

OTSEGO COUNTY, MICHIGAN

REQUEST FOR QUALIFICATIONS (RFQ) 2009-12

FOR

OTSEGO COUNTY THIRD PARTY GROUP BENEFIT SERVICES

ISSUE DATE: WEDNESDAY, JUNE 17, 2009

ISSUED BY: OTSEGO COUNTY
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GAYLORD, MI 49735

INQUIRIES: TRISHA ADAM, SPHR
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PROPOSALS DUE: FRIDAY, JULY 10, 2009 AT NOON

TABLE OF CONTENTS

1. INTRODUCTION.....3

2. SCOPE OF SERVICES.....3

3. INSTRUCTIONS TO PROPOSERS5

4. RIGHT OF REFUSAL.....5

5. REQUIRED CONTENTS OF PROPOSAL6

6. PROPOSAL REVIEW.....5

7. SCHEDULE DATES.....5

8. EVALUATIONS.....5

9. AGREEMENT.....5

10. ASSIGNMENT5

11. ADDENDA TO THE RFP6

12. NONDISCRIMINATION CLAUSE.....6

13. INSURANCE REQUIREMENTS.....6

1. INTRODUCTION

Otsego County is requesting qualifications from licensed and qualified Employee Benefits Administrators to provide a written proposal for third party group benefit administration and consulting services to Otsego County. This Request for Qualifications (RFQ) states the overall scope of products and services desired, as well as desired vendor qualifications. The selected company will be designated as Otsego County's third party benefits administrator, effective thirty (30) days after selection by the Board of Commissioners with the exception of COBRA administration that will be effective on 1/1/2010.

Otsego County General Healthcare Benefits Information

The County provides health benefits to its employees which include medical, prescription, dental, vision, life, accidental death and dismemberment, short term disability, and long term disability. A cafeteria plan (Section 125) is offered for employee paid pre-tax healthcare cost shares and medical and dependent care expenses. Current employee-paid optional products include life, cancer, disability, and accident policies. An HRA plan and third party COBRA administration is also provided. Otsego County currently has 112 active contracts in their health benefit plan.

2. SCOPE OF SERVICES

1. Make recommendations based on annual review of employee health benefit plans for quality of benefits provided, cost effectiveness, funding analysis, market competitiveness, and plan administration.
2. Review prior-years data information to prepare analysis indicating trends on claim and utilization related to medical, dental, vision, and prescription drug coverage in an effort to make recommendations to the County for maximizing future benefits while maintaining costs. For one and two above please include examples of analysis provided to groups like ours that has helped deliver analysis including potential carveout options.
3. Assist with annual health benefits, third-party administration, stop loss renewals including price negotiations, development of bids, contracts, scope of services, distribution, and analysis of qualifications, bids, and proposals received.
4. Monitor and analyze current contracts, including plan administration, compliance and claims data, performance, standards, provider compliance with contracts and paid claims.
5. Make funding and rate structure recommendations and projections based on an annual claims analysis, as well as provide alternative funding strategies. Please provide examples of results that have been achieved from current and past working experiences within the public sector.
6. Keep the County apprised of and in compliance with industry changes, practices, costs and trends at the local, regional, and national levels and the impact on public sector employers including but not limited to the Health Insurance Portability Accountability Act (HIPAA), Consolidated Omnibus Budget Reconciliation Act (COBRA), the American Recovery and Reinvestment Act (ARRA) of 2009 as well as the recent Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) initiative and finally PA 106

