



Finance Committee Meeting

AGENDA

March 2, 2010

I. CALL TO ORDER

II. MATTERS BEFORE COMMITTEE

1. [Approval - Health Insurance Policy Amendment](#)
2. [Renewal - Health Insurance](#)
3. [Renewal - Property & Casualty Insurance](#)
4. [Approval - Sensitive Information Policy & Identity Theft Prevention Program](#)

III. ADJOURN



Finance Committee Meeting

AGENDA

March 2, 2010

Item:

Approval - Health Insurance Policy Amendment

Department:

Additional Information:

Financial Impact:

Budgeted Item:

Recommendation / Request:

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Attachments / click to download



Finance Committee Meeting

AGENDA

March 2, 2010

Item:

Renewal - Health Insurance

Department:

Additional Information:

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Recommendation / Request:

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[Health Insurance Renewal Info](#)



The Covenant
Services Group, LLC

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www.covenantservicesgroup.com

**AFFILIATE COMPANIES OF
THE COVENANT SERVICES
GROUP, LLC**

BeneSys, Inc.
Lafayette, LA

Covenant
Administrators, Inc.
Lawrenceville, GA

Covenant Correctional
Healthcare, Inc.
Lawrenceville, GA

MediCor Managed Care, LLC.
Lawrenceville, GA

SIBA
Clearwater, FL

February 25, 2010

Renee L. Prather
Finance Director
The City of Monroe
City Hall
215 North Broad Street
Monroe, Georgia 30655

Re: April 1, 2010 Healthcare Plan Renewal

Dear Renee:

Enclosed you will find the formal administrative and stop loss proposal for the April 1, 2010 renewal. Listed below is a summary of the SLG renewal.

	<u>Current</u>	<u>Renewal</u>	<u>Revised Renewal</u>
Specific Coverage			
Single	\$ 63.37	\$ 66.70	\$ 66.37
Family	\$ 151.95	\$ 162.36	\$ 161.56
Aggregate Coverage			
Composite	\$ 5.31	\$ 5.49	\$ 5.31
Aggregate Factors			
Single	\$ 473.77	\$ 488.90	\$ 488.90
Family	\$1,153.85	\$1,217.49	\$1,217.49
Organ Transplant Coverage			
Single	\$ 4.82	\$ 5.14	\$ 5.14
Family	\$ 11.08	\$ 11.82	\$ 11.82

SLG Benefits is requesting a 6.0% adjustment to the specific premium and a 0.0% adjustment to the aggregate premium. The aggregate factors are being adjusted by 4.7%. The Organ Transplant policy is requesting an adjustment of 6.6%.



Page Two
Renee L. Prather
February 25, 2010

The laser deductible of \$150,000 will remain on [REDACTED] for the next contract period beginning April 1, 2010.

The administrative fees will remained unchanged including the PPO network access fee for the next contract year. I have requested an utilization report for the 24-Hour Nurse Line program. If utilization is low, I would recommend terminating the service. There is another program that we can discuss at another time that will be more beneficial to your employees.

The overall adjustment to the plan maximum liability will be 4.4%. This is an excellent renewal when you compare it to the national medical trend of 12.0%.

We appreciate your continued trust in Covenant Administrators and we will forward to continuing our relationship for years to come.

If you have any questions concerning this information, please feel free to contact our office.

Best personal regards,

A handwritten signature in black ink, appearing to read 'A. Keith Freshour'. The signature is fluid and cursive.

