



Request for Proposals

Employee Benefit Consultant and Agent\Broker Services

January 8, 2018

I. PROCEDURES

A. DEADLINE FOR RECEIPT OF PROPOSALS

The deadline for receipt is Monday, January 29, 2018 1:00 PM EST

B. SUBMISSION AND RECEIPT OF PROPOSALS

For a submission to receive consideration, it must be received prior to the deadline. No late submissions will be accepted. An authorized officer of the service provider shall sign all proposal forms. Proposals must be clearly labeled “**EMPLOYEE BENEFIT PLAN CONSULTANT AND AGENT/BROKER SERVICES PROPOSAL**”. Both electronic and paper copies shall be submitted. One complete copy of the proposal, including all attachments must be submitted in PDF format and submitted to hpefley@manisteemi.gov. Sealed paper copies (4) shall submitted and mailed or delivered to the City of Manistee, Attn: Heather Pefley, City Clerk, 70 Maple Street, Manistee, MI 49660. Proposals are considered received when in the possession of the City Clerk’s office.

C. TIMELINE:

The timeline for the City of Manistee RFP is as follows:

January 8	RFP Issued
January 29	Responses Due
February 5-7	Interviews
February 8-13	Agreement Negotiated
February 20	City Council Considers Agreement

D. OFFICIAL DOCUMENTS

The City of Manistee, Michigan officially distributes proposal documents via it’s website. Copies of all official documents will also be available at the City of Manistee City Hall, 70 Maple Street, Manistee, MI 49660. The City of Manistee cannot guarantee the accuracy and is not responsible for any errors contained in any information received from alternate sources.

E. INTERPRETATION OF PROPOSAL AND/OR CONTRACT DOCUMENTS

Any interpretation to a proposer regarding the RFP or any part thereof is valid only if given by the City’s Chief Financial Officer (CFO). Any information given by departmental contacts is unofficial. Interpretations may or may not be given orally and may be written depending on the nature of the inquiry. Interpretations that could affect other proposers will be in writing and issued by the CFO. All inquiries shall be made within reasonable time prior to the stated deadline in order that a written response in the form of an addendum, if required, can be processed before proposals are opened. Inquires received that are not made in a timely fashion may or may not be considered. Any inquiries related to bid or

product specifications should be sent to the City of Manistee, Attn: CFO, 70 Maple Street, Manistee, MI 49660; or by email to ebradford@manisteemi.gov; or phone at 231 398-2804.

F. CHANGES AND ADDENDA TO PROPOSAL DOCUMENTS

Each change or addendum issued in relation to this proposal will be posted on the City website and will also be on file in the City Clerk's Office. It shall be the proposer's responsibility to make inquiry as to the changes or addenda issued. All such changes or addenda shall become part of the contract and all proposers shall be bound by such changes or addenda.

G. ALTERNATES

Proposers are cautioned that any alternate proposal, unless requested by the City, or any changes, insertions, or omissions to the terms and conditions, specifications, or any other requirements or this proposal, may be considered non-responsive, and at the opinion of the City, may result in rejection of the proposal.

H. AWARD

Proposals will be reviewed by an internal committee where firms will be evaluated and ranked. Proposing firms may be asked to participate in an interview to further discuss qualifications and to answer questions from the committee. The contract will be awarded to the responsible, responsive firm whose proposal, conforming to this solicitation, will be most advantageous to the City, price and other factors considered.

The City reserves the right to accept or reject any or all proposals, in part or whole and to waive informalities and minor irregularities in bids received.

I. WITHDRAWAL

Proposals may only be withdrawn by written notice prior to the date and time set for the submission of proposals. No proposal may be withdrawn after the deadline for submission.

J. DEFAULT

No bid or proposal shall be accepted from any party (contractor) who is in default on the payment of taxes, licenses or other monies due the City.

K. NON-COLLUSION CLAUSE

By signing and submitting this proposal, proposer states that his proposal is genuine and not collusive or sham; such proposer has not colluded, conspired, connived, or agreed, directly or indirectly, with any proposer or person, to put in a sham bid, or that such other person will refrain from proposing and has not in any manner, directly or indirectly, colluded, conspired, connived, or agreed, with any person, to fix the price of affiant or any other proposer, or to fix any overhead, profit or cost element of said proposal price.

L. NON-DISCRIMINATION CLAUSE

By signing and submitting this proposal for consideration of an award by the City of Manistee, the contractor and any subcontractor covenants not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Breach of this covenant may be regarded as a material breach of the contract.

II. PROPOSAL DETAILS**A. DESCRIPTION**

The City of Manistee is seeking proposals for Benefit Plan Consulting and Agent/Broker Services (Benefit Services) to assist with the selection and management of its medical, prescription, dental, vision and life insurance plans, COBRA administration, compliance, wellness and related services. These services will include but are not limited to plan design, benefit plan and vendor management, bidding, administrative services, compliance assistance, financial analysis, union negotiation support, and drafting of employee communication materials.

The requested information is intended to provide information that will assist the City of Manistee in the selection of the most qualified service provider who will best serve the needs of the city. At a minimum, the City of Manistee anticipates a two (2) year relationship with the selected agent, with additional years of renewal possible.

B. BACKGROUND:

The insurance brokerage and consulting needs of the City of Manistee have been met by its current agent for many years. While the current agent has served the City well, it has been determined that it is in the City's best interest to solicit proposals for Benefit Services in light of changes in the insurance climate, changing market opportunities, and approaches to controlling benefit costs. All proposing firms are advised that the City's current agent is permitted to submit a proposal under this RFP

C. DESCRIPTION OF CURRENT BENEFITS:

The City of Manistee currently provides the following employee insurance and related benefits:

Renewal: July 1

Medical: BCBS Simply Blue HSA 2000/4000 0%

HSA: Employer funded at \$1,500/\$3,000 (calendar year)

Prescription: \$10/\$40/\$80 after deductible

Dental: Delta Dental PPO \$800 50%

Vision: VSP Exam Plus

Life: The Hartford

Short-Term Disability: Self-funded

Long-Term Disability: MERS

Wellness, Pricing Transparency and TeleMedicine

The current number of enrollees is:

Single	6
Double	12
Family	29
Retiree	8

D. SCOPE OF WORK

The City of Manistee expects the selected agency/brokerage firm to perform the following services, including but not limited to:

1. Advise and assist with the review and selection of provider(s) of insurance and related products.
2. Advise and assist in evaluating and selecting among plan alternatives such as products, plan designs, deductibles, co-payments, out-of-pocket payments, etc.
3. Advise on cost-containment strategies.

4. Review coverage documents and invoices to assure coverage has been correctly issued and billed.
5. Assist with reviewing claims data and determining premium impact of any prospective coverage changes.
6. As requested, assist in interpreting coverage as applied to claims, as well as resolving problems associated with benefit plan administration.
7. Assist with COBRA/HIPAA administration audits, forms and questions as needed for these programs or other applicable legal compliance and notification requirements.
8. Assist with benefit renewals, ensuring that all providers, that meet the City's needs, receive proposals and seek alternative coverage if requested.
9. Assist in achieving full compliance with the Federal Patient Protection and Affordable Health Care Act, as amended and other relevant Federal requirements.
10. Assist in achieving full compliance with Michigan laws such as PA 106 of 2007 Public Employees Health Benefit Act; PA 152 of 2011 Publicly Funded Health Insurance Contribution Act; and other relevant State requirements
11. Assist with its budget planning for health care costs by providing a preliminary, projected renewal no later than March 15 of each plan year; and updating the estimates with better data as it is received in a timely fashion.
12. During Collective Bargaining periods assist with the following:
 - Reviewing existing bargaining agreements as they relate to relevant benefits
 - Benchmarking current and proposed plan designs v. other public sector entities
 - Providing recommendations regarding the contract language, allowing for more flexible management of the benefits plans (e.g., changing carriers)
 - Comparing current contract provisions to the prevailing market conditions and recent contract settlements
 - Developing a Management Proposal (including financial impacts of proposed plan changes)
 - Evaluating all counter proposals by bargaining units
 - Implementing agreed upon contract provisions
 - Support in grievance and arbitration hearings (e.g., expert witness testimony)
13. Provide presentations to management, City Council and employee groups regarding plan designs and/or plan changes.

14. Assist with establishing the annual schedule of renewals. Provide side-by-side reporting. Prepare and/or review and advise on contract renewals.
15. Provide written updates on new State or Federal legislation or judicial decisions impacting the City of Manistee and suggested action or changes in operations or procedures to assure compliance.
16. Provide advice on data practice, records retention and privacy issues.
17. Provide a team of servicing representatives available to the City on an on-going basis. Representatives must be available at the all open enrollment meetings during the contract period to explain the plan and assist in enrolling City of Manistee employees in benefit programs.
18. Representatives must be available for all plan design and cost containment planning meetings and research benefits questions and provide advice to the City as needed.
19. Providing prompt response to City's questions and requests is an essential requirement. It is expected that there will be more than one individual within the firm capable of addressing possible concerns of the City.
20. Analyze and report on YTD and YTY utilization and cost trends. Help provide overviews of these trends to management and staff, educating them on how to best limit premium increases.
21. Prepare an Annual Stewardship Report for the City of Manistee, including a complete accounting of fees or commissions or other revenue earned on the account, observations on relevant changes in the insurance market, views on loss exposures facing the City, loss control activities and insurance policy summaries.
22. Other related services as requested.

E. SELECTION CRITERIA:

The City of Manistee will evaluate proposals based on the needs of the City and its employees. Firms will be evaluated and selected based on compliance with specifications, completeness of responses, ability to provide strong administrative support, relevant prior municipal experience, technical competence, the qualifications and experience of assigned staff, past record of performance and price.

During the evaluation process, where it may serve the its best interest, the City of Manistee reserves the right to request additional information or clarifications from proposing firms, to reject any or all proposals or unauthorized modifications, to allow corrections of errors or omissions, or to waive irregularities.

A selection committee will evaluate the proposals based upon the factors listed above. After a review of the written proposals, selected firms also may be asked to make an in-person presentation. These interviews will be limited to not more than three (3) individuals. The individuals in attendance should be those that will have day-to-day and account management responsibilities.

The City of Manistee will choose the proposal(s) that best fits its needs. The City is not obligated to award the contract based on cost alone nor is the City obligated to award only one agent of record.

Firm(s) that are selected will be required to enter into a written agreement with the City of Manistee that will detail the specifics of the relationship and include service agreements and compensation for all coverages. This agreement will last for the minimum engagement period of two (2) years and will contain a review process and termination provisions. If an agreement cannot be reached, the City of Manistee reserves the right to render the proposal invalid and may award the contract to another qualified vendor in its sole discretion.

III. *SUBMITTAL REQUIREMENTS:*

Proposals should demonstrate the qualifications, service level, costs for services, competence, and capacity of the firm. Proposals must address all the points outlined:

1. Firm History and Experience:

- a) History of firm, including organization type, size, number and location of offices, number of employees, number of clients and any specialty areas.
- b) Biographies of firm leadership.
- c) An outline of the account team that would be dedicated to the City of Manistee. Include name, role(s), biography, qualifications, and experience.

2. Qualifications:

- a) Particular expertise or involvement in the insurance/employee benefits industry.

- b) Description of your firm's service philosophy.
- c) Describe your municipal account service experience and delivery model.
- d) Describe what additional "value added services" your firm can provide. Are they proprietary or outsourced?
- e) List of potential firms\markets that will be used to place City of Manistee coverages.
- f) Describe your experience in providing enrollment services.
- g) Describe the services and tools that your firm provides for benefit administration.
- h) Describe your experience in moving employees, including Union employees, from one insurance carrier to another?
- i) Describe your experience, approach and strategies for obtaining insurance for pre- and post- 65 retirees and moving them off of City-provided plans.
- j) Detail the expected frequency and content of client meetings.
- k) What, if any, initiatives have your firm taken to design, implement, and promote Wellness programs among your clients? Please describe any measurable successes that you have achieved.
- l) Detail your company's plan to ensure the City of Manistee is in full compliance with relevant Federal and State laws, requirements and statutes.
- m) List the key differentiators for your firm. What critical success factors distinguish your organization from your competitors?

3. References:

- a) List municipal clients acquired within the last three (3) years, as well as municipal clients that have discontinued your service within the last three (3) years.
- b) List of five (5) municipalities you currently represent with similar premium volume, covered lives, and lines of coverages. Provide the following information for each client:
 - Number of employees covered

- Type of plan serviced
- Length of servicing relationship with your firm
- Contact name, title and phone number

4. Compensation \ Fees

- a) Fully describe how your firm would be compensated if it were to be awarded a contract as Benefit Consultant. This would include but is not limited to all commissions, contingent commission and/or fee relationships, fee for services or fixed rates.
- b) Provide details of the services that will be provided to the City of Manistee as a part of regular compensation; as well as those (if any) that require additional compensation.
- c) Please provide an estimate of the total revenue categorized by source\type that would be generated by the City of Manistee account.

5. Conflict of Interest:

- a) Disclose any conflicts or perceived conflicts of interest.
- b) Identify what procedures your firm utilizes to identify and resolve conflicts of interest.

6. Copies of the following items:

- a) Errors and omissions coverage.
- b) Liability coverage.
- c) Statement of compliance with federal and state laws.

7. Transition Plan:

- a) Please describe the transition plan\steps after contract award.