

A RESOLUTION ACCEPTING THE BID OF FORTIS BENEFITS INSURANCE COMPANY FOR DENTAL INSURANCE FOR VILLAGE EMPLOYEES AND DECLARING AN EMERGENCY

BE IT RESOLVED by the Council of the Village of Richfield, State of Ohio:

SECTION 1. That the bid of Fortis Benefits Insurance Company for the provision of dental insurance for Village employees effective January 1, 1999, a copy of which bid is attached hereto as Exhibit "A" and incorporated herein fully as if by reference, be, and the same hereby is accepted.

SECTION 2. This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare and for the further reason that it is immediately necessary in order to provided needed insurance coverage for Village employces; wherefore, provided this Resolution receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

Passed: December 15, 1998

Michael Lyons
President of Council

Donald W. Larsen
Mayor

Dated: 12/16/98

ATTEST:

Carol Gibson
Clerk of Council

EXHIBIT "A"

November 23, 1998



FORTIS

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Ms. Eleanor Lukovics
The Village Of Richfield
4410 W. Streetsboro Road
P.O. Box 387
Richfield, OH 44286-0387

Re: Policy #4002516

Dear Ms. Lukovics:

Thank you for choosing Fortis Benefits Insurance Company as your group insurance provider. The annual renewal of your policy is now complete. The new monthly rates, based on your current plan design, are listed below and will become effective on January 1, 1999.

<u>Coverage</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Rate Basis</u>
Employee Dental	\$20.43	\$22.94	Per employee
Composite Dependent	32.39	36.36	Per dependent unit

The dental rate change reflects the increase we anticipate next year in the cost of providing dental services. This increase, which we define as "trend," includes the effect of unit price increases in the services provided, the continuing trend toward more services provided per course of treatment, and the effect these increases will have on the plan design. The trend factor used compares favorably with factors used by other providers of dental coverage.

It is our mission to deliver high-quality products that build and strengthen your employees' loyalty, while providing security for them and their families. Our staff is committed to providing you with the superior service you deserve as our valued policyholder. Fortis Benefits is part of Fortis Inc., a financial services company that, through its affiliates, provides specialty insurance and investment products to businesses, associations and individuals in the United States. Our rating of AA (Very Strong) from Standard & Poor's and an A (Excellent) rating from A.M. Best are reflective of our financial stability.

This letter is being delivered by W D Wisdom, your local insurance representative who will assist you, should you have any questions regarding your renewal or

**Fortis Benefits
Insurance Company**
Renewal Underwriting

2323 Grand Boulevard
Kansas City, MO
64108-2670

Telephone
(816) 474-2324

Facsimile
(816) 881-6039

fortisbenefits.us.fortis.com

November 23, 1998



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other aspects of your group insurance plan. For more information about Fortis Benefits, please visit us on the Internet at www.fortisbenefits.us.fortis.com.

Sincerely,

Kristen McCammon
Renewal Underwriter

cc: Pam Scully - Cleveland Sales Office
W D Wisdom