



TOWN OF STRATFORD REQUEST FOR PROPOSAL
RFP 2017-039
HEALTH AND AUXILIARY INSURANCE BENEFITS
CONSULTANT SERVICES

I. GENERAL INFORMATION

- A. Background:** The Town of Stratford (hereafter referred to as the Town) has employees and qualifying retirees enrolled in the Group Health Plan that provides benefits for Medical, RX, Dental and auxiliary insurance (Life, STD, LTD). The Town is currently Self Insured with Anthem for health and UNUM for the auxiliary insurance. The Town has a HSA (majority of employees) and POS medical Plan. The Town has Anthem & CIGNA for dental. The Town also has under its umbrella several entities that are fully insured and are billed independently from the Town. The Town currently has approximately 1100 employees and retirees covered.
- B. Issuing Office:** This Request for Proposals (RFP) is issued by the Town of Stratford, located at 2725 Main Street, Stratford, CT 06615. **All responses must be returned to Michael Bonnar, Purchasing Agent, 2725 Main St. Stratford, CT. 06615.** Five (5) hard copies and one electronic copy. Faxed or emailed responses will not be accepted.
- C. Purpose:** The purpose of the RFP is to provide prospective firms with necessary information to enable them to submit proposals regarding a professional Health and Auxiliary Insurance Benefits Consultant. It is the intent of the RFP to identify the firm most likely to successfully represent the Town in its desire to minimize rate increases for all medical, pharmacy and dental benefits as well as the auxiliary insurances. The selected Health and Auxiliary Insurance Benefits Consultant shall identify the base cost of services as provided under the Scope of Services and identify the cost of various options/alternatives itemized separately. Fees for additional services should be clearly stated and if not listed, then the annual service fee will be the sole compensation.
- D. Proposals:** This RFP is interested in reviewing proposals for Health & Auxiliary Insurance Consulting services as follows:
- i.** The Town of Stratford

All proposals received in response to this RFP will be retained.
Submissions must:

- i. Constitute a complete response to this RFP, using the Proposal Form provided in this document.
- ii. Include five (5) copies and one electronic copy.
- iii. Submission Instructions:
 - a. Must be signed by an official authorized to bind the firm to its provisions.
 - b. The proposal shall remain valid for a period of at least ninety (90) days from the date of its submission, unless indicated otherwise.

Fax submissions are not permitted. Any response received after the prescribed due date regardless of the mode of delivery will be refused and returned unopened to the respondent. The Town is under no obligation to return submissions.

SCHEDULE

The following represents an estimate of the schedule that shall be followed. The Town reserves the right at its sole discretion to adjust this schedule as it deems necessary. Notification of adjustment will be provided to all vendors submitting a proposal by the deadline.

Release Date	12/15/17
Deadline for Written Questions	12/29/17
Responses to Questions	1/10/18
Deadline for submission of proposal	1/18/18 – 3:00 PM
Selection of finalist	1/31/18
Oral presentation week of	TBD

- E. Communications Concerning RFP:** All questions and responses relevant to the development of a proposal must be submitted in writing to:
Michael Bonnar, Purchasing Agent
E-mail: purchasing@townofstratford.com

Any questions determined to be of interest to all prospective firms will be answered in writing and provided to all firms by e-mail. No other communication with any employee or official of the Town is permitted.

- F. Term:** Based upon the outcome of this process, the Town will award a one-year contract with the option for two additional years at the sole discretion of the Town. The ultimate successful respondent will be expected to commence services on July 1, 2018.
- G. Conflict of Interest:** No public official or employee shall, while serving as such, have any financial interest or engage in any business, employment, transaction or professional activity or incur any obligation of any nature which is in substantial conflict with the proper discharge of his/her duties or employment in the public interest.

H. Reservations: The Town may consider informal any proposal not prepared and submitted to the Town in accordance with the provisions herein stated. The Town reserves the right to reject any or all proposals or parts of proposals; to waive defects in same proposals; or to accept any proposal of part thereof deemed to be in the best interest of the Town.

