



Smith & Associates Consulting

December 2, 2008

Mrs. Sally Havey
Denton Independent School District
1314 N. Bolivar
Denton, Texas 76202

Dear Sally,

At the request of the District, our office assisted with the preparation and analysis of the Request for Proposals for the District's Specific & Aggregate Insurance. The District received a total of three (3) proposals that included nine (9) various options (see attached spreadsheet). The carriers and their respective MGU/Agents were:

- United Healthcare
- ING
- Fidelity Security Life Insurance (Arbor Benefit Group)

A Specific level of \$175,000 per individual has been selected by the District. A comparison of the three (3) proposals received at \$175,000 is complicated by the fact that the bids include alternate pricing approaches and extraneous liability inclusions (individual lasers).

Upon review of the District's potential claims experience and the financial components of the proposals it is our opinion that the United Healthcare proposal is the best option for the District for the next plan year. Even though there is approximately \$200,000 additional premium for United Healthcare, this proposal greatly reduces the District's claim liability, which in our opinion makes the United Healthcare proposal the most cost effective option.

If you have any questions, please do not hesitate to give me a call.

Sincerely,

Eric D. Smith
Smith & Associates Consulting

Enclosures