A. Keith Freshour
Vice President of Operations & Marketing

Enclosures

City of Monroe - Renewal - April 1, 2010



Proposal Comparison	Current	Renewal	Option 1	Option 2			
SL Market	SLG Benefits	SLG Benefits	HCCL	Starr Global			
SL Market Rating	A+	A+	A+	A+			
SL Carrier	QBE Insurance	QBE Insurance	HCC Life	Federal Insurance			
Maximum LT Reimbursement	\$960,000	\$960,000	\$960,000	\$960,000			
Specific Deductible	\$40,000	\$40,000	\$40,000	\$40,000			
Aggregating Specific Deductible	\$80,000	\$80,000	\$80,000	\$80,000			
Specific Basis	24/12	Paid	24/12	24/12			
Aggregate Basis	24/12	Paid	24/12	24/12			
Specific Stop Loss Coverage							
Single	\$63.37	\$66.37	\$82.80	\$66.82			
Family	\$151.95	\$161.56	\$195.90	\$160.99			
Lasers:	\$150,000	\$150,000					
Run-In Limited to:			\$288,102	\$305,190			
Aggregate Stop Loss Coverage							
Composite	\$5.31	\$5.31	\$4.50	\$5.33			
Composite Organ Transplant (Illust.)	\$7.53	\$8.03	\$8.03	\$8.03			
Administrative Fees							
Medical Administration	\$21.10	\$21.10	\$21.10	\$21.10			
Pre-Cert/UR/Nurse Line	\$4.00	\$2.50	\$2.50	\$2.50			
PPO Access	\$4.20	\$4.20	\$4.20	\$4.20			
COBRA/HIPAA	\$3.50	\$3.50	\$3.50	\$3.50			
Stop Loss Mgt.	\$16.55	\$16.55	\$16.55	\$16.55			
Total Administrative Fees	\$49.35	\$47.85	\$47.85	\$47.85			
Aggregate Factors							
Single	\$473.77	\$488.90	\$450.24	\$495.47			
Family	\$1,153.85	\$1,217.49	\$1,188.09	\$1,234.27			
Annual Fixed Costs							
Covenant Administrators	\$123,178	\$119,434	\$119,434	\$119,434			
Specific Stop Loss Premium	\$253,838	\$268,465	\$328,817	\$268,486			
Aggregate Stop Loss Premium	\$32,049	\$33,297	\$31,275	\$33,347			
Annual Fixed	\$409,064	\$421,195	\$479,525	\$421,266			
<i>Change to Current</i>		3.0% \$12,131	17.2% \$70,461	3.0% \$12,202			
Maximum Liability	\$2,326,080	\$2,428,367	\$2,400,202	\$2,455,864			
<i>Change to Current</i>		4.4% \$102,286	3.2% \$74,122	5.6% \$129,783			
Employee Count		Specific Coverage		Aggregate Coverage			
Single	118	Medical	X	Medical	X		
Family	90	RX under Medical		RX under Medical			
		RX Card		RX Card			
		Dental		Dental			
		Vision		Vision			
Total Employee Count	208	Weekly Income		Weekly Income	Item # 2		



***Renewal
Administrative Services
&
Reinsurance Proposal
For
The City of Monroe***

April 1, 2010



The City of Monroe
April 1, 2010

Administrative Services

Medical Administration Pharmacy Benefit Manager Pre-Cert - UR Management PPO Networks Disease Management Lifestyle Management Program Clinic Management Program	Covenant Administrators WHI MediCor Managed Care First Health
--	--

Employee Count	EE	EE+SP	EE+CH	Family	Total
	118			90	208

	Monthly Administrative Fees		Annual Administrative Fees
	Current	Renewal	Renewal
<u>Covenant Administrative Fees</u>			
Medical Administration	\$20.10	\$20.10	\$50,169.60
Pharmacy Administration	\$1.00	\$1.00	\$2,496.00
Dental Administration			
Disability Administration			
Vision Administration			
COBRA Administration	\$1.75	\$1.75	\$4,368.00
HIPAA Administration	\$1.75	\$1.75	\$4,368.00
<u>Medical Management Administration Fees</u>			
PreCert/UR Administration	\$2.50	\$2.50	\$6,240.00
24 Hour Nurseline	\$1.50	\$0.00	\$0.00
Primary Care Management			
PPO Network Access Fees			
First Health	\$4.20	\$4.20	\$10,483.20
Total Administrative Fees	\$32.80	\$31.30	\$78,124.80
<u>Stop Loss Management Fee</u>			
Employee			
Employee + Spouse			
Employee + Child(ren)			
Family			
Composite	\$16.55	\$16.55	\$41,308.80
Current Annual Administration Costs		\$123,177.60	\$41,308.80
Renewal Annual Administration Costs			\$119,433.60
		Adjustment	-3.0%





The City of Monroe
April 1, 2010

Stop Loss Coverage

	<i>Current</i>	<i>Renewal</i>
<i>SL Market</i>	<i>SLG Benefits</i>	<i>SLG Benefits</i>
<i>SL Market Rating</i>	<i>A+</i>	<i>A+</i>
<i>SL Carrier</i>	<i>QBE Insurance</i>	<i>QBE Insurance</i>
<i>Maximum LT Reimbursement</i>	<i>\$960,000</i>	<i>\$960,000</i>
<i>Specific Deductible</i>	<i>\$40,000</i>	<i>\$40,000</i>
<i>Aggregating Specific Deductible</i>	<i>\$80,000</i>	<i>\$82,000</i>
<i>Specific Basis</i>	<i>24/12</i>	<i>PAID</i>
<i>Aggregate Basis</i>	<i>24/12</i>	<i>PAID</i>
<hr/>		
<u>Specific Stop Loss Coverage</u>		
<i>Employee</i>	<i>\$63.37</i>	<i>\$66.37</i>
<i>Family</i>	<i>\$151.65</i>	<i>\$161.56</i>
<hr/>		
<u>Aggregate Stop Loss Coverage</u>		
<i>Aggregate</i>	<i>\$5.31</i>	<i>\$5.31</i>
<i>Aggregate Accommodation</i>		
<i>OT Coverage (Composite)</i>	<i>\$7.53</i>	<i>\$8.03</i>
<hr/>		
<u>Aggregate Attachment Factors</u>		
<i>Employee</i>	<i>\$473.77</i>	<i>\$488.90</i>
<i>Family</i>	<i>\$1,153.85</i>	<i>\$1,217.49</i>
<hr/>		
<i>Specific S/L Premium</i>	<i>\$253,514</i>	<i>\$268,465</i>
<i>Aggregate S/L Premium</i>	<i>\$32,049</i>	<i>\$33,297</i>
<i>Aggregate Attachment</i>	<i>\$1,917,016</i>	<i>\$2,007,172</i>

Lasers:	Name	Amount
1) <u>Employee</u>	_____	\$150,000
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____
6)	_____	_____
7)	_____	_____





The City of Monroe
April 1, 2010

Financial Summary

	<i>Current</i>	<i>Renewal</i>
<i>SL Market</i>	<i>SLG Benefits</i>	<i>SLG Benefits</i>
<i>SL Market Rating</i>	<i>A+</i>	<i>A+</i>
<i>SL Carrier</i>	<i>QBE Insurance</i>	<i>QBE Insurance</i>
<i>Maximum LT Reimbursement</i>	<i>\$960,000</i>	<i>\$960,000</i>
<hr/>		
<i>Specific Deductible</i>	<i>\$40,000</i>	<i>\$40,000</i>
<i>Aggregating Specific Ded</i>	<i>\$80,000</i>	<i>\$82,000</i>
<i>Specific Basis</i>	<i>24/12</i>	<i>PAID</i>
<i>Aggregate Basis</i>	<i>24/12</i>	<i>PAID</i>
<hr/>		
<i>Administrative Costs</i>	<i>\$123,178</i>	<i>\$119,434</i>
<i>Specific Premium</i>	<i>\$253,514</i>	<i>\$268,465</i>
		<i>6% \$14,951</i>
<i>Aggregate Premium</i>	<i>\$32,049</i>	<i>\$33,297</i>
		<i>4% \$1,248</i>
<hr/>		
<i>Total Fixed Costs</i>	<i>\$408,740</i>	<i>\$421,195</i>
		<i>3% \$12,455</i>
<hr/>		
<i>Expected Claims</i>	<i>\$1,533,613</i>	<i>\$1,605,737</i>
		<i>5% \$72,124</i>
<i>Maximum Claims</i>	<i>\$1,917,016</i>	<i>\$2,007,172</i>
		<i>5% \$90,155</i>
<i>Total Expected Costs</i>	<i>\$1,942,353</i>	<i>\$2,026,932</i>
		<i>4% \$84,579</i>
<i>Total Maximum Costs</i>	<i>\$2,325,756</i>	<i>\$2,428,367</i>
		<i>4% \$102,610</i>





The City of Monroe
April 1, 2010

Stop Loss Market Options

	<i>Option 1</i>	<i>Option 2</i>	
<i>SL Market</i>	HCCL	Starr Global	
<i>SL Market Rating</i>	A+	A+	
<i>SL Carrier</i>	HCC Life	Federal Insurance	
<i>Maximum LT Reimbursement</i>	\$960,000	\$960,000	
<i>Run - In Limited To</i>	\$288,102	\$305,190	

<i>Specific Deductible</i>	\$40,000	\$40,000
<i>Aggregating Specific Ded</i>	\$80,000	\$80,000
<i>Specific Basis</i>	24/12	24/12
<i>Aggregate Basis</i>	24/12	24/12

Specific Stop Loss Coverage

<i>Employee</i>	\$82.80	\$66.82
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<i>Family</i>	\$195.90	\$160.99
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Aggregate Stop Loss Coverage

<i>Aggregate</i>	\$4.50	\$5.33
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<i>Aggregate Accommodation</i>		
<i>OT Coverage (Composite)</i>	\$8.03	\$8.03

Aggregate Attachment Factors

<i>Employee</i>	\$450.24	\$495.47
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<i>Family</i>	\$1,188.09	\$1,234.27
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<i>Specific S/L Premium</i>	\$328,817	\$268,486
-----------------------------	-----------	-----------

<i>Aggregate S/L Premium</i>	\$31,275	\$33,347
------------------------------	----------	----------

<i>Aggregate Attachment</i>	\$1,920,677	\$2,034,597
-----------------------------	-------------	-------------