I. Additional Information:

- i. Revisions or addenda to the RFP:** In the event it becomes necessary to revise or supplement any part of the RFP, the revision or supplement will be provided via addendum. It is the responsibility of the proposer to check the town website for addenda before submitting their proposal.
- ii. Experience:** Firms with experience in Health and Auxiliary Insurance consulting services for public sector organizations are encouraged to apply. Firms must demonstrate their knowledge of School organizations as well as the mandates and laws that affect such organizations in Connecticut.
- iii. Incurring Costs:** The Town will not be liable for any costs incurred by a firm in the preparation or submission of a proposal or for any cost incurred in the finalist presentations.
- iv. Civil Rights Compliance:** Where applicable, firms must comply with the Civil Rights Act of 1964, the Equal Employment Act, and the Connecticut Fair Employment Practices Act.
- v. Acceptance of Proposal Content:** At the discretion of the Town, the contents of the successful proposal may become part of the contract entered into by the successful firm and the Town.

II. CONTENT OF PROPOSALS

A. Scope of Services: The selected Health and Welfare Benefits Consultant shall identify base cost of services as provided under the Scope of Services and identify the cost impacts of various options/alternatives itemized separately. The fees for all services listed in subsections **“i”** through **“vi”** below are considered core services and must be covered, without exception, in the Consultant’s quoted fixed fee. Any additional fees for services offered but not requested by the RFP, must be addressed in the Consultant’s proposal and must be clearly stated in detail on a separate cost proposal document. The selected Consultant must agree that all services performed for the Town shall be deemed to be core services and included in the core fee unless the Consultant notifies the Town prior to commencing such service that Consultant believes the service is an additional service and provides a proposed fee for said service. The contract award will be on a fee basis and no commission may be accepted by the consultant in the performance of their services on behalf of the Town.

i. General Consulting Services

Represent the Town in all aspects of its Health and Auxiliary Insurance Benefits Plan.

Provide ongoing stewardship and support to key members of management at the Town that is involved with the administration and management of the benefit plans.

Coordinate regular meetings at least quarterly to review utilization and other administrative aspects of the Town's Plans.

Ensure accurate follow through on all negotiated contractual arrangements made between the Town and any administrators or insurance carriers utilized by the Town.

Liaise with the Town's benefit vendors to promote and protect the Town's interests.

Attend various employee, committee, union negotiations and board meetings as necessary.

Monitor all Health and Auxiliary Insurance benefits related contracts for administrative and financial performance and continued compliance.

Maximize management information available through the carriers and work with the Town's staff to develop a timely and meaningful reporting program.

Cause the Town to be provided with accurate management reports and Consultant shall review and provide input on all information from all carriers on a continuing basis.

Provide HIPPA/ACA administration/compliance services (forms, audits, etc.).

Provide current information on managed care delivery systems, including HMO, HDHP/HSA, PPO, POS, PBM and other current systems.

Provide the Town with information on new health insurance programs, more cost-effective products and funding options, and future trends in employee benefits.

Intervene in and resolve claim issues related to all the of the Town's Health and Auxiliary Insurance benefit plans.

Intervene and resolve with providers, problems that may arise regarding claims, proper coverage, routine administration and day-to-day account service.

Assist in preparing employee communications as new programs are implemented.

ii. Renewal, Forecasting, Budget, and Financial Reporting Support

Monitor all financial aspects of the Town's Health & Auxiliary Insurance benefits program.

Review current plans experience, claims, and market trends, and negotiate all Health and Auxiliary Insurance benefit renewals on an annual basis.

For fully insured products, negotiate multi-year rate guarantees to the extent such guarantees benefit the Town and are allowed by law.

For self-insured products, prepare quarterly actual to budget comparisons and renewal forecasts assuming no benefit changes, and prepare additional renewal illustrations.

Provide ongoing analysis of plan designs, cost containment strategies, and cost sharing alternatives available to the Town while maintaining integrity of the collective bargaining agreements.

Periodically, but no less frequently than annually, review the health insurance plans' claims and fees and provide a benchmark analysis in comparison with industry norms.

Review and comment on the appropriateness of the third party administrator's actuarial assumptions under self-insured programs, if applicable.

Provide all actuarial services needed as they relate to the Group Health and other benefit plans, including providing rates for each group, setting claim reserves (IBNR), valuing plan and contribution changes, and setting funding and full COBRA administration services (to include at the minimum - rates, notifications, employee tracking, payment/non-payment, expiration date of benefits, etc.).

Monitor the ongoing performance of the pharmacy plan to protect the Town's interests, including an annual benchmarking of discounts, fees, rebates, and plan design.

Provide all necessary consulting and actuarial services related to Medicare Part D (RDS) and GASB 45. CMS/RDS reimbursement administration/assistance services (to include filing, processing and assistance, etc.). Alternative solutions to the Medicare reimbursement program.

iii. Labor Relations Support

Provide consulting advice that supports the Town's labor negotiations.

