



**Name** \_\_\_\_\_

**Address1** \_\_\_\_\_

**Address2** \_\_\_\_\_

**City and state** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**REQUEST FOR  
PROPOSALS**

**RFP No.:**           **37**

**Opening Date and Time:** \_\_\_\_\_

**Title: Benefit Broker Services**

**Instructions:**

**Return Proposals to:**

Mike Dervay

City of Binghamton

38 Hawley St.

Binghamton NY 13901



**Name**

Address1 \_\_\_\_\_  
Address2 \_\_\_\_\_  
City and state \_\_\_\_\_  
Phone : \_\_\_\_\_ Email: \_\_\_\_\_

**RETURN THIS FORM IMMEDIATELY!**

**Acknowledgement: Receipt of RFP Documents**

**RFP No.: 37**

**Title: Employee Benefits Broker Services**

Please take a moment to acknowledge receipt of the attached documents. Your compliance with this request will help the Purchasing Department to maintain proper follow-up procedures and will ensure that your firm will receive any addendum that may be issued. Please return prior to June 16, 2017.

Date Issued: \_\_\_\_\_

Date Documents Received: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Do you plan to submit a response? \_\_\_\_\_ Yes \_\_\_\_\_ No

Print or type the following information:

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email Address: \_\_\_\_\_

Received by: \_\_\_\_\_

**Note: Emailed acknowledgements are requested.**

**E-mail: \_\_\_\_\_**

**Fax or e-mail this sheet only. A cover sheet is not required.**

**DO NOT FAX OR E-MAIL YOUR RESPONSE TO THIS RFP**

## Purpose

The City of Binghamton is soliciting proposals from qualified independent insurance brokers to select a Firm to act as the City's representative for employee health and related benefits management. The Firm shall assist in the most advantageous placement of insurance coverage including but not limited to the terms and conditions of coverage, continuity cost, and meet union commitments. The firm shall also keep the City abreast of regulations and law changes, along with training appropriate employees in the administration of these changes. It is not the intention of the City to move to another carrier but would entertain if it met all the requirements in union contracts and was a cost savings to the City. In addition, the Firm must be capable of providing a full range of value-added services, including but not limited to, those outlined in the Scope of Services.

## Background

The City, including general government operations, including police, fire, and public utilities, employs approximately 500 FT/PT individuals and has 387 retirees in the City's Employee Retirement.

The City is currently self-insured (minimum premium) for medical (including pharmacy – not carved out), vision, and dental benefits through Excellus (Health) and Lifetime (vision and dental) as its third party administrators. The City purchases stop loss insurance to limit its losses to \$200,000 per individual. There are a group of employees (180) who have coverage directly through their union. Most of the remaining employees their spouses and dependents as well as retirees under Medicare age are covered by PPO, Classic, and Signature HD programs through the City's self-insured plan. The City currently commits 100% of the High Deductible on a H.S.A card. As of May 2017, there were 395 Contracts and 876 Members for the Medical and Prescription plans. As of May 2017 the City had 375 members in its Medicare Advantage Plan. The vision and dental plans are not very comprehensive, we have a supplemental plan that employees can purchase through Guardian at 100% cost to the employee.

All Medicare-eligible retirees who elect coverage through the City have fully-insured Medicare supplement plans through the City. Retirees also are offered a supplemental dental & vision plans they can purchase through Ameritas. They pay 100% to the company.

Short-term disability is provided for some employees by the City through the New York State Insurance Fund, Long-term disability is provided for some employees by the City through Security Mutual. Additional insurance options are available to city employees through AFLAC and Security Mutual at their own cost.

The City was self-insured for workers' compensation and is currently having Wright Risk manage the run out of these claims. Our current Worker's Compensation policy is through Comp Alliance which is fully insured.

## Scope of Services

The services detailed below are those services expected to be provided by the Firm pertaining to health and related benefits. Actual work will be directed by the City and may involve other consulting services that are not listed below.

1. Conduct strategic planning meetings to establish goals, priorities and identify areas of concern.
2. Financial underwriting and claims analysis, including renewal analysis and negotiations, budget projections, funding levels and alternatives, large claims analysis and quarterly reporting of the plan's financial performance. Along with in person annual analysis with the health care providers. Annual write up to the City's Comptroller and Mayor on benefit performance. Analysis of minimum premium versus a fully self-insured option.