Lasers:	Name	Amount
----------------	-------------	---------------

- | | | |
|----|-------|-------|
| 1) | _____ | _____ |
| 2) | _____ | _____ |
| 3) | _____ | _____ |
| 4) | _____ | _____ |
| 5) | _____ | _____ |
| 6) | _____ | _____ |
| 7) | _____ | _____ |





The City of Monroe
April 1, 2010

Financial Summary Options

	<i>Option 1</i>		<i>Option 2</i>	
<i>SL Market</i>	<i>HCCL</i>		<i>Starr Global</i>	
<i>SL Market Rating</i>	<i>A+</i>		<i>A+</i>	
<i>SL Carrier</i>	<i>HCC Life</i>		<i>Federal Insurance</i>	
<i>Maximum LT Reimbursement</i>	<i>\$960,000</i>		<i>\$960,000</i>	
<hr/>				
<i>Specific Deductible</i>	<i>\$40,000</i>		<i>\$40,000</i>	
<i>Aggregating Specific Ded</i>	<i>\$80,000</i>		<i>\$80,000</i>	
<i>Specific Basis</i>	<i>24/12</i>		<i>24/12</i>	
<i>Aggregate Basis</i>	<i>24/12</i>		<i>24/12</i>	
<hr/>				
<i>Administrative Costs</i>	<i>\$119,434</i>		<i>\$119,434</i>	
<i>Specific Premium</i>	<i>\$328,817</i>		<i>\$268,486</i>	
	<i>30%</i>	<i>\$75,303</i>	<i>6%</i>	<i>\$14,972</i>
<i>Aggregate Premium</i>	<i>\$31,275</i>		<i>\$33,347</i>	
	<i>-2%</i>	<i>-\$774</i>	<i>4%</i>	<i>\$1,298</i>
<hr/>				
<i>Total Fixed Costs</i>	<i>\$479,526</i>		<i>\$421,267</i>	
	<i>17%</i>	<i>\$70,785</i>	<i>3%</i>	<i>\$12,526</i>
<hr/>				
<i>Expected Claims</i>	<i>\$1,536,542</i>		<i>\$1,627,678</i>	
<i>Maximum Claims</i>	<i>\$1,920,677</i>		<i>\$2,034,597</i>	
	<i>0%</i>	<i>\$3,661</i>	<i>6%</i>	<i>\$117,581</i>
<i>Total Expected Costs</i>	<i>\$2,016,067</i>		<i>\$2,048,944</i>	
<hr/>				
<i>Total Maximum Costs</i>	<i>\$2,400,203</i>		<i>\$2,455,864</i>	
	<i>3%</i>	<i>\$74,446</i>	<i>6%</i>	<i>\$130,107</i>





SLG Benefits & Insurance, LLC
Dedicated • Service • Solutions

Group: **City of Monroe**

Proposal: **02/24/2010**

Valid Thru: **04/01/2010**

Effective: **04/01/2010**

Expiration: **03/31/2011**

Underwriter: **Jill Maguire**

Email: **jmaguire@slgbenefits.com**

Issuing Carrier: **QBE Insurance Corporation**

Proposal #: **5163**

INDIVIDUAL EXCESS LOSS COVERAGE

<input checked="" type="checkbox"/> Specific Advancement	<u>Option 1</u>	
Coverages	Medical	
Contract Type		Paid
Annual Specific Deductible per Individual	\$	40,000
except for Burgess, Carl	\$	150,000
Aggregating Specific Deductible	\$	80,000
Maximum Lifetime Reimbursement	\$	960,000
Rate Per Month	<u>Enrollment</u>	
Single	118	\$ 66.37
Family	90	\$ 161.56
Composite	208	\$ 107.56
Estimated Monthly Premium	\$	22,371
Estimated Annual Premium	\$	268,455
Rate(s) includes Commissions of		0.00%

AGGREGATE EXCESS LOSS COVERAGE

<input type="checkbox"/> Aggregate Advancement	<u>Option 1</u>	
Coverages	Medical	
Contract Type		Paid
Loss Limit per Individual	\$	40,000
Maximum Annual Reimbursement	\$	1,000,000
Rate Per Month	<u>Enrollment</u>	
Composite	208	\$ 5.31
Combined Gross Monthly Rate	\$	5.31
Estimated Annual Premium	\$	13,254
Rate(s) includes Commissions of		0.00%
Annual Aggregate Deductible	\$	2,007,172
Minimum Aggregate Deductible	\$	2,007,172
Run In / Out Limited To	\$	0
Monthly Aggregate Claim Factors	<u>Enrollment</u>	
	Medical	
Single	118	\$ 488.90
Family	90	\$ 1,217.49
Composite	208	\$ 804.16

QUOTE ASSUMPTIONS

Quoted terms and conditions are subject to possible revision based upon receipt and review of the following items:

Updated shock loss information to the date SLG has been notified that the proposal has been accepted by the group. Shock loss information should include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of 50% of the specific deductible, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pended or denied for any reason. Known claimants currently under Case Management, regardless of claim dollar amount must be disclosed. Please refer to our Potentially Catastrophic Loss List, which provides examples of some, but not all, types of shock losses.

Quote is contingent upon receipt of signed completed disclosure statement no earlier than 30 days prior to the effective date and our acceptance of the same.

Should a large claim(s), (non-reoccurring and/or ongoing) become known and the initial date of service is more than 15 days prior to the effective date of the policy, we reserve the right to re-underwrite the case. SLG must be in receipt of a signed proposal prior to its expiration date in order to waive this contingency.

Quote is contingent upon final paid claims and enrollment through the effective date.

A copy of the Policyholder's Plan Document **MUST BE RECEIVED WITHIN 60 DAYS** of the Effective Date. No Policy will be issued until the Plan Document has been received, reviewed and approved by Underwriting. Any reimbursement for Specific and/or Aggregate paid claims will be pended until the Plan Document has been received, reviewed and approved by Underwriting and the Policy issued.

The Policyholder's Plan Document must meet SLG Benefits' **MINIMUM PLAN DOCUMENT REQUIREMENTS**. All benefits quoted are subject to receipt of a copy of the current Benefit Booklet. Any benefits or exclusions in the current Plan that were not disclosed to SLG Benefits may result in a change in the quoted Benefits, Rates and/or Factors.

Quote is based upon the named TPA administering all claims. Quote is tentative until TPA is approved by SLG Benefits.

This is a **TENTATIVE** quote based upon the information furnished in the Request for Proposal. The quote will be firm upon receipt and approval of documentation of the information provided in the Request of Proposal. Any material deviations from any of the original information that was submitted for quote may result in a change in the quoted Rates and/or Factors or the withdrawal of the quotation. Final Rates and Factors will be based upon the actual enrollment census as of the Requested Effective Date.

In the event there is a greater than 10% change in enrollment between the submitted initial enrollment date and the final enrollment data, rates and factors may be recalculated.

Census provided must illustrate clearly if retirees and/or Cobras are to be covered. If they are not indicated on census, proposal will automatically assume they are not covered.

Minimum participation level of 75% of all eligible employees is required.

The Premium and Aggregate Deductible are based on the data submitted. Any inaccurate or incomplete data submitted may require changes at final underwriting. SLG will not be bound by any typographical errors or omissions contained herein.

This proposal expires if applications are not requested before the valid through date.

ADDITIONAL CONTINGENCY(IES):

Quote is subject to updated large claim information closer to the effective date to confirm quoted terms.

Quote is contingent upon receipt of monthly paid claims and enrollment through the effective date. SLG Benefits reserves the right to revise the proposed aggregate factors if the final months paid claims increases the average per month expected claim cost by more than five percent.

The Plan has contracted with another carrier for first dollar Primary transplant coverage. Transplant coverage under the SLG Excess Loss is extended to the Plan as Secondary. Transplant reimbursements under the SLG Excess Loss will require appropriate disclosure and notification.

Proposal assumes the continuation of the following Plan Limitations:

1. For Hospital Inpatient or Outpatient charges exceeding \$50,000, payment will be limited to the Medicare DRG or APC Reimbursement Rate. If a Medicare DRG or APC Reimbursement Rate is not available, payment by this plan will be limited to the Rate of the next closest Hospital;
2. For charges due to renal dialysis, payment by this plan will not exceed 100% of the Medicare allowance for such incurred expenses.

These limitations must apply to both in and out of network claims.

The following claimants will need to have their claims paid in current policy:



The laser on [redacted] assumes his kidney transplant will come under the AIG transplant carve-out. He will also be Medicare Prime 12/1/2010.

Quote assumes the use of the following UR Vendors: MediCor.

Quote assumes the use of the following PPO Network(s): First Health.

Initial next to the selected proposal option:

	<u>Option 1</u>
Specific	<u><i>AC7</i></u>
Aggregate	<u><i>AC7</i></u>

The Premium and Aggregate Deductible are based on the data submitted. Any inaccurate or incomplete data submitted may require changes at final underwriting. We will not be bound by any typographical errors or omissions contained herein.

Date: 2/25/10

By: *[Signature]*
Agent of Record or Administrator

This proposal expires if applications are not requested before the valid through date.



Finance Committee Meeting

AGENDA

March 2, 2010

Item:

Renewal - Property & Casualty Insurance

Department:

Additional Information:

Financial Impact:

Budgeted Item:

Recommendation / Request:

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download



Finance Committee Meeting

AGENDA

March 2, 2010

Item:

Approval - Sensitive Information Policy & Identity Theft Prevention Program

Department:

Additional Information:

Financial Impact:

Budgeted Item:

Recommendation / Request:

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Sensitive Info Policy](#)

CITY OF MONROE

SENSITIVE INFORMATION POLICY AND IDENTITY THEFT PREVENTION PROGRAM

1. BACKGROUND

The risk to the City of Monroe, its employees and customers from data loss and identity theft is of significant concern to the City of Monroe and can only be reduced through the combined efforts of every employee and contractor.

2. PURPOSE

The City of Monroe adopts this sensitive information policy to help protect employees, customers, contractors and the City of Monroe from damages related to loss or misuse of sensitive information. This policy will:

- Define sensitive information
- Describe the physical security of data when it is printed on paper
- Describe the electronic security of data when stored and distributed

Putting the Identity Theft Prevention Program in place enables the City of Monroe to protect existing customers, reducing risk from identity fraud and minimize potential damage to the City of Monroe from fraudulent new accounts. The program will:

- Identify Red Flags that signify potentially fraudulent activity within new or existing covered accounts
- Detect Red Flags when they occur in covered accounts
- Respond to Red Flags to determine if fraudulent activity has occurred and act if fraud has been attempted or committed
- Update program periodically, including reviewing accounts that are covered and Red Flags that are part of the program

3. SCOPE

This policy and protection program apply to employees, contractors, consultants, temporaries, and other workers at the City of Monroe, including all personnel affiliated with third parties.

4. POLICY

4.1.SENSITIVE INFORMATION POLICY

4.1.1. Definition of Sensitive Information

Sensitive information includes the following items whether stored in electronic or printed format:

- 4.1.1.1. Personal Information - Sensitive information consists of personal information including, but not limited to:

- 4.1.1.1.1. Credit Card Information, including any of the following:
 - Credit Card Number (in part or whole)
 - Credit Card Expiration Date
 - Cardholder Name
 - Cardholder Address

- 4.1.1.1.2. Tax Identification Numbers, including:
 - Social Security Number
 - Social Insurance Number
 - Business Identification Number
 - Employer Identification Numbers

- 4.1.1.1.3. Payroll information, including, among other information:
 - Paychecks
 - Pay stubs
 - Pay rates

- 4.1.1.1.4. Cafeteria Plan Check Requests and associated paperwork

- 4.1.1.1.5. Medical Information for any Employees or Customers, including but not limited to:
 - Doctor names and claims
 - Insurance claims
 - Prescriptions
 - Any related personal medical information

- 4.1.1.1.6. Other Personal Information belonging to Customers, Employees and Contractors, examples of which include:
 - Date of Birth
 - Address
 - Phone Numbers
 - Maiden Name
 - Names
 - Customer Number

- 4.1.1.2. Corporate Information- Sensitive corporate information includes, but is not limited to:
 - 4.1.1.2.1. The City of Monroe, employee, customer, vendor, supplier confidential, proprietary information or trade secrets.

 - 4.1.1.2.2. Proprietary and/or confidential information, among other things, includes: business methods, customer utilization information, retention information, sales information, marketing and other City of Monroe strategy, computer codes, screens, forms, information about, or received from, the City of Monroe's current, former and prospective customers, sales associates or suppliers or

any other non-public information. Proprietary and/or confidential information also includes the name and identity of any customer or vendor and the specifics of any relationship between and among them and the City of Monroe.

- 4.1.1.3. Any document marked “Confidential,” “Sensitive,” “Proprietary,” or any document similarly labeled.
- 4.1.1.4. The City of Monroe personnel are encouraged to use common sense judgment in securing the City of Monroe Confidential information to the proper extent. If an employee is uncertain of the sensitivity of a particular piece of information, he/she should contact their supervisor/manager.

4.1.2. Hard Copy Distribution

Every employee and contractor performing work for the City of Monroe will comply with the following policies:

- 4.1.2.1. File cabinets, desk drawers, overhead cabinets, and any other storage space containing documents with sensitive information will be locked when not in use.
- 4.1.2.2. Storage rooms containing documents with sensitive information and record retention areas will be locked at the end of each workday.
- 4.1.2.3. Desks, workstations, work areas, printers and fax machines, and common shared work areas will be cleared of all documents containing sensitive information when not in use.
- 4.1.2.4. Whiteboards, dry-erase boards, writing tablets, etc. in common shared work areas will be erased, removed, or shredded when not in use.
- 4.1.2.5. When documents containing sensitive information are discarded they will be placed inside a locked shred bin or immediately shredded using a mechanical cross cut or Department of Defense (DOD) approved shredding device. Locked shred bins are labeled “*Confidential paper shredding and recycling*”. If you need any assistance in locating one of these bins, please contact a supervisor/manager.

4.1.3. Electronic Distribution

Every employee and contractor performing work for the City of Monroe will comply with the following policies:

4.1.3.1. Internally, sensitive information may be transmitted using approved City of Monroe email. All sensitive information must be encrypted when stored in an electronic format.

4.1.3.2. Any sensitive information sent external must be encrypted and password protected and only to approved recipients. Additionally, a statement such as this should be included in the email,
“This message may contain confidential and/or proprietary information, and is intended for the person/entity to whom it was originally addressed. Any use by others is strictly prohibited.”

4.2. IDENTITY THEFT PREVENTION PROGRAM

4.2.1. Covered Accounts

Every new and existing customer account that meets the following criteria is covered by this program

4.2.1.1. Business, personal and household accounts for which there is a reasonably foreseeable risk of identity theft.

4.2.1.2. Business, personal and household accounts for which there is a reasonably foreseeable risk to the safety and/or soundness of the City of Monroe from identity theft, including financial, operational, compliance, reputation, or litigation risks.

4.2.2. Red Flags

The following ‘Red Flags’ are potential indicators of fraud and any time when a Red Flag, or a situation closely resembling a Red Flag, is apparent, it should be investigated for verification.

4.2.2.1. Alerts, Notifications or Warnings from a Consumer Reporting Agency

4.2.2.1.1. A fraud or active duty alert is included with a consumer report.

4.2.2.1.2. A consumer reporting agency provides a notice of credit freeze in response to a request for a consumer report.

4.2.2.1.3. A consumer reporting agency provides a notice of address discrepancy, as defined in § 334.82(b) of this part.

4.2.2.1.4. A consumer report indicates a pattern of activity that is inconsistent with the history and usual pattern of activity of an applicant or customer, such as:

- A recent and significant increase in the volume of inquiries
- An unusual number of recently established credit relationships
- A material change in the use of credit, especially with respect to recently established credit relationships

- An account that was closed for cause or identified for abuse of account privileges by a financial institution or creditor

4.2.2.2. Suspicious Documents

- 4.2.2.2.1. Documents provided for identification appear to have been altered or forged.
- 4.2.2.2.2. The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer presenting the identification.
- 4.2.2.2.3. Other information on the identification is not consistent with information provided by the person opening a new covered account or customer presenting the identification.
- 4.2.2.2.4. Other information on the identification is not consistent with readily accessible information that is on file with the financial institution or creditor, such as a signature card or a recent check.
- 4.2.2.2.5. An application appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

4.2.2.3. Suspicious Personal Identifying Information

- 4.2.2.3.1. Personal identifying information provided is inconsistent when compared against external information sources used by the financial institution or creditor. For example:
 - The address does not match any address in the consumer report
 - The Social Security Number (SSN) has not been issued, or is listed on the Social Security Administration's Death Master File
- 4.2.2.3.2. Personal identifying information provided by the customer is not consistent with other personal identifying information provided by the customer. For example, there is a lack of correlation between the SSN range and date of birth.
- 4.2.2.3.3. Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third-party sources used by the financial institution or creditor. For example:
 - The address on an application is the same as the address provided on a fraudulent application
- 4.2.2.3.4. Personal identifying information provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources used by the financial institution or creditor. For example:

- The address on an application is fictitious, a mail drop, or prison
- The phone number is invalid, or is associated with a pager or answering service

4.2.2.3.5. The SSN provided is the same as that submitted by other persons opening an account or other customers.

4.2.2.3.6. The address or telephone number provided is the same as or similar to the account number or telephone number submitted by an unusually large number of other persons opening accounts or other customers.

4.2.2.3.7. The person opening the covered account or the customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete.

4.2.2.3.8. Personal identifying information provided is not consistent with personal identifying information that is on file with the financial institution or creditor.

4.2.2.3.9. For financial institutions and creditors that use challenge questions, the person opening the covered account or the customer cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.

4.2.2.4. Unusual Use of, or Suspicious Activity Related to, the Covered Account

4.2.2.4.1. Shortly following the notice of a change of address for a covered account, the institution or creditor receives a request for new, additional, or replacement cards or a cell phone, or for the addition of authorized users on the account.

