REQUEST FOR PROPOSALS (RFP)

EMPLOYEE BENEFITS INSURANCE BROKER AND CONSULTING SERVICES

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Key RFP Dates:

The following table outlines the planned schedule of major activities related to the RFP distribution, response submission, evaluation and selection processes. The City of Marion reserves the right to amend the schedule as necessary.

RFP Issued	September 15, 2015
Requests for Information/Written Questions (no phone calls)	September 30, 2015, 2:00pm
Response to Questions Issued via email	October 6, 2015
Submit Proposals (Submit in writing)	October 22, 2015, 3:00pm
Final Selection	November 17, 2015

CITY OF MARION
REQUEST FOR PROPOSAL (RFP)—
EMPLOYEE BENEFITS INSURANCE BROKER AND CONSULTING SERVICES

PROJECT OVERVIEW

The City requests proposals from qualified licensed brokers to provide consulting and insurance brokerage services for the City's current and future employee benefits, including group medical (includes prescription coverage), dental, vision, life, accidental death and dismemberment, voluntary life, and an employee assistance program (EAP). The City seeks a consultant and broker that is well versed in the benefits market, experienced in advising comparable public agencies and works well with various levels of staff and management. Submitted proposals must meet all requirements set forth in this Request for Proposal (RFP).

Benefitted employees and qualified dependents are eligible to receive some level of each of the aforementioned benefits. Most plans have an annual renewal date of January 1 with the exception of the life insurance plans.

A. Medical Insurance—The City provides medical insurance, including prescription coverage, through Standard Insurance.

B. Dental Insurance—The City provides dental insurance through Standard Insurance.

C. Vision Insurance—The City offers vision insurance on a voluntary basis paid by the employees

D. Life Insurance—The City provides life and accidental death and dismemberment insurance through Standard Insurance. Voluntary Life is offered on a voluntary basis paid by the employees.

F. Employee Assistance Program (EAP)—The City currently offers an EAP program through the current life insurance company.

SCOPE OF SERVICES

The City is seeking to name a Broker of Record for the City's employee insurance benefits and is looking for continuity of services in the rapidly changing area of employee benefits. The City is particularly interested in a broker who can offer creative, innovative approaches, with a proven track record, that allows the City to maintain quality programs and contain or reduce costs. The selected broker will perform a full range of benefit program services related to the acquisition, implementation, maintenance, communication and improvement of the City's employee insurance benefits. The selected broker shall provide services, including, but not limited to, the following:

A. **Analysis and Reporting**

1. Analyze existing coverage and identify or develop cost-saving alternative benefit strategies and plans.

2. Assist in the development of long-range goals and strategies, including making projections of potential savings.

3. Provide analysis and recommendations based on utilization and performance reports, statistical and/or financial reports, and plan specific data.

4. Assist the City in monitoring and analyzing experience trends and providing timely alerts on changing patterns and appropriate recommendations.

5. Provide, maintain and update comparison reports of other public and private companies' benefit plan offerings and costs to determine their competitiveness with the City's programs.

6. Provide financial and/or performance reviews of self-funded and fully insured plans and programs.

7. Be available to provide various types of reports as needed, such as cost analysis for benefit changes, and other statistical, financial, forecasting, trend, labor negotiations or experience reports.

8. Prepare and present reports on trends, new products and audits, as requested.

9. Regularly monitor and evaluate performance measures and guarantees for providers.

10. Maintain full and accurate records with respect to all matters and services provided on behalf of the City's benefit plans and programs.

11. Provide City staff or officials all spreadsheets, assumptions and calculations upon completion of any project performed on behalf of the City's benefit plans and programs.

B. **Liaison and Problem Intervention**

1. Act as liaison between the City and insurance providers.

2. Provide day-to-day consultation on plan interpretation and problem resolution

3. Provide timely customer service and assistance to staff with issues involving provider billing, claims, vendor service issues/problems, advocacy for services, disputes, interpretation of contracts and services, changes and general troubleshooting.