3. Prepare Requests for Proposals for insurance services or other employee benefit programs; analyze and make appropriate recommendations, including stop loss analysis, full dental and vision, and others have arisen.
4. Apprise City of local and national trends and innovative ideas, and recommend new products, programs and services to ensure a competitive benefits plan. Keep City abreast of potential law changes and changes when they take place. Review and analyze claims experience data, claims service, efficiency and accuracy of claims administration to ensure that City is receiving optimum service and benefits from all carriers and vendors.
5. Review on-going employee communications program, including a review of booklets, announcement materials and benefit statements, and supply a monthly brochure we can email to employees to educate employees on health care pursuant to the City's specific claim history. (analysis done above) Look at ways to communicate through social media types and our self-service program.
6. Manage carrier/vendor relationships, review and advise on master contracts, review carrier service levels and compare to performance guarantees, resolve administrative issues, conduct periodic meetings as necessary.
7. Assist in COBRA, HIPAA, DOL, ACA, and ERISA compliance and reporting to include Summary Plan Descriptions and other Plan Documents, including 1095 annual reporting.
8. Act as a technical resource and provide periodic updates on legislative developments and emerging trends.
9. Evaluate in-house administration procedures including recommendations for improving services and efficiency through the use of technology.
10. Assist in employee benefit language in union contract negotiations.
11. Assist in coordinating information needed by actuaries for OPEB valuations, when needed.
12. During open enrollment – provide educational meetings for employees.
13. Assist the City in creating a wellness program for employees that works based off of the City health usage, and increase Flex spending participation.

## Proposed Selection Schedule

The following table is the estimated schedule for this project:

Description	Date & Time	Location
<b>RFP Issued</b>	6/9/2017	
<b>Requests for Information (RFI)</b>	6/23/2017 at 4:00 pm	
<b>Responses to RFI Posted</b>	6/30/2017	
<b>RFP Due Date/ Opening</b>	7/19/2017 at 10:30 am EST	
<b>Finalists notified</b>	7/26/17	
<b>Finalist Presentations</b>	Tentatively scheduled 8/4/2017, 9:00 am to Noon	
<b>Award recommendation submitted to City Mayor</b>	Tentatively scheduled for 8/17/2017	

## **Requests for Information**

All questions or requests for information or clarification must be submitted in writing to Michael Dervay no later than 4 pm on June 23, 2017. No oral interpretation will be made to any proposer as to the meaning of the proposal specifications or any part thereof. Questions may be submitted by email to [ceshager@cityofbinghamton.com](mailto:ceshager@cityofbinghamton.com). A summary of all questions and answers will be made available by addendum to this RFP on our website by June 30, 2017.

## **Addenda**

If it becomes necessary to revise any part of this request or if additional data is necessary to enable interpretation of provisions of this document, revisions or addenda will be provided to all prospective firms that receive this document. Such revisions or addenda will additionally be posted on the City's website under Bids and RFP's in the addendum section.

This document includes an acknowledgement page which must be faxed or e-mailed to the Purchasing Agent in order to ensure proper notification of changes to the published documents. The City does not assume responsibility for any vendor that does not receive revisions or addenda, where the vendor has not acknowledged receipt of the proposal documents.

## Instructions for Submission

Responses must be submitted in sealed envelopes and clearly marked with the RFP reference title, number, due date, and time. The Proposer's name and address must appear on the envelope.

Please submit one original (clearly marked) and three copies of your proposal, along with one electronic copy on either a CD or flash drive. **Do not use 3-ring binders.**

Your proposal must be submitted in a sealed envelope as instructed above and must be received no later than July 19, 2017 at 10:30 am EST at the offices of:

Mike Dervey , Purchasing Agent  
City of Binghamton  
38 Hawley St-Second Floor  
Binghamton, NY 13901

## Format of Proposal

Submittals shall consist of the following:

1. A transmittal letter signed by the appropriate officer of the firm which, at a minimum, includes statements:
  - a. Agreeing to the Scope of Services
  - b. Offering the proposal and certifying that the proposal and any cost projection included will remain in effect for 120 days after the due date
  - c. That the firm will comply with all of the Contract Considerations of RFP
2. Fee Proposal Form
3. Completed Questionnaire
4. Non-Collusion Affidavit

## Firm Interviews

Interviews are tentatively scheduled for August 4, 2017 between 9:00 am and 12:00 pm . Selected finalists will be given as much advance notice as possible, and should be available to attend on the above dates.

## Selection Criteria

The Committee will evaluate proposals based on the following criteria to determine each firm's PROPOSALS. The order does not indicate relative ranking.

- A. Demonstration of competence, technical expertise, experience in employee benefits, insurance placement and human resources.
- B. Demonstrated record of responsiveness and quality of customer service on this type of account.

- C. Both the firm's capabilities and the experience of individual team members assigned to the City account will be considered.
- D. Availability to travel as needed to corporate headquarters and/or field locations.
- E. Rates, fees or charges including the level of detail provided in the firm's fee information, as well as the willingness of the firm to offer flexible fee arrangements.
- F. Firm's awareness and ability to provide timely, accurate communication of emerging trends, opportunities, regulatory updates and liabilities to clients.
- G. Firm's ability to provide a broad spectrum of consulting services, including, but not limited to actuarial, claims administration, alternative funding arrangements.
- H. Responsiveness of the firm's proposