

REQUEST FOR PROPOSAL



CITY OF TULLAHOMA

Employee Benefits Brokerage & Consulting Services

Return Proposal To:

City of Tullahoma

Attn: Frances Samples, Purchasing Officer

201 W. Grundy Street, P.O. Box 807

Tullahoma, TN 37388

City of Tullahoma, Tennessee

Request for Proposal for Employee Benefits Brokerage & Consulting Services

I. INVITATION

The City of Tullahoma is seeking proposals for contracted Employment Benefit Brokerage/Consultant Services. The city seeks the services of a professional, highly qualified benefits brokerage and consulting firm to provide a full range of services related to the design, implementation, analysis, maintenance, improvement and communication of our employee insurance benefits program. Employee Benefits to include medical, dental, vision, life, AD&D, short & long term disability and supplemental insurance coverage along with EAP services.

Interested and qualified brokers/consultants who have demonstrated their ability at comparable municipalities are invited to submit proposals. All questions or requests for information should be submitted to Frances Samples, Purchasing Officer via email at purchasing@tullahomatan.gov.

Proposals will be accepted until **3:00 pm (CST) on Friday, January 9, 2015**. Submittals relative to this Request for Proposal should be addressed to:

**City of Tullahoma
Attn: Frances Samples, Purchasing Officer
201 W. Grundy Street, P.O. Box 807
Tullahoma, TN 37388
931-455-2648**

Sealed written responses and any supporting materials must be submitted in one original plus (3) copies. Late proposals received will be so noted in the bid file and the proposal will be returned unopened. Faxed or emailed proposals will not be accepted. **Please note that the City of Tullahoma is not requesting, nor authorizing, your solicitation of quotes from insurance carriers at this time.**

II. BACKGROUND FOR THE CITY OF TULLAHOMA

The City of Tullahoma operates under a Board of Mayor and Aldermen; City Administrator form of government. The City has approximately 215 employees. (145 Full-time/70 Part-time) The City offers the following benefits options to active benefit-eligible employees and eligible retirees. The following plans all renew with an effective date of July 1, 2015:

<u>Medical, Dental & Vision Coverage:</u>	Blue Cross Blue Shield (fully insured)
<u>Life & Long Term Disability Coverage:</u>	Mutual of Omaha
<u>Short Term Disability Coverage:</u>	USABLE Life
<u>Supplemental Benefits Coverage:</u>	AFLAC
<u>Employee Assistance Program (EAP):</u>	Mutual of Omaha (supplement to disability coverage)

III. SCOPE OF SERVICES

The City of Tullahoma is seeking a Broker/Consultant to perform the full range of services related to the design, implementation, maintenance, communication, and improvement of the City of Tullahoma employee benefits program.

Specific responsibilities may include, but are not limited to:

1. Assisting the City of Tullahoma in administering all group insurance plans, responding to questions from and providing information to staff and other employees and providing other consulting services during the course of the plan year.
2. Researching and advising the City of Tullahoma of any new developments in the law and regulations affecting employee benefit programs on an ongoing basis.
3. Reviewing claims experience and claim administration to ensure maximum benefit to the law and regulations affecting employee benefit programs on an ongoing basis.
4. Reviewing coverage documents and invoices to assure coverage has been correctly issued and billed.
5. Determining and recommending the most economical and feasible funding methods for benefits programs in an effort to contain cost and maximize benefit effectiveness.
6. Representing the City of Tullahoma in negotiations with providers on issues including those related to premiums, benefit levels, plan design, and special terms and conditions.
7. Meeting with and providing reports to Human Resources. Responding expeditiously to questions, requests and inquiries.
8. Assisting the City of Tullahoma with the initial and ongoing implementation and communication of benefits programs or changes; which include attending and presenting information at Open Enrollment meetings, as applicable and/or needed.
9. As requested by the City of Tullahoma, preparing bid specifications and soliciting proposals from insurance markets which specialize in group insurance plans as needed. Evaluating bids and bidders, including administration, claim payment procedures, customer service ratings and identifying the most cost-beneficial package from various bidders.
10. Providing Cobra/HIPAA Administration as well as assisting with audits, 5500's forms and applicable questions for the City of Tullahoma.
11. Providing consulting and technical support and working toward Online Benefits Open Enrollment implementation and continuous on-line services for participants.
12. Interfacing with insurance carriers as needed to assist employees of the City of Tullahoma in the resolution of problems.

IV. SCHEDULE FOR THE RFP

	<u>Estimated Completion Date</u>
• RFP Distributed	December 12, 2014
• RFP Responses Due	January 9, 2015
• Tentative RFP Committee Review	January 14, 2015
• Tentative Bidder Interviews	TBD
• Board of Mayor & Aldermen Meeting Formal Selection Process of Broker/Consultant	Monday, January 26, 2015
• Tentative Broker/Consultant Effective Date	February 9, 2015

V. SELECTION PROCESS

Selection of a broker/consultant will be made from all respondents, with implementation of services to follow. However, this RFP does not indicate a commitment to the City to award a contract to any respondent. The City intends to evaluate the proposed services based upon the information presented in response to the RFP. The candidates will then be reviewed based on qualifications, past experience, references, familiarity with services and pricing and then rated according to which company best meets the City's requirements.

The firm(s) whose proposals most closely meet the requirements of the City of Tullahoma may be required to attend an interview with City of Tullahoma Administration staff.

Nothing herein is intended to exclude any responsible vendor, product or service or in any way restrain or restrict competition. All responsible vendors are encouraged to submit proposal information accordingly as described in this document.

