

REQUEST FOR PROPOSALS

CITY OF WARRENSBURG
102 SOUTH HOLDEN STREET
WARRENSBURG, MISSOURI 64093

PROPOSAL CLOSING: April 8, 2016
DATE OF PROPOSAL: March 17, 2016
CONTACT PERSON: Harold Stewart, City Manager
PHONE NUMBER: 660-262-4603
PROPOSAL HEADING: BROKERAGE SERVICES FOR INSURANCE BENEFITS

By order of the City Manager of the City of Warrensburg, Missouri, sealed proposals will be received in the Office of the City Clerk, Municipal Building, 102 South Holden Street, Warrensburg, Missouri 64093, for the BROKERAGE SERVICES FOR INSURANCE BENEFITS until 5:00pm., local time, April 8, 2016. Only proposals marked BROKERAGE SERVICES FOR INSURANCE BENEFITS will be considered. Proposals will also be accepted electronically by emailing them to the Office of the City Clerk at cindy@warrensburg-mo.com. No late, incomplete, or fax submissions shall be accepted. Failure to follow these procedures will result in the disqualification of the broker from the RFP process. Proposals received late will be rejected and returned unopened.

BACKGROUND INFORMATION:

It is the City of Warrensburg's intent to seek bids for coverage equal to or exceeding the existing current employee benefits. The City of Warrensburg currently employs approximately 120 benefit eligible employees. Employees eligible for benefit coverage are those employees who work an average of 30 or more hours per week in permanent positions. All full time staff members are eligible for group benefits the first of the month following the date of hire. The City's Department of Human Resources strives to provide employee benefit programs that meet the needs of employees, their dependents and the City, and to assist participants in utilizing their plans effectively. The City currently provides and pays 100% of the premiums for the employee's group medical (includes prescription coverage), employee and family dental, \$30,000 life, \$30,000 AD&D and an employee assistance program (EAP). Short-term and long-term disability, cancer, hospital indemnity, accident, vision, and critical illness plans, Section 125 Cafeteria Plans, are voluntary benefits available to the employee and their families at the negotiated premium cost. These current offerings are fully insured plans. We are looking to review various employee benefit options to contain costs and ensure sustainability of providing an employee benefits package designed to attract and retain high-performing employees. Options under consideration could include fully insured plans, partially self-funded plans as well as exchange plan options.

PROJECT DESCRIPTION:

The City requests proposals from qualified licensed brokers to provide consulting and insurance brokerage services. The City seeks a broker that is well versed in the benefits market, has experience 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).

SELECTION AND CRITERIA FOR EVALUATION:

Selection of an insurance broker will be made at the discretion of the City of Warrensburg, which reserves the right to accept or reject any and all proposals. All submissions or parts thereof become property of the City of Warrensburg.

The following items will be considered in making a selection of the broker, though they may not be equally weighed in the review process:

1. Capacity & Capability
2. The merits of the Proposal including scope of work and approach for addressing the tasks
3. Timeline and proposed schedule.
4. Experience, Competence and Insurance Expertise.
5. Customer Relations, Responsiveness, and Timeliness.
6. Familiarity with Public Entity Employee Benefit Programs.
7. Knowledge and Familiarity with the Affordable Health Care Act.

The City of Warrensburg will review the Proposals and then select a broker to develop a final scope of work and negotiate a fee. If an agreeable fee is not reached with the first, the City may then repeat the process with the second rated broker until an agreement is reached.

The contract period will be for twelve (12) months. At the end of twelve (12) months, the City has the option to renew for an additional twelve (12) months.

CITY OF WARRENSBURG, MISSOURI
BROKERAGE SERVICES FOR INSURANCE BENEFITS
INSTRUCTIONS

In addition to the requirements set forth in the specifications, anyone submitting proposals shall be responsible for familiarizing themselves and complying with the following instructions.