Serve in an advisory role for the Town during negotiations with collective bargaining units. This includes analyzing benefit proposals, providing counsel to negotiators, and testifying at negotiation, mediation, and arbitration sessions as needed.

Provide expert advice and/or testimony in disputes that may arise between the Town and their labor unions, as they pertain to benefit plans.

Develop strategies for presentation and implementation of any new benefit program to employee unions and other interested parties.

iv. Compliance Support

Provide consulting services to assure the Town's awareness of State and Federal regulations, statutes, and mandates related to Health and Auxiliary Insurance benefits.

Annually review all contracts and employee manuals for compliance with applicable regulations.

Inform the Town of changing legislation and legal decisions affecting employee benefits. Recommend and discuss methods to comply with these changes.

v. Cost Control Initiatives

Provide support in the design, monitoring, and evaluation of wellness programs.

Assist the Town in measuring the effectiveness of disease management programs.

Recommend changes to the disease management programs based on measured results supported by the Town's data.

Evaluate disease management and wellness vendors to determine if carving these services out will better serve the Town.

Evaluate the utilization of key health plan services and make plan design recommendations to address any services that fall outside of normative levels.

vi. RFP Support

Prepare complete RFPs, evaluate the responses, and make appropriate recommendations for both health and auxiliary insurances.

Should the Town elect to change carriers following the marketing process, Consultant would manage and review the SPD development ensuring that the selected vendor provides benefits that are equivalent to or better than those currently in effect.

Ensure accurate follow-through on all negotiated contractual arrangements made between the Town and its health insurance carrier(s) and other benefit vendors.

For a health insurance or PBM RFPs, provide a disruption analysis relative to the physician, pharmacy, and hospital providers in networks.

For a health insurance or PBM RFPs, evaluate the discounts offered by competing networks and project the financial impact.

Negotiate and enforce performance guarantees in all vendor contracts.

vii. Additional Services That May Be Requested

Provide data warehousing services. Such services should include capabilities for reporting on utilization, benchmarks, demographic composition and changes, cost and medical trend by type of service, health risk measurement, and clinical reporting used to support and monitor disease management and wellness initiatives.

Provide predictive modeling and related services. Such services should include projected changes in the overall health risk of the Town's population and the identification of potential and emerging large claims.

Provide audit services (statistically valid audits, focused audits, electronic audits).

Support Risk Management Plan.

Provide comparisons of like size municipal systems.

B. Other Requirements

Proposals should also include the following. Please provide responses to each of the following except for Sections **vi** and **ix** on a separate document. Clearly label each response using the letters below. Begin each response by repeating the question.

- i.** Statement as to the firm's particular abilities and qualifications related to this project.
- ii.** List of town and school districts in Connecticut and other states for which the firm has provided similar services in the last three years. Connecticut public schools or municipal references of comparable size are preferred. Please include the name and contact information including e-mail addresses. A minimum of five (5) references are required. One reference must be a former client.
- iii.** Resumes of key personnel who would be assigned to this account. Furthermore, the Town shall have direct access to all key personnel, including specialists such as attorneys and actuaries, with no additional fees provided such access is related to services covered under subsections "**i**" through "**vi**" in the Scope of Services set out Section A.
- iv.** Additional information or documentation that may be useful and applicable to this project.
- v.** Rates for any additional work the consultant recommends beyond the original scope of services contained in this RFP should be submitted as a formal proposal. The proposal should detail the requirements and the deliverables as well as a capped cost.
- vi.** Prior to contract, the selected firm will be required to show evidence of insurance coverage of a kind and in an amount satisfactory to the Town.
- vii.** Information concerning any suits filed, judgments entered or claims made against the firm during the last five years with respect to Health and Auxiliary Insurance Benefit Consulting by the firm or any declaration of default or termination for cause against the firm with respect to such services. In addition, state whether during the past five years the firm has been suspended from bidding or entering into any government contract. Provide all necessary details on any felony convictions of any officer or director of the firm. If information related to the above is discovered by the Town and not disclosed during the RFP process, vendor may be discharged immediately even after a contract has been awarded with no penalty to the Town.
- viii.** Vendor should provide their confidentiality policy.

- ix. Attached Appendix A, is the agreement the successful vendor will be requested to sign. Unless you red line items within this agreement you cannot agree to, you will be agreeing to all terms as written.
- x. Vendor must complete the following checklist, placing a check mark in front of each item that has been enclosed.

