



June 13, 2008

Steve Miller
Employee Benefits Administrator
The City of Las Vegas
400 Stewart Street
Las Vegas, NV 89101

Medical / Dental Plan Administrator

Dear Steve:

Following a comprehensive RFP process in 2007, Fiserv Health was selected as the health plan third party administrator. In November 2007, midway through the implementation process, it was announced that United Healthcare had purchased Fiserv, except for their Nevada business. Subsequently, as you are aware, much of the final implementation was not completed in a timely manner and service from Fiserv has not met expectations in several key areas.

At the City's request, we reviewed each of the original proposals from the 2007 RFP evaluation process and asked two of the original respondents, Cigna and Aetna, to update their proposals and present their capabilities to the City's Insurance Committee on April 30, 2008.

Based on the severity of service related issues that have occurred with Fiserv, and after presentations by both Cigna and Aetna, we strongly advised the insurance committee to consider Cigna as a replacement for Fiserv. Cigna was the committee's second choice during the original evaluation. They have extensive experience providing administration for HRA health plans, totally integrated claims payment system, favorable local client references, competitive fee structure and associated provider discounts. Cigna was determined to offer the best overall proposal.

We believe Cigna's proposal best meets the overall requirements of the City for administration of its self-insured medical and dental plans.

Sincerely,

Tanna Prince
Vice President