4. Attendance as needed at meetings with City staff and/or employees to facilitate and assist in the management of the City's employee benefit plans.

5. Act as an advocate in appeals between the City and the providers on unresolved issues if needed; provide advice when needed to enforce City, employee, or their dependents' rights.

6. Assist the City in proactive mitigation of negative impacts or disruption of services to employees from benefit and/or provider network changes.

C. **Compliance**

1. Assist with ongoing plan administration and ensure that programs are in compliance with State and Federal legislation.

2. Provide on-site training to City staff, as needed, regarding regulatory updates and/or Best Practice seminars for the effective administration of benefits plan.

3. Review and disseminate information to staff on new or revised State and Federal legislation that impacts benefits programs.

4. Assist City staff with annual audit to ensure compliance with all mandated reporting and posting/notice requirements for benefit plans.

5. Develop and/or assist in developing communication materials and tools for conducting dependent verification audits.

D. **Annual Renewal Process and Evaluation**

1. Establish a strategy for benefits, both annually and three to five years in the future. Consider trends, union negotiations, prospective legislations, new delivery systems to make long-term projections.

2. Review and make cost-saving recommendations regarding the modification of plan design, benefit levels, premiums, communications and quality of current employee and retiree benefit plans.

3. Recommend appropriate premium rates and reserves to maintain the viability of the plans to ensure that quality and cost-effective benefits are provided by the plans.

4. Annual estimates of renewal rates and cost trends and assist City staff in preparation of budget figures.

5. Conduct thorough and applicable market research in preparation for contract renewals.

6. Representation at Insurance Committee meetings on various topics, including, but not limited to, premiums, benefit levels and plan design, performance measures and guarantees, contractual terms and conditions, and quality assurance standards.

7. Make recommendations for items of negotiation with providers, including, but not limited to, benefit levels and plan design, premiums, quality of service, performance measures and guarantees, and return on investment, where applicable.

8. Prepare specifications and compile data, obtain quotes and proposals, negotiate rates and analyze and compare proposals.

9. Review rate proposals to ensure underlying assumptions are appropriate and accurate to the City.

10. Provide communication development and support for the annual open enrollment period, new benefit offerings and/or changes to the existing benefits offerings.

11. Attendance at, and assistance with, coordination of Open Enrollment meetings.

E. **Other Service Requirements**

1. Assist in the development and implementation of an employee wellness program to improve employee health and reduce employee health-care costs, both in the short-term and in the long-term.

2. Recommend and help develop enhancements and improvements for communications specific to the needs of the City's employees, including, but not limited to, brochures, pamphlets, matrices, comparison charts, summaries, electronic communications, forms, employee handbooks and employee orientation.

3. Provide timely research and responses to technical questions posed by City staff.

4. Provide regular and timely communications needed for the effective administration of benefit plans.

5. Provide guidance and recommendations on items such as, but not limited to, trends in benefits plans, methods for improving cost containment, financial arrangements and administration.

6. Assist with the presentation content for labor and management benefits meetings and/or City Council meetings.

7. Provide access to published benefit-related survey information.

8. Develop additional benefits communications specific to the needs of the City's employees.

9. Attendance at, and assistance with, meetings with the City Council, City staff and labor groups (if needed)

10. Recommend that City staff attend particular broker-sponsored seminars, benefit events and educational forums that would be beneficial to the City.

11. Develop and/or assist in developing and evaluating employee needs and satisfaction surveys.

12. Work collaboratively with City staff.

13. Manage plan transitions as necessary.

14. Review and evaluate current administrative processes related to enrollment and billing. Recommend and assist with implementation of administrative process enhancements.

INSTRUCTIONS TO PROPOSERS

A. **Examination of Proposal Documents**
By submitting a proposal, the proposer represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the City's objectives.