The Tennessee Public Records Act (T.C.A. 10-7-705 (d)) is legislation giving the fullest possible public access to public records. Anyone proposing would need to consult with their attorney regarding confidential submissions and independently seek injunctions to prohibit public disclosure as may be necessary.

By submitting a response to this RFP the vendor commits to be familiar with and agrees to observe and comply with all federal, state and local laws, statutes, ordinances and regulations.

The Board of Mayor and Aldermen will make the final determination of award and the Board's decision will be final.

VI. KEY CONSIDERATIONS & EVALUATION CRITERIA

The RFP responses will be evaluated based upon the following:

- Perceived ability of the Broker/Consultant to negotiate a benefits program that meets the needs of the City of Tullahoma.
- Broker/Consultant's demonstrated expertise in negotiating benefit plans on behalf of current clients.
- Broker/Consultant's knowledge and/or technical support related to the implementation of an Online Benefits Open enrollment process.
- Broker/Consultant and other assigned staff's availability and accessibility, also availability to attend multiple insurance meetings during the year.
- The experience, professional credentials and references of those persons servicing the account.
- Broker/Consultant's conceptual approach and ideas related to service, as well as account management.
- Broker/Consultant's ability to provide proactive support to the City of Tullahoma Human Resources Department, to include; dissemination of current general and legal updates as well as time sensitive insurance carrier information.
- Broker/Consultant's ability to provide service for any of the following type of plan choices: Self Funded (w/Stop Loss Carriers) and Fully Insured plans.

VII. BROKER/CONSULTANT QUALIFICATIONS

To assist in the evaluation of potential Brokers/Consultants, please provide the following information:

1. Firm name, address and contact information.
2. Telephone, Facsimile and Internet address.
3. Type of firm; individual, partnership corporation or subsidiary.
4. Organizational structure of the firm; history, including number of years in existence.
5. Describe the ability of your firm to provide service to the City of Tullahoma.
6. Names and titles of all principals/officers of the firm (name, title, phone numbers).
7. List applicable certifications and licenses; include a copy of Errors and Omissions Insurance Certificate.

8. The number of years your firm has provided insured employee benefits services.
9. Provide the names of at least three employers for whom your firm has provided similar services within the past three years. List the number of employees for each. Please include the contact person and phone number of each organization.
10. Describe the responsibility, experience and qualifications of comprised account service team members.
11. Describe your firm's resources or methods to provide education on legal or regulatory changes, trends or hot topics.

VIII. FEE INFORMATION

Describe your method of compensation for your services. If you are compensated on a fee basis, please provide your fee structure. If you are compensated on a commission basis, provide detail of compensation, including percentage of commission. If compensated on a commission basis will your firm also receive additional "overrides", "incentives" and/or "bonuses" from any carrier or other provider?

IX. GENERAL INFORMATION

All proposals and related materials become the property of the City of Tullahoma and may be returned only at the city's option and discretion.

The City of Tullahoma is not obligated to accept any proposal or to negotiate with any respondent. All transactions are subject to the final approval of the City of Tullahoma who reserves the right to reject any or all proposals without cause or liability. The City of Tullahoma agrees to, warrants and assures that no person shall be excluded from participating in the bidding process on the grounds of handicap, age, race, color, religion, sex or national origin.

No proposal shall be altered, amended or withdrawn after the opening date and receipt of proposals. Negligence on the part of the bidder in preparing the proposal confers no right for withdrawal of the bid after it has been opened. All costs directly or indirectly related to RFP preparation and response (including all costs incurred with supplementary documentation, information or presentation) is the sole responsibility of the proposer/bidder.

The selected Broker/Consultant will be designated as the Broker of Record for the insured employee benefit plans sponsored by the City of Tullahoma.

The selected Broker/Consultant will be required to execute an agreement between the Agent and the City of Tullahoma which will incorporate the responsibilities of the agent as described above, the ongoing requirements for insurance coverage. The duration of the contract is anticipated to be for four

years with (1) year extensions, if agreed upon by both parties. However, the City of Tullahoma reserves the right to terminate the contract at any time with thirty (30) days notice.

The selected Broker/Consultant shall purchase and maintain in force, at his/her own expense such insurance as will protect him/her and the City from claims which may arise out of or result from the Broker's/Consultant's execution of the work, whether such execution be by him/herself, employees, agents, subcontractors or by anyone for whose acts any of them may be liable. The insurance coverage shall be such to protect the Owner, the City and the general public from any and all claims for injury and damage resulting by any actions on the part of the contractor or his forces as enumerated above.

The Broker/Consultant shall furnish a copy of an original Certificate of Insurance if requested, naming the City of Tullahoma as an additional insured. The Broker/Consultant must maintain general liability coverage, errors and omission coverage in an amount not less than \$ 1,000,000.00. Should any of the policies be cancelled before the expiration date, the issuing company will mail 30 days written notice to the certificate holder.

X. PROCESS FOR RFP INQUIRIES

All questions or requests for information should be submitted to Frances Samples, Purchasing Officer via email at purchasing@tullahomatn.gov. It is a provision of this RFP that any oral communication is not binding on the City's proposal process or award of the contract.

XI. TITLE VI

It is the policy of the City of Tullahoma to ensure compliance with Title VI of the Civil Rights Act of 1964:49 CFR. Part 21; related statues and regulations to that end that no person shall be excluded from participation in or be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance or any other funding source on the grounds of race, color, sex, national origin or ancestry. By virtue of submitting a response to this solicitation, bidders agree to comply with the same non-discrimination policy.