



October 25, 2005

Ms. Sharon Wall
Employee Services Director
Lake County Board of County Commissioners
315 West Main Street
Tavares, FL 32778

Dear Ms. Wall:

This letter confirms that Lake County Board of County Commissions has renewed Specific and Aggregate Excess coverage with Trustmark Insurance Company under Contract #IM770, effective October 1, 2005. Specific and Aggregate coverage will be provided on a 12/15 contract basis (claims incurred from October 1, 2005 to September 30, 2006 and paid from October 1, 2005 to December 31, 2006) covering medical and prescription drug.

Note that the assumptions and conditions outlined in the proposal and the accuracy of the information disclosed to us during underwriting were material to entering into this contract. Should subsequent information become known which, if known prior to the underwriting of this Contract, would have affected the rates, deductibles, terms or conditions for coverage, Trustmark will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice. The Application (including the proposal and disclosure statement), this letter of understanding, and the underlying Plan document are all considered a part of the Stop Loss Contract. Please attach these documents to your copy of the Stop Loss Contract and refer to the Stop Loss contract for a complete explanation of coverage terms.

Additionally, the following special conditions will apply to your coverage:

- The Minimum Aggregate Attachment Point is \$6,736,449. The minimum aggregate attachment point represents the lowest amount of the Contract Holder's responsibility for the Contract Year for Eligible Benefits under the Plan.
- With respect to the Covered Person whose case manager code number is LCBOCC46, the following alterations to the Schedule of Stop Loss apply:
Contract Holder's Retention: \$150,000
Lifetime Maximum Specific Benefit \$850,000 (in excess of the Contract Holder's Retention)
- With respect to the Covered Person whose case manager code number is LCBOCC95, the following alterations to the Schedule of Stop Loss apply only in the event such Covered Person has a transplant and/or dialysis:
Contract Holder's Retention: \$250,000
Lifetime Maximum Specific Benefit \$750,000 (in excess of the Contract Holder's Retention)
- With respect to the Covered Person whose case manager code number is LCBOCC84, the following alterations to the Schedule of Stop Loss apply only in the event such Covered Person has a transplant and/or dialysis:
Contract Holder's Retention: \$175,000
Lifetime Maximum Specific Benefit \$825,000 (in excess of the Contract Holder's Retention)
- With respect to the Covered Person whose case manager code number is LCBOCC99, the following alterations to the Schedule of Stop Loss apply only in the event such Covered Person has a transplant:
Contract Holder's Retention: \$275,000

Lifetime Maximum Specific Benefit \$725,000 (in excess of the Contract Holder's Retention)

- The Actively at Work Provision is waived.
- With respect to inpatient hospital charges, the Rendered definition is modified as follows:
Inpatient hospital charges, with a continuous hospital stay, that fall over two or more Contract years, will be considered on a pro rata/per diem basis by dividing the total amount of eligible charges by the total number of days of confinement and multiplying by the number of days of confinement in each Contract year. Professional visits for inpatient hospital charges will be considered on the date they were provided to the patient.
- The definition of Late Entrant is deleted and replaced with the following:
Late Entrant is an eligible Covered Person who requests coverage in the Employee Benefit Plan more than 30 days after the date the person was first eligible to enroll. A person shall not be considered a Late Entrant if he:
 - was covered under another Policyholder's group health plan at the time of initial enrollment; and
 - stated at the time of initial enrollment that coverage under another Policyholder's group health plan was the reason for declining coverage; and
 - has lost coverage under another Policyholder's group health plan due to termination of employment, termination of the plan, death of a spouse or divorce; and
 - requests coverage within 30 days after termination of such coverage; or applies for coverage on a spouse or minor child within 30 days of a court order requiring coverage be provided under the Plan.

Please acknowledge your acceptance of the terms of Contract #IM770 as modified by this Letter of Understanding by having the following page executed.

Sincerely,

Anne Buckley

Anne Buckley

**Lake County Board of County Commissioners
Letter of Understanding for Stop Loss Policy # IM770**

Accepted by:
BOARD OF COUNTY COMMISSIONERS
LAKE COUNTY, FLORIDA

Jennifer Hill, Chairman

This ____ day of _____, 2005.

ATTEST:

James C. Watkins, Clerk of the
Board of County Commissioners
of Lake County, Florida

Approved as to form and legality:

Sanford A. Minkoff
County Attorney