1. Proposals will be accepted at the Office of the City Clerk until 5:00pm., local time, April 8, 2016.
2. Proposals must be submitted in a sealed envelope clearly marked BROKER SERVICES FOR INSURANCE BENEFITS - DO NOT OPEN" to be considered. Proposals submitted without proper identification and/or not on the proposal form will be rejected.
3. Proposals may be submitted electronically. Please e-mail them to the Office of the City Clerk at cindy@warrensburg-mo.com.
4. Proposals may be withdrawn at any time prior to 5:00pm., local time, April 8, 2016, by written request from a person authorized to represent the proposer.
5. Proposers shall not be permitted to use to their advantage any omission or error in the specifications, requirements or contract documents, and the City reserves the right to issue new instructions as if originally specified.
6. Proposers shall read thoroughly and understand the requirements in relation to the proposal which is submitted.
7. The right to reject any and/or all proposals, to accept or reject all or any part of a proposal, and to waive any technicalities in the bid proposal or accept the one that, in the sole judgment of the City, will be in the best interest and/or most advantageous to the City, is hereby expressly reserved by the City.
8. If the proposer is a resident of Warrensburg, or owns property within Warrensburg, the proposer must be current on all taxes and utility bills owed to the City and have no outstanding permit fees.
9. In case of default by the proposer, the City shall procure comparable services and hold the proposer responsible for any excess cost occasioned thereby.
10. Failure to comply with any of the above instructions and general conditions of proposing may disqualify the proposer at the discretion of the City Manager.
11. All Requests for Information and/or Interpretation (RFIs) related to this Request for Proposals must be received no later than the close of business on March 21, 2016. Such RFIs shall be made to Harold Stewart City Manager, by e-mail at Harold.Stewart@warrensburg-mo.com or facsimile at (660) 747-8927. If required, an addendum will be published and sent to all parties in receipt of this Request for Proposal addressing all RFIs no later than the close of business on March 28, 2014.
12. Proposers shall submit one (1) original and five (5) copies of their proposal. Each proposal shall contain at a minimum the following:

- A. Name and address of brokerage firm.
 - B. Key staff assigned to the project and their professional qualifications.
 - C. Description and understanding of the objectives.
 - E. Detailed proposal of the scope of work defining and outlining the services to be provided by the brokerage firm or consultant.
 - D. Project schedule.
 - F. A detailed list of deliverables to be given to the City at the conclusion of the project.
 - G. Services or resources to be supplied by the City and any assumption made in regards to the City's capabilities.
 - H. An Affidavit of Compliance with the federal work authorization program and a copy of the proposer's E-Verify Memorandum of Understanding (15 CSR §60-15.020).
13. The Proposer whose Proposal is selected for the Project will be required to enter into an agreement with the City of Warrensburg in the form attached hereto which is in compliance with the City of Warrensburg's now existing standards for contracts with consultants.
14. All proposals will constitute an irrevocable offer to perform services as proposed for a period of 90 days, and may be accepted by the City any time within 90 days from opening of proposals.

CITY OF WARRENSBURG, MISSOURI
BROKERAGE SERVICES FOR INSURANCE BENEFITS
SCOPE OF WORK

The City of Warrensburg is seeking to name a Broker of Record for their 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.

Availability of Local Resources

The services of the Human Resources Manager will be available to the selected brokerage firm. The Human Resources Manager will serve as the local liaison and Project Manager.

Deliverables

- A. Attendance and presentation at 1 task force meeting and 1-2 City Council meetings.
- B. 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. Assist the City in monitoring and analyzing experience trends and providing timely alerts on changing patterns and appropriate recommendations.
 - 4. 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.
 - 5. Provide COBRA administration.
 - 6. Provide Section 125 Cafeteria Plan administration.
 - 7. Provide financial and/or performance reviews of self-funded or fully insured plans and programs.
 - 8. Be available to provide various types of reports as needed, such as cost analysis for benefit changes, and other statistical, financial, forecasting, trend, or experience reports.
 - 9. Prepare and present reports on trends, new products and audits, as requested.
 - 10. Regularly monitor and evaluate performance measures and guarantees for providers.