B. **Addenda/Clarifications**
Questions or comments regarding this RFP must be put in writing and must be received by the Project Manager no later than 2:00 p.m., Wednesday, September 30, 2015. Correspondence shall be submitted by mail, e-mail or fax to the Project Manager listed on the cover page of this RFP. Responses from the City will be communicated by email to all recipients of this RFP. Inquiries (letter, fax or e-mail) received after the date and time stated above will neither be accepted nor receive a response. To the extent that a question causes a change to any part of this RFP, an addendum shall be issued addressing such.

C. **Submission of Proposals**
All proposals shall be addressed and submitted to the Project Manager listed on the cover page of this RFP. Proposals must be delivered no later than 3:00 p.m., Thursday, October 22, 2015. **Late proposals will not be accepted**. There will be no public opening of proposals. The names of proposers will not be released until the announcement of award is made.

The proposer shall submit two (2) copies of its proposal in a sealed envelope, addressed as noted above, bearing the proposer's name and address and clearly marked as follows:
RFP—City of Marion—Employee Benefits Insurance Broker and Consulting Services
With regard to any proposals sent by mail to the City, the proposer shall be solely responsible for its delivery to the City no later than 3:00 p.m., Thursday, October 22, 2015. Any proposals

received subsequent to the date and hour set herein because of delayed mail delivery or for any other reason will not be considered by the City. The Request for Proposal is not an authorization to approach the insurance marketplace on the City's behalf. The City specifically requests that no contract, survey or solicitation of insurance markets be made on behalf of the City and that no insurance market reservation be made by or for any proposer with respect to insurance or related services to be provided by the City. Failure to comply with this request will be grounds for disqualification.

E. **Withdrawal of Proposals**
A proposer may withdraw its proposal at any time before the expiration of the time for submission of proposals as provided in this RFP by delivering a written request for withdrawal signed by, or on behalf of, the proposer by mail, e-mail or fax to the Project Manager listed on the cover page of this RFP.

F. **Rights of the City**
This RFP is not in any way to be construed as an agreement, obligation or other contract between the City and any person or firm submitting a proposal, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. Proposals submitted in response to this request become the property of the City and are subject to the provisions of the Ohio Public Records Act after the announcement of award is made. The City may investigate the qualifications of any proposer under consideration, require confirmation of information furnished by the proposer and require additional evidence or qualifications to perform the services described in this RFP. Contract award will be made, at the sole discretion of the City, based on the evaluation of all responses, applying all criteria and oral interviews is determined to be the best qualified to perform the scope of services. The City's decision to select a Broker of Record is final. No right of review or appeal of the decision to appoint a Broker of Record will be considered.

The City reserves the right to:

1. Obtain clarification of any point in a proposer's response or to obtain additional information necessary to properly evaluate a particular response.

2. Reject any or all proposals.

3. Cancel the Request for Proposal in part or in its entirety without explanation to the proposers.

4. Issue subsequent Requests for Proposal.

5. Remedy technical errors in the Request for Proposal process.

6. Approve or disapprove the use of particular subcontractors.

7. Negotiate with any, all or none of the proposers.

8. Solicit best and final offers from all or some of the proposers.

9. Award a contract to one (1) or more proposers.

10. Accept other than the lowest offer.

11. Waive informalities and irregularities in proposals.

G. **Collusion**
By submitting a proposal, each proposer represents and warrants that its proposal is genuine and not a sham or collusive, or made in the interest of, or on behalf of, any person not named therein; that the proposer has not directly or indirectly induced or solicited any other person to submit a sham proposal or any other person to refrain from submitting a proposal; and that the proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

PROPOSER'S MINIMUM QUALIFICATIONS

A. **Qualifications of the Firm**

1. The proposer shall have at least two (2) consecutive years of experience in Ohio providing brokerage and benefits consulting services to public or private entities. The firm shall have provided such services to jurisdictions whose service populations are similar in size and complexity to the City's.

2. The proposer must be legally authorized to do business in the State of Ohio and shall meet all licensing and other requirements imposed by State and Federal laws and regulations.

3. The proposer shall have experienced management staff, possessing comprehensive knowledge of benefit administration pertaining to public employers.