- and what your firm has done/is doing to make sure all groups required to be compliant under PA 106 will be so by state required deadline.
7. Make presentations to the Otsego County Board of Commissioners and the general employee population as requested by the Human Resources Department and include educational content examples that have been successful for your firm in the past in delivering this message.
 8. Assist in the development of an employee health benefits communication plan to support or explain the implementation of health programs and/or revisions to current health programs.
 9. Prepare quarterly and annual reports relative to the health plan's expenditures, participants, services provided, claims and utilization and list any special reporting your firm provides to help assist utilization, expense and the budgeting process.
 10. Review utilization data to provide input on trends and identify plan improvements opportunities.
 11. Assist with fully insured products, including but not limited to employee life insurance, AD&D, long term disability and provide any examples from past experiences of rate relief provided and results achieved.
 12. Research, review and resolve issues with insurance policies, certificates of insurance, disputes regarding coverage, billing questions, service delivery, and other documents relating to employee benefits. Please provide a step-by-step outline of your best business practices that outline how day-to-day problem solving issues get resolved.
 13. Estimate renewal rates and cost trends and provide assistance to County staff in the preparation of budget forecasts.
 14. Audit contracts to ensure accuracy of coverage, terms, and conditions.
 15. Demonstrate the ability to comply with applicable federal and state laws (i.e. HIPAA, etc).
 - a. With regard to PHI under HIPAA, please specify your firm's formal policies and procedures for the security of confidentiality of both the employers and employees health information that your firm comes in contact with servicing a Counties day to day benefit needs.
 16. Provide administration simplification to include in-house on-line BCBS MCS services, billing issues and any other stream-line administrative initiatives you provide/take-on the group's behalf to help stream-line the entire process.
 17. Provide in-house on-line technology services – claims tracking, customer service support reports, employee on-line enrollment, etc.
 18. Provide in-house third party administration services for COBRA, FSA and Health Care Reimbursement Arrangements (HRA) as needed and list in bold if you are licensed as a Third Party Administrator.

19. Unique to your agency – Are you a licensed healthcare consultant? What level of involvement does your firm have on a state level to help impact positive change within the healthcare field? What is the back ground of your organization, your employees and/or the impact you have had in the public sector?

2. INSTRUCTIONS TO PROPOSERS

The submitted qualification proposal must follow the rules and format established within this RFQ. Adherence to these rules will ensure a fair and objective analysis of all proposals. Failure to complete any portion of this request may result in rejection of a proposal.

Sealed proposals for third party group health benefit administration and consulting services will be received by the Administration Offices of Otsego County until Friday, July 10, 2009 at noon. Proposals received after the deadline will be disqualified. It is the responsibility of the proposer to ensure that the proposal arrives on time and at the correct location. Each proposer is responsible for indicating the company name, bid name, due date and time on the envelope or package containing the proposal.

Proposer must include two (2) copies. No faxes will be accepted.

Otsego County is seeking a one year contract for group benefit services.

Proposers must be available, at their cost, for a meeting after RFQ's are received to discuss their proposal and answer questions. If such a meeting is deemed necessary by Otsego County, you will be notified of the meeting date, time, and location no later than Friday, July 17, 2009, at noon.

All information requested must be addressed. If the proposer cannot provide a requested function, or a service cannot be provided, it should be noted within the proposal.

Proposer must indicate if services provided are done in-house or contracted out to another vendor.

Information should be provided as to all charges and fees related to each service. If no fee is stated, it will be assumed that no fees are to be charged.

Each proposer shall bear the responsibility of all costs incurred in order to prepare and submit their response to this RFQ.

To ensure a fair and objective evaluation of all proposals, proposers are required to submit all inquiries to Trisha Adam, Human Resources Director, as noted on the cover of this RFP.

Otsego County is expected to award a contract for group benefit services at the Board of Commissioners meeting on Tuesday, July 28, 2009 to be effective thirty (30) days after that date.

3. RIGHT OF REFUSAL

Otsego County reserves the right to reject all RFQs. Otsego County reserves the right to award the contract in any manner deemed to be in the best interest of its citizens.

4. REQUIRED CONTENTS OF THE PROPOSAL

The name of the organization and size of the company, whether it is local, regional, national or international in operation.

Brief company history

The names of the persons authorized to represent the proposer, their title, address, telephone number, and e-mail address.

Proof of appropriate licensing and insurance coverage. Please list in bold if you are a licensed Third Party Administrator (and included a copy of state licensing) and if so for what scope and if not, whom you partner with for these types of services provided.