C. 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, including, but not limited to, explanation of plans, and assisting employees with selecting plans that meet their needs.
3. Provide timely customer service and assistance to staff, employees with issues involving provider billing, claims, vendor service issues/problems, advocacy for services, disputes, interpretation of contracts and services, changes and general troubleshooting.
4. Act as an advocate or ombudsman in appeal, arbitration or court process between the City and the providers on unresolved issues if needed; provide advice when needed to enforce city, employee, or their dependents rights.
5. Assist the City in proactive mitigation of negative impacts or disruption of services to employees from benefit and/or provider network changes.

D. Compliance

1. Assist with ongoing plan administration and ensure that programs are in compliance with Local, 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 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.

E. Annual Renewal Process and Evaluation

1. Represent the City in all negotiations with providers 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.
2. Establish a strategy for benefits, both annually and three to five years in the future. Consider trends, prospective legislations, new delivery systems and geographic health-care practices to make long-term projections.
3. Review and timely cost-saving recommendations regarding the modification of plan design, benefit levels, premiums, communications and quality of current employee benefit plans.

4. 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.
5. Provide annual (May) estimates of renewal rates and cost trends to assist City staff in preparation of budget figures.
6. Conduct thorough and applicable market research in preparation for contract renewals.
7. Timely 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. Timely 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 the annual Open Enrollment meetings.

F. Other Service Requirements

1. Assist in the development and implementation of an employee wellness program to improve employee health and reduce employee healthcare costs, both in the short-term and in the long-term.
2. Provide a pharmacy prescription program that maximizes the use of discounts for both generic and brand named drugs. In addition to prescription plans that maximize pharmacy options, an option for mail order for convenience and additional savings will receive preference. Provides specific and clear instructions on the use of the prescription program in addition to prescriptions and equipment covered and not covered and any resulting deductibles. The pharmacy prescription program shall also include specific coverage from pharmacies outside of the local service area.
3. 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, and employee orientation materials.
4. Develop and/or assist in developing and evaluating employee needs and satisfaction surveys.
5. Review and evaluate current administrative processes related to enrollment and billing. Recommend and assist with implementation of administrative process enhancements.

CITY OF WARRENSBURG, MISSOURI
BROKERAGE SERVICES FOR INSURANCE BENEFITS
PROPOSER'S MINIMUM QUALIFICATIONS

A. Qualifications of the Firm

1. The proposer shall have at least 5 years consecutive years of experience providing brokerage and benefits consulting services to public entities. The firm shall have provided such services to jurisdictions whose service populations are similar in size and complexity to Warrensburg.
2. The proposer must be legally authorized to do business in the State of Missouri 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.
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 Missouri.
6. The proposer's office must provide assurance of reasonable staffing continuity over the contract period.

B. Qualifications of the Staff

1. The staff member assigned to the City's account shall have:
 - a. 5 years of benefit administration and client management experience and provide credentials documenting professional experience, employment history and education.

CITY OF WARRENSBURG, MISSOURI
BROKERAGE SERVICES FOR INSURANCE BENEFITS
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 typed and be as brief as possible and not include any unnecessary promotional materials. Proposers shall submit one (1) original and five (5) copies of their proposal.

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 B) 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 Warrensburg 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. Additionally, this section shall include a listing of any lawsuit or litigation and the result of that action resulting from: (a) any project undertaken by the proposer or by its subcontractors or affiliates where litigation is still pending or has occurred within the last ten (10) years; or (b) any type of project where claims or settlements were paid by the proposer or its insurers within the last ten (10) years.

3. Qualifications of the Firm: This section shall include a brief description of the proposer's and any sub consultant's qualifications and summary of previous experience on similar or related projects. Provide a firm and an account team client list from the past five (5) years, including any and all public entity client accounts, and a description of pertinent insurance programs negotiated for those entities; the number of covered employees for each client; the time period services have been provided to each account; the total project cost; and a brief statement of the firm's adherence to the schedule and budget for each project. Include as account contacts individuals who may be contacted by the City for references (use Attachment C format). Be sure to list contact name, organization, title, e-mail address and telephone number for each account.