4. The proposer shall have experience working with labor unions and advisory committees.

5. The proposer shall possess knowledge of applicable laws, regulations and codes and shall be familiar with local conditions and trends relating to group insurance in Ohio.

PROPOSAL FORMAT AND CONTENT

A. **Format**
Proposals shall be made in the official name of the firm or individual under which the vendor's business is conducted (including the official business address). Proposals shall be prepared

simply and economically, providing a straightforward, concise description of proposers' ability and expertise as an employee benefits insurance broker and consultant. Proposals shall be typed and be as brief as possible and not include any unnecessary promotional materials. Two (2) copies of the proposal are required.

B. **Content**

1. **General Information:** Complete the attached General Information Form (Attachment A) and place the form in the front of all proposal submission. This form should be signed by a person duly authorized to bind the firm and proposed account team to submit a response to this RFP solicitation. In addition, complete Consultant Questionnaire (Attachment C) and include with proposal submission.

2. **Profile of Firm:** This section shall include the firm name, date established and the address of the office that would be assigned the City of Marion account. Include a brief description of the firm's history, size, growth, philosophy and culture, number of employees and number of years in business under the same name, including specific experience with the public sector. Include a discussion on the firm's financial stability, capacity and resources.

3. **Services:** Describe the following:

a. A complete description of services to be provided. Include both services outlined in this written request, as well as additional recommended services, including a description of any and all unique brokerage or consulting services the firm will offer the City, please specify if these services are to be provided by the firm's staff or through an affiliate of the firm.

b. A description of the group medical, dental, vision, life, accidental death and dismemberment, short- and long-term disability, and EAP premium volume handled by the firm and by the specific office to which the City's account would be assigned.

c. A list of the principal insurance markets utilized by the firm in the order of premium volume placed with each market. This listing should be categorized by line of coverage: medical, dental, vision, life, accidental death and dismemberment, short- and long-term disability, and EAP.

d. A description of technical or professional support available at no extra cost through the firm, such as legal counsel, communications, technology support or others.

e. A sample work plan for insurance renewal and negotiations.

4. **Cost/Pricing Information:** This section shall include the proposer's price for performing the services discussed in the scope of work. Include a comprehensive specific description indicating how the firm would price the City's account and the estimated annual cost of the services. Indicate whether pricing is based on an annual fee, fee for service, commission or a combination of two or more. Include any and all commissions and fees that the firm would expect to receive

from the existing programs for services requested herein, as well as additional services that are being recommended. Identify any split commission or joint marketing arrangements with other agents, brokers, firms or associations. With this description, please include an explanation as to how the firm would provide the City with the best price at the time of negotiations. The City reserves the right to review and/or audit any records of the selected broker related to commissions, fees, etc. related to the City's account. Proposals in which the costs do not reflect a reasonable relationship to the work to be conducted may be viewed as failing to comprehend the requirements of the scope of work and, therefore, cause the proposal to be rejected as being nonresponsive. Additionally, prior to award of a contract, the successful proposer shall be required to submit two (2) years of the firm's most recently completed financial statements, including footnotes and auditor's opinion, or other financial instrument that would establish the firm's ability to complete the obligations of the contract resulting from this solicitation.

EVALUATION AND SELECTION

A. **Evaluation Criteria:** In addition to the degree to which the proposer responds to the specifications of this Request for Proposal, the following criteria will be used to, but may not be limited to, evaluate proposals:

1. **Qualification of the Firm**: Technical experience in performing work of a closely similar nature; experience working with cities or other public agencies; experience with creative cost containment methods; experience, reputation and ability to reach a wide array of insurance markets and provide innovative services; record of completing work on schedule; strength and stability of the firm; technical experience and strength and stability of proposed subcontractors; and assessment by client references.

2. **Staffing and Project Organization**: Qualifications of project staff, particularly key personnel, especially the project manager; key personnel's level of involvement in performing related work; logic of project organization; evidence of the ability to provide service in a prompt, thorough, innovative and professional manner; and adequacy of labor commitment.

3. **Project Requirements**: Demonstrated understanding of the project requirements and potential problem areas; project approach; work plan; and quality assurance program.

4. **Cost and Price**: Reasonableness of the total price and competitiveness of this amount with other offers received; adequacy of data in support of figures quoted; reasonableness of individual task budgets; and basis on which prices are quoted.

B. **Evaluation Procedure**

A Review Board, generally made up of City staff, will review the proposals submitted and establish a list of finalists based on pre-established review criteria. The names of the Review Board members will not be revealed prior to the interviews. The individual or composite rating and evaluation forms prepared by the board members will not be revealed. As a part of the finalist evaluation, the City Review Board may require proposers to make an oral presentation. The presentation shall serve to confirm proposal representations, provide supplemental information and provide the City the opportunity to meet and assess the proposed account team members. Finalist evaluation shall be scheduled for November 2, 3, and 4, 2015. Each proposer is asked to keep these dates open. No other finalist evaluation dates will be conducted.

Additionally, the City Review Board may visit the firm's office to meet with key proposed staff members and tour the facility. The City reserves the right to select the firm which, in the City's opinion, will provide the most responsive and responsible services. The City is not bound to award the contract based solely on the lowest bid submitted. It is anticipated evaluations and interviews will be completed and the successful firm recommended to the City Council by approximately November 17, 2015.

ATTACHMENT A

GENERAL INFORMATION FORM
(To be completed by the proposer and placed at the front of your proposal)

____ ______________________
Legal Name of Firm | Firm's Telephone Number

____ ______________________
Street Address | Firm's Fax Number

____ ______________________
City/State/Zip | Firm's Web Site Address

____
Type of Organization (Corporation, Sole Proprietorship, Partnership, etc.)

____ ____________________________
Business License (documented) | Taxpayer ID Number (Federal)

____
Name and Title of Project Manager

____
Name, Title and Phone Number of Person Project Correspondence Should be Directed to

____
E-mail Address

Listing of Major Subcontractors Proposed and Areas of Responsibility/Phone Number

____

____

____

____
Signature | Date

____
Name and Title of Person Signing Completion of General Information Form

ATTACHMENT B

CLIENT REFERENCES

Instructions: Provide at least three current and two past California clients. At least two of these clients should be cities or public entities. Copy this form as appropriate.

Name of Client:	
Client Address	
Client Contact Name(s) and Title(s)	
Client Contact Phone Number(s)	
Brief description of work performed for this client (use additional sheets if necessary):	

ATTACHMENT C

CONSULTANT QUESTIONNAIRE

Please submit answers to ALL questions. Use additional sheets if necessary

Question	Response
1. Has your firm established any limitations on the number of clients you intend to accept? What is your client to consultant ratio?	
2. What is your firm's policy/standard for returning: Phone calls? Emails or written questions?	
3. Provide two examples of when you have provided services that have gone beyond the "spirit of the contract" (pro bono work)	
4. If you are the successful new consultant, outline your transition plan with dates, tasks and responsible parties.	
5. How many days of advance notice would your company require in order to attend ad-hoc (sub-committee) meetings?	
6. How do you track and communicate legislative updates to your clients? Provide a sample of legislative updates.	

7. Describe how your firm would handle ad-hoc projects that arise due to changes in legislation or other events which create additional service needs for the City.	
8. Provide an example that demonstrate your firm's ability to be proactive in finding opportunities to enhance benefits and services.	
9. Provide examples that demonstrate your firm's negotiation skills to bring down costs.	
10. What service does your firm provide for developing Open Enrollment and New Employee Orientation materials? Please provide a separate cost for each program (open enrollment and new employee orientations)	
11. What service does your firm provide for developing a Wellness Program? Please provide the cost for this service.	
12. Are there any other relevant consulting services that are not listed that you will provide as part of your consulting services to the City? Please provide the cost for these services.	