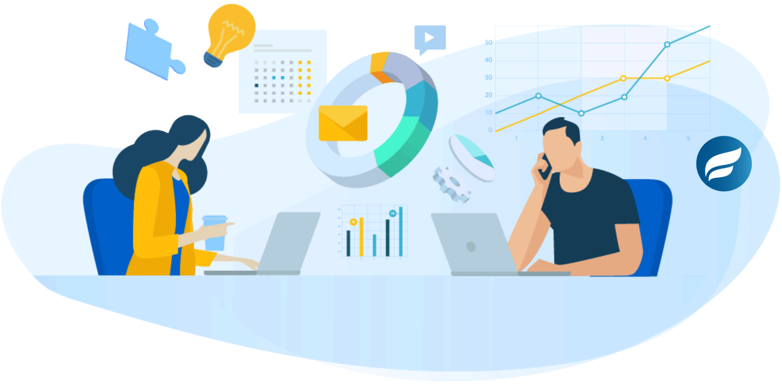
FLEXIBLE SPENDING ACCOUNT ADMINISTRATION

Flexible Spending Accounts offer plan participants the opportunity to realize significant tax savings, ranging from 25-40%, on expenses incurred for common health expenses (Health Care FSA) and the care of qualified dependents (Dependent Care FSA).

The Flores service model combined with an innovative proprietary technology platform and compliance support simplifies administration of FSA benefit plans for employers and provides a benefits experience plan participants will enjoy.



FSA QUICK FACTS

- Proprietary technology platform
- Assigned account manager supported by team of account managers and participant service specialists
- Participant and employer web portals at Flores247.com
- Participant mobile app for Apple and Android
- E-status emails and SMS text messages
- Annual claims filing deadline reminder emails
- Daily plan activity monitored by team of quality assurance analysts
- Online re-enrollment checklist
- Open enrollment resources available online and through your account manager
- Additional resource library for year-round participant needs

Health Care FSA

- Benefits debit card available
- Carry over or grace period available
- Use the federal maximum contribution limit, or choose a lower limit
- Limited Purpose (Dental & Vision) FSA available for HSA participants

Dependent Care FSA

- Dependent Care reimbursements generated daily (as funds are available)
- Debit card not available for use with Dependent Care FSA

HEALTH SAVINGS ACCOUNT ADMINISTRATION

A health savings account (HSA) works with a high deductible health plan (HDHP) to put employees in control of their healthcare finances.

An HSA is a powerful savings tool that enables employees to plan for future healthcare expenses and invest in retirement with a triple-tax advantage unlike any other offering: **tax-free** contributions, **tax-free** earnings, and **tax-free** distributions.

HSA QUICK FACTS: EMPLOYERS

- Assigned account manager supported by team of account managers and participant service specialists
- One partner for HSA, FSA, HRA and commuter benefits
- Independence from health plan carrier
- Employee HSA education support
- Integration with HRIS, benefits enrollment, and payroll systems
- Efficient and audit-ready enrollment and funding processes
- Easy HSA transfer process and support

HSA QUICK FACTS: PARTICIPANTS

- Materials, calculators, and other educational resources
- No minimum deposit required
- Interest bearing cash account
- Robust investment platform with three different investment pathways (managed, self-directed, and brokerage)*
- Debit cards with stackable purses**
- Single sign-on portal for all accounts
- Mobile access
- Online bill payment
- Online statements and tax documents

**$1,000 minimum balance required before HSA investment account can be opened.*

*** HSA, Limited FSA/HRA, and Commuter funds can be accessed using the same debit card.*

COBRA & DIRECT BILL ADMINISTRATION

We combine a high-touch service model with an innovative proprietary technology platform and daily compliance & quality assurance support to deliver a better COBRA and Direct Bill solution.

COBRA is complicated and time-consuming, and trying to administer it on your own, or using a free or discount service, can lead to risks you probably don't want to take with your business. At Flores, we take COBRA administration very seriously. That's why we have benefits attorneys on staff to answer complex legal questions, help with any coverage appeals, and effectively analyze changes to the regulations.

Whether you need assistance with Retiree billing or Leave of Absence (LOA) billing for your employee population, our Direct Bill platform provides the functionality and service excellence you have been searching for. Our Direct Bill service also works well as a complement to our Leave Solutions LOA administration service.

COBRA & DIRECT BILL QUICK FACTS

- Assigned account manager for your plan, supported by team of account managers and participant service specialists
- Daily quality assurance audits
- Employer web portal for real-time event entry, participant updates, and on demand reporting
- Digital imaging, storage, and retrieval of notices and correspondence
- Monthly participant billing and remittance
- Daily generation of notices and invoices
- Participant web portal for online payments and account management
- Management of undeliverable letters and invoices
- Payment options including check, credit card online, or online bill pay
- Ability for employers to apply subsidies, paid thru dates, and other agreement terms
- Third party file integration for COBRA (size requirements apply)

PROFESSIONAL FEES

CLIENT NAME: City of League City

EFFECTIVE DATE: 10/1/25

PROPOSED FEES VALID FOR ACCEPTANCE UNTIL: 7/31/25

Upon acceptance of this proposal, professional fees are guaranteed for the initial term of contract. Fees will be billed monthly.

SERVICE	AMOUNT	MINIMUM
FSA Administration (Per Participant Per Month) Includes HCFSA, LFSA and DCFSA. Debit card for HCFSA and LFSA only. A 5% prefund of debit card annual balances is required.	$4.00	$100
HSA Administration (Per Participant Per Month) Includes debit card.	$2.50	$100
COBRA Administration (Per Insured Employee Per Month) Initial Rights Notices for new hires included. Flores retains 2% COBRA administration fee. Bulk mailing of Initial Rights notices to correct past compliance gaps: $2.00 each. QE Notices in excess of 20% turnover: $3.75 each. Mailed Open Enrollment Notices to Active COBRA Participants: $15 each plus printing & shipping ($75 min.).	$0.49	$60
3 Year Fee Guarantee		
Wire Transfers: $15 per wire (ACH and debit options available at no cost)