4. Project Staffing: The proposer is required to list the key individuals who will be assigned to the account, their qualifications and disciplines. The proposer will notify the City of Warrensburg if there are any changes to the staff assigned to the account. Upon changes to the staff assigned to the account, it must be mutually agreeable between the broker and the City. The proposer's staff member who will be handling the City's account will be an important factor considered by the Task Force. This section shall discuss how the proposer would propose to staff this project. The proposer shall include the following:

a. Identify the names and office locations of the Account Manager and key personnel who will be assigned to the City's account. Describe their areas of responsibility and their education, experience and professional qualifications in those areas with emphasis on public sector organizations.

b. List the experience and education requirements and standards for Account Manager.

c. Provide a complete description of the organizational structure of the company and the method by which work is accomplished. Include an organizational work flow chart with description of duties of the proposed account team members, as well as the size or total number of accounts or clients each individual handles.

5. 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, Section 125 Cafeteria Plans 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.

6. Client Communication: Describe the following:

a. Proposal to maintain open and prompt communication with employees, and City staff seeking assistance from the selected broker or consultant.

b. Proposal to maintain open and prompt communication with all City staff involved in benefit issues.

7. 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.

9. Other: Proposals shall also include:

- a. Descriptions of any affiliations or business relationships with any employee, officer, contractor or official of the City.
- b. The selected broker's office hours (all locations) and availability of all staff members assigned to the City's account, including a list of dates the office is closed and/or staff is unavailable due to holidays, vacations and other reasons.
- c. Details of any changes in ownership that have occurred in the last three (3) years. Details of any anticipated mergers, transfers of organization or ownership, management or departure of key staff members within the next twelve (12) months.
- d. Identify and describe any parent or affiliated companies and/or joint ventures. Please discuss any potential conflict of interest with consulting/management that may occur as a result of your firm's relationship with such affiliates and/or joint ventures.

CITY OF WARRENSBURG, MISSOURI
BROKERAGE SERVICES FOR INSURANCE BENEFITS
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

CITY OF WARRENSBURG, MISSOURI
BROKERAGE SERVICES FOR INSURANCE BENEFITS
ATTACHMENT B
QUESTIONNAIRE

Please submit answers to ALL questions.

1. What is your client to consultant ratio?
2. Does your firm have any conflict of interest policy? If so, please provide a copy.
3. What are three to four key things we should look for when hiring a broker?
8. What is your firm's policy/standard for returning:
 - a. Phone calls?
 - b. E-mails or written questions?
5. If you are the successful new broker, outline your transition plan with dates, tasks and responsible parties.
6. How many days of advance notice would your company require in order to attend ad-hoc (subcommittee) meetings?
7. How do you track and communicate legislative updates to your clients?
8. How do you track and communicate industry trends to your clients?
9. 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.
10. Provide an example that demonstrates your firm's ability to be proactive in finding opportunities to enhance benefits and services.
11. Should your firm engage the service of a sub consultant for the City's account, provide the firm's name/names, relevant experience and contact information for the persons who would be the primary and secondary contacts for this engagement, and copies of their biographies/resumes.
12. Would the sub consultant's primary and secondary contacts for this engagement make decisions on behalf of your firm?
13. Tell us how you monitor and report on provider performance.
14. Please provide a description of the services you can provide for COBRA administration, if any, and/or assistance with determining if outsourcing is the best option and the corresponding cost for these services.
15. Please provide a description of the services you can provide for Section 125 Cafeteria Plan administration, if any, and/or assistance with determining if outsourcing is the best

option and the corresponding cost for these services.

16. Do you have access to a benefits attorney who could render opinions to the City? If so, please provide the cost for this service.

17. For benefits plans (such as Life, Short-/Long-Term Disability and Accidental Death and Dismemberment Insurance) that require completion of claim forms to obtain benefits, what services does your firm provide for assisting eligible participants in filing for and obtaining plan benefits? Please provide the cost for this service.

18. What services 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).

19. What service does your firm provide for developing a Wellness Program? Please provide the cost for this service.

20. 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.

CITY OF WARRENSBURG, MISSOURI
BROKERAGE SERVICES FOR INSURANCE BENEFITS
ATTACHMENT C
CLIENT REFERENCES

Instructions: Provide at least three current and two past clients. At least two of these clients should be 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):