Required Submissions under Section B

- References provided, including multiple public sector references
- Firm annual rates provided for core services
- Bidder agrees to provide requested information regarding insurance if selected
- Information on suits or judgments provided
- Confidentiality policy submitted
- Bidder agrees to Appendix A (Contract for Professional Services) with no material modifications, including acceptance of Indemnification language with no modification
- Bidder is able to provide all legal and actuarial resources in house

III. SELECTION PROCESS

- A. **Review Process:** Finalist proposals will be reviewed by key members of the Town's management team. Interviews will be conducted and the finalist will be presented to the Town for approval.

The Town reserves the right to waive non-material deficiencies in any proposal. Proposals will be evaluated based on what is deemed in the best interests of the Town, including such factors as the bidder's experience and expertise in providing Insurance Advisory and Brokerage services for school districts, clarity and creativity of the proposal, recommendations from other similar entities for which the bidder has previously provided services, evidence of prior success in evaluating and implementing plan design and financing alternatives for clients in a collective bargaining environment, the lead persons to be assigned to the account and total cost. Cost will not be the sole factor in evaluating bids.

Selection of the preferred proposal does not provide any contract rights to that firm. Any such rights shall accrue only if and when the Town and firm execute a binding contract. The proposal submitted may, at the leisure of the Town, become an addendum to any contract entered into. The Town shall have full rights to negotiate with the successful firm in any manner necessary to best serve the interests of the Town. If the Town fails to reach an agreement with the successful bidder, the Town may commence negotiations with an alternative bidder or reject all bids and reinstitute the RFP process.

IV. EVALUATION CRITERIA

All qualification submissions shall be evaluated with emphasis placed on Submitter's ability to meet the Town's requirements, the responsiveness of the submission and the criteria specified below. Submissions will be evaluated through a weighted point system that will include, but will not be limited to, the areas outlined:

- Professional Qualifications of Submitter (up to 33%)
- Experience with similar projects of size and scope/ability to execute RSD18 requirements (up to 33%)
- Cost proposal (up to 34%)

The Town shall have the right to perform an on-site visit to Submitter's office.

Attachment A

**THE TOWN OF STRATFORD REQUEST FOR PROPOSALS
HEALTH AND AUXILIARY INSURANCE BENEFITS CONSULTANT**

The undersigned has read, understands, and agrees to meet or exceed the Scope of Work for a capped fee listed within and agrees to meet the requirements contained in this Request for Proposals. By signing below, all responses will be binding in any agreement entered in the future and the response may be considered an addendum to any future agreement. The undersigned submits this proposal in good faith and without collusion with any other person, individual or firm.

Name and Address of Firm:

Name, Title and Contact Information (phone, fax, email) of Authorized Representative:

Signature of Authorized Representative:

Title of Authorized Representative:

(Attach additional signature sheets as necessary)

APPENDIX A
FEE PROPOSAL

My proposal to provide Health and Auxiliary Insurance Benefits Consultant Services as described in the scope of services is, as follows:

Cost/Year One (July 1, 2018 – June 30, 2019): _____

Cost/Year Two (July 1, 2019 – June 30, 2020): _____

Cost/Year Three (July 1, 2020 – June 30, 2021): _____

The Town may elect to start the contract later than February, and in that case, the contract dates would run one year from the start of services.

SALES TAX SHOULD NOT BE INCLUDED IN PRICES.

THE TOWN RESERVES THE RIGHT, AT ITS SOLE DISCRETION, TO AWARD THE CONTRACT FOR YEAR ONE ONLY, AND EXTEND THE CONTRACT FOR ONE OR BOTH OF THE TWO OPTION YEARS

List below additional services and pricing:

Description of Service

Pricing

Use additional pages if needed and mark as Appendix- A

APPENDIX B

An Insurance Certificate shall be required to be filed with your proposal certifying coverage as described in this section.

Details of insurance requirements are listed in proposed service agreement.

Town of Stratford Coverage Counts as of 07/01/2017

Total Active Employees in Anthem Medical (Including Dependents) =	1051
Total Retirees in Anthem under 65 Medical (Including Dependents) =	317
Total Retirees in Anthem Medicare Supplemental (Including Dependents) =	342
Total Active Employees in CIGNA Dental =	10
Total Active Employees in Anthem Dental (Including Dependents - Estimated) =	1050
Total Number of Full Time Employees =	440