Relevant experience in sourcing, evaluating, negotiating, and implementing various group health plan products, service, and vendors for municipal governments. Provide examples of creative rate-relief ideas implemented successfully working today while keeping union contracts whole and allowing for rate relief to the groups budget.

List of available staff and resources that would be assigned to the County including names, job titles, experience, qualifications, and office hours of operation. For the above scope of services (under 2), list how services are provided (in-house and outsourced). If outsourced, list whom provides these services for you and with your examples include those that are currently receiving the scope of services in a similar manner to that being requested under Otsego County's RFQ.

Experience in the last five (5) years working with municipalities with over 100 employees. Experience should include working with self-funded groups. Provide a list of current accounts (counties or cities) including insurance services you negotiated and provide for said entities, the length of time you have serviced the account, and a contact name and phone number for each account.

Each service component that will be provided with related additional costs, if applicable.

5. PROPOSAL REVIEW

All documents submitted as part of the company's proposal will be deemed confidential during the evaluation process. Proposals will not be available for review by anyone other than the evaluation team or its designated agents. There shall be no disclosure of any company's information to a competing vendor prior to award of the contract. All applicable information will be subject to public disclosure in accordance with the Freedom of Information Act, at award of contract, cancellation of this RFQ, or within 180 days, whichever shall occur first.

6. SCHEDULE DATES

The following is a desired schedule for the selection process. Otsego County reserves the right to modify any part of this schedule.

RFQ issued	June 17, 2009
Proposal due	July 10, 2009
Contract award	July 28, 2009

Effective date of services Thirty (30) days after selection by the Board of Commissioners, with the exception of COBRA Administration to be effective 1/1/2010.

7. EVALUATIONS

Evaluation of the proposals is expected to be completed within one week after receipt. An evaluation team will evaluate proposals on a variety of quantitative and qualitative criteria. The proposal selected shall provide the most cost-effective approach that meets the stated requirements. The lowest price proposal will not necessarily be selected.

Otsego County reserves the right to a) reject any or all proposals, or to make no award, b) require modifications to initial proposals or c) to make partial or multiple awards. Otsego County further reserves the right to excuse technical defects in a proposal when, in its sole discretion, such excuse is beneficial to the municipality.

8. AGREEMENT

A formal agreement (contract) will be entered into with the selected vendor and Otsego County.

9. ASSIGNMENT

The awarded bidder shall not assign, transfer, convey, sublet, subcontract, or otherwise dispose of any award or of any of its rights, title, or interest therein, without the prior written consent of Otsego County.

10. ADDENDA TO THE RFQ

In the event it becomes necessary to revise any part of this RFP, a copy of all addenda will be mailed to the prime representatives.

11. NON-DISCRIMINATION CLAUSE

Otsego County does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in the employment or provision of services.

12. INSURANCE REQUIREMENTS

The vendor is required to pay for and provide the type and amount of insurance below:

- Commercial General Liability with the following minimum coverage:
 - \$1,000,000 General Aggregate Limit other than Products/Completed Operations
 - \$1,000,000 Products/Completed Operations Aggregate Limit
 - \$1,000,000 Personal & Advertising Injury Limit
 - \$1,000,000 Each Occurrence Limit
 - \$500,000 Fire Damage Limit (any one fire)

The vendor must list Otsego County, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED on the

Commercial General Liability Certificate. The vendor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

- Workers' compensation coverage must be provided in accordance with applicable laws governing the employees and employers work activities in the state of the vendor's domicile. If the applicable coverage is provided by a self-insurer, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, vendor must provide appropriate certificates of insurance proving mandated coverage levels of the jurisdictions where the employees' activities occur. Any certificates of insurance received must also provide a list of states where the coverage is applicable. The vendor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

- Employers liability insurance with the following minimum limits:
 - \$100,000 each accident
 - \$100,000 each employee by disease
 - \$500,000 aggregate disease