

CITY OF MOUNT VERNON

Request for Proposal

For:

Medical Insurance Brokerage Services



City of Mount Vernon
Human Resources

P.O. Box 809
Mount Vernon, Washington 98273

The City of Mount Vernon is initiating a Request for Proposal (RFP) from qualified firms for medical insurance brokerage services. This RFP is only open to those qualified firms who satisfy the requirements stated herein and who are licensed and available to do business in the State of Washington. The successful firm will assist the City of Mount Vernon and its various enterprises in obtaining competitive bids and providing insurance brokerage services for all lines of insurance coverage.

I. Scope of Services

This is a request for Insurance Brokerage Services only. This request does not give the right or responsibility to any of the proposers to approach any insurance market on our behalf. Once the decision is made on which broker we will hire, then and only then will the insurance market be approached. Contacting any insurance markets before the award of this bid will be grounds for immediate disqualification. See Appendix A for Scope of Work.

II. Critical Timelines

Proposal Due Date: December 19th, 2008

Clarifying Questions: Date: **December 12th, 2008**

Questions must be submitted via **email** at the address shown in Item V.

These questions must be asked to clarify the RFP, and not to introduce new items of measurement.

Contract Award: Date: **January 30th, 2008**

All proposers who submit responses by the deadline above will be notified of their status by February 6th, 2009. Do not contact any member of the City of Mount Vernon prior to that date in order to gain information on the award process.

III. Confidentiality

By submitting a proposal, each firm agrees that the materials presented to the City of Mount Vernon will become the sole property of the City of Mount Vernon, and specifically agrees that the materials may be shared with any other party deemed appropriate by the City of Mount Vernon, at its sole discretion.

IV. Non-Collusion Statement

It is the intent of the City of Mount Vernon to evaluate each proposal on the merits of the written document. It is imperative that no proposer attempt to influence, persuade or collude with any member of the City of Mount Vernon in order to attain a more favorable position in the bid process. Knowledge of this activity may be grounds for disqualification.

If necessary, the City of Mount Vernon may call one or more of the proposers for a face to face interview. This will be done at the sole discretion of the City of Mount Vernon, and will be for the purpose of clarifying the responses.

V. Sole Contact

Ms. Kandy Bartlett, Human Resources Director
360-336-0636
kandyb@mountvernonwa.gov

VI. Proposal Content

All proposals must be prepared with brevity and clarity. Your response should not be greater than 25 pages total in length. In order to be considered a full response, each response packet must contain the following items:

⇒ 4 bound copies and 1 unbound copy of your response.

Under no circumstances shall the City of Mount Vernon be responsible for the costs of preparing any of the firm's responses.

VII. Contract Term

This contract will become effective ninety days upon contract award, and will remain in effect for 1 year, terminating on April 1st, 2010.

VIII. Brokerage Fees / Commission

The proposals shall include the Proposer's true estimated cost to perform the work irrespective of the City's budgeted funds for this work. The Proposer shall estimate the full compensation, called "fees" in this proposal, for all services rendered.

IX. Background Information of the City of Mount Vernon

The City of Mount Vernon is self insured for medical, dental, and vision coverage. The City has stop loss issued by Starline Group. There are currently 205 full time employees and 23 LEOFF I retired employees on the plan. The Police, Fire and retired LEOFF employees make up 61% the enrollment. The City has six unions. The City uses Trusteed Plans as the third party administrator.

X. Evaluation Questions

- a. Describe the history and ownership of your firm. If you are a branch office of a National firm, please design the majority of your response describing your local office, and its structure.
- b. Please provide a copy of the license for: a) The Company; and, b) Any team member who will be working on our account. Please explain how long each member has worked with governmental entities and at what level.

- c. Please provide a bio of each team member, their responsibilities and why this team is best suited to manage our plan. This bio should include years of experience, qualifications and states the individual is licensed in, etc.
- d. Provide names, titles and brief background information on each employee that would be assigned to the City of Mount Vernon account. Specifically comment on the physical location of each team member's office where they work full time.
- e. Financial Strength: Please explain your firm's financial strength and financial backing. How long have you been in business?
- f. How much is spent each year to continue to build infrastructure?
- g. What are your operational strengths?
- h. What sets you apart from the competition and what is this benefit to us as a City?
- i. Provide a list of insurance markets currently represented by your firm noting those that currently work with other City Governments.
- j. What legal proceedings are pending or have been settled and why?
- k. What lawsuits have been filed within the last 5 years that have been settled in favor of the plaintiff and why?
- l. Please provide your Errors and Omissions Certificate.
- m. Explain the process you will employ to evaluate the insurance needs and objectives of the City of Mount Vernon, and how those needs fit best with specific insurance carriers in the marketplace.
- n. Describe in detail your firm's level of expertise in the following areas:
 - ⇒ Self Funded Employee Benefit Programs
 - ⇒ City Governments
 - ⇒ Compliance
- o. Detail your firm's experience in providing brokerage services that are self-insured for the Medical, Dental, Vision, and Prescription Benefit Plan.

Appendix A

Scope of Work:

City of Mount Vernon is seeking a broker to perform the full range of services related to the design, implementation, maintenance, communication, and improvement of our insurance programs. Specific responsibilities include, but are not limited to:

- I. Assist City of Mount Vernon, with administering all self funded and group insurance plans, responding to questions from and providing information to staff, and providing other consulting services during the course of the plan year.
- II. Provide City of Mount Vernon, with compliance and regulatory support to include the annual Financial Report for DOGA.
- III. Reviewing claims experience, claim service, and claim administration to ensure maximum benefit to City of Mount Vernon.
- IV. Analyze factors driving City of Mount Vernon's plan costs and recommend opportunities to better manage cost, access and quality. Determining and recommending the most economical funding methods for the benefit programs.
- V. Conduct strategic planning sessions to review current performance of Client's current employee benefits coverage and establish future objectives and strategies to manage Client's employee benefit coverages to which this agreement applies.
- VI. Represent City of Mount Vernon in all negotiations with Carriers on all issues including those related to premiums, benefit levels, plan design, and special terms and conditions.
- VII. Meet with and provide reports to various City of Mount Vernon representatives including the Mayor, Council members, Unions, Benefit's Committee and City employees each month until the plan parameters and going forward objectives are met and then quarterly or as needed to continue discussing strategy and open items.
- VIII. Assist City of Mount Vernon with the implementation and communication of new programs or changes to existing programs, which will include attending and presenting information at Open Enrollment meetings.
- IX. Research and advise City of Mount Vernon of any new developments in the law and employee benefit programs on an ongoing basis.
- X. As requested by the City of Mount Vernon prepare bid specifications and soliciting proposals for insurance markets which specialize in group insurance plans or self funded programs as needed. Evaluate bids and bidders, including administration, claim payment procedures, customer service, network, reserve establishment policies, financial soundness, and identifying the most cost-beneficial package from amount the various bidders.
- XI. Interface with insurance carriers as needed to assist City of Mount Vernon in the resolution of problems associated with the benefit programs.
- XII. Provide market data and recommendations for implementation of benefits and programs as requested.

- XIII. Attendance at various meetings as requested.
- XIV. Establish comprehensive claims reports for identified coverages medical and pharmacy detailing paid claims (and reimbursements if applicable), premium/funding and enrollment summaries.