4.2.2.4.2. A new revolving credit account is used in a manner commonly associated with known patterns of fraud patterns. For example:

- The majority of available credit is used for cash advances or merchandise that is easily convertible to cash (e.g., electronics equipment or jewelry)
- The customer fails to make the first payment or makes an initial payment but no subsequent payments

4.2.2.4.3. A covered account is used in a manner that is not consistent with established patterns of activity on the account. There is, for example:

- Nonpayment when there is no history of late or missed payments; A material increase in the use of available credit

- A material change in purchasing or spending patterns
- A material change in electronic fund transfer patterns in connection with a deposit account
- A material change in telephone call patterns in connection with a cellular phone account

4.2.2.4.4. A covered account that has been inactive for a reasonably lengthy period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).

4.2.2.4.5. Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer's covered account.

4.2.2.4.6. The financial institution or creditor is notified that the customer is not receiving paper account statements.

4.2.2.4.7. The financial institution or creditor is notified of unauthorized charges or transactions in connection with a customer's covered account.

4.2.2.5. Notice from Customers, Victims of Identity Theft, Law Enforcement Authorities, or Other Persons Regarding Possible Identity Theft in Connection with Covered Accounts Held by the Financial Institution or Creditor

4.2.2.5.1. The financial institution or creditor is notified by a customer, a victim of identity theft, a law enforcement authority, or any other person that it has opened a fraudulent account for a person engaged in identity theft.

4.2.3. Responding to Red Flags

Once potentially fraudulent activity is detected, it is essential to act quickly as a rapid appropriate response can protect customers and the City of Monroe from damages and loss.

4.2.3.1. Once potentially fraudulent activity is detected, gather all related documentation and write a description of the situation. Take this information and present it to the designated authority for determination.

4.2.3.2. The designated program representative will complete additional authentication to determine whether the attempted transaction was fraudulent or authentic.

4.2.3.3. If a transaction is determined to be fraudulent, appropriate actions must be taken immediately. Actions may include:

- Cancel the transaction
- Notify and cooperate with appropriate law enforcement
- Determine extent of liability to the City of Monroe
- Notify actual customer that fraud has been attempted

4.2.4. Periodic Updates to Plan

- 4.2.4.1. At periodic intervals established in the program, or as required, the program will be re-evaluated to determine whether all aspects of the program are up to date and applicable in the current business environment.
- 4.2.4.2. Periodic reviews will include an assessment of which accounts are covered by the program.
- 4.2.4.3. As part of the review, Red Flags may be revised, replaced or eliminated. New Red Flags may also be appropriate.
- 4.2.4.4. Actions to take in the event that fraudulent activity is discovered may also require revision to reduce damage to the City of Monroe and its customers.

4.2.5. Program Administration

4.2.5.1. Involvement of Senior Management

- 4.2.5.1.1. The Identity Theft Prevention Program shall not be operated as an extension to existing fraud prevention programs and its importance warrants the highest level of attention.
- 4.2.5.1.2. The Identity Theft Prevention Program is the responsibility of the Mayor and Council of the City of Monroe, Georgia. Approval of the initial plan must be appropriately documented and maintained.
- 4.2.5.1.3. Operational responsibility of the program can be delegated to a designated employee.

4.2.5.2. Staff Training

- 4.2.5.2.1. Staff training shall be conducted for all employees, contractors for whom it is reasonably foreseeable that they may come into contact with accounts or Personally Identifiable Information which may constitute a risk to the City of Monroe or its customers.
- 4.2.5.2.2. Staff members shall continue to receive training as required as changes to the program are made to ensure maximum effectiveness of the program.

4.2.5.3. Oversight of Service Provider arrangements

4.2.5.3.1. It is the responsibility of the City of Monroe to ensure that the activities of all Service Providers are conducted in accordance with reasonable policies and procedures designed to detect prevent, and mitigate the risk of identity theft.

4.2.5.3.2. A Service Provider that maintains its own Identity Theft Prevention Program, consistent with the guidance of the Red Flag Rules and validated by appropriate due diligence, may be considered to be meeting these requirements.

4.2.5.3.3. Any specific requirements should be specifically addressed in the appropriate contract arrangements.

5. ROLES AND RESPONSIBILITIES

Management will have the responsibility to enforce this policy and ensure that it is followed by employees and contractors. Additional responsibilities regarding the operation of the Identity Theft Prevention Program are as outlined above or as listed in additional written guidance.

6. DEFINITIONS

Encryption The translation of data into a secret code. Encryption is the most effective way to achieve data security. To read an encrypted file, you must have access to a secret key or password that enables you to decrypt it. Unencrypted data is called plain text.

Hard Copy A printout of data stored in a computer. It is considered *hard* because it exists physically on paper, whereas a *soft* copy exists only electronically.

Service Provider Any person or entity that maintains, processes, or otherwise is permitted access to customer information or consumer information through the provision of services directly to the City of Monroe.

7. ENFORCEMENT

Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.