

Scope of Work

MFB Financial, Inc., d/b/a The Bailey Group

Project Budget: \$95,000

Contract Term: October 1, 2025 - September 30, 2026

Overview:

In order to ensure optimal efficiency and effectiveness, a self-funded health plan must rigorously review the management of the group benefits program. This proactive approach is essential for verifying that implemented plans and initiatives align with the organization's goals and deliver maximum value. Providing oversight allows for continuous improvement and accountability, fostering a culture of excellence. Regular review of these programs ensures that resources are being utilized effectively and that they remain compliant with regulatory requirements. Ultimately, these measures are vital for maintaining the financial health and sustainability of the plan, while consistently delivering high-quality care to members.

Scope of Work and Deliverables:

MFB Financial, Inc., d/b/a The Bailey Group (The Bailey Group) will provide the City of Jacksonville (COJ) consulting services as it relates to specific areas of COJ's benefits program. The Bailey Group's focus will be based on four objectives: Data Collection, Review and Research, Analyze, and Recommend as they relate to the following Scope of Services items:

Strategic Planning	Fee Structure
Pharmacy plan analysis, including analyzing PBM carveout	Included
Stop Loss review to include market check and contract review	Included
Medical contribution analysis, including salary tier benchmarking	Included
Evaluation of benefits eligible population (agencies and subsidiaries)	Included
Medical repricing (carrier discount comparison)	Included

Task 1 – Data Collection

The tasks will begin with data collection and is expected to be conducted over a 30 day period. It will require collaboration of the COJ Employee Services/benefits team and will include a kickoff meeting to fully describe the necessary data needed from COJ to carry out

the scope of services. While there will be consistent communication a technical memorandum will serve as the Task 1 deliverable.

Task 2 – Review and Research

The review and research process consists of four tasks. This phase is anticipated to be conducted over a 90-120 day period and will require collaboration of COJ's Employee Services/benefits team. Note that based on timing, some aspects of this deliverable may be earlier than 90 days but none more than 120 days. While there will be consistent communication, a technical memorandum will serve as the Task 2 deliverable.

- Compile and organize gathered data
- Research and develop benchmarking
- Research program compliance
- Where applicable, complete market analysis

Task 3 – Analyze

The analysis process will last 60-90 days and will include assessing all the information obtained in the earlier tasks and evaluating the results of the market analyses. The Bailey Group will pull together and formalize the results in a concise format, generally Excel spreadsheet or PowerPoint format as appropriate. At the end of Task 3, The Bailey Group will request a meeting with COJ to review recommendations.

Task 4 – Recommendations

The recommendation process is conducted over 30-90 days. The Bailey Group team will meet in person or virtually with the COJ team in a series of consultative meetings to review results and make recommendations. The Bailey Group will manage follow-up questions and present industry experts as requested. All recommendations will be compliant with applicable laws and regulations. All recommendations will be delivered in printed or digital format as requested.

A separate presentation will be made to the City Council Finance Committee to review results and recommendations made to the COJ team.

Conclusion

Through meticulous data gathering, review, research, analysis, and recommendations, The Bailey Group will ensure that the proposed services are completed in a timely manner with much thought to a benefits program that is cost effective and meets the needs of the COJ and its members.

Payment

The COJ's maximum indebtedness for these services will be \$95,000. The COJ will pay for completion of each task as described below:

Task 1 – Data Collection - \$20,000

Task 2 – Review and Research - \$25,000

Task 3 – Analyze - \$25,000

Task 4 – Recommendations \$25,000

Any failure by The Bailey Group to complete the scope of services completely and timely will be considered a material breach and The Bailey Group will be required to pay back to the COJ all funds previously disbursed under the agreement.

Other Agreement Requirements

- The COJ, including the auditor, shall have the right to review or audit The Bailey Group's documents and records related to the agreement
- The Bailey Group will attend any and all meetings pertinent to the agreement
- All findings and reports generated as a result of this agreement will be the property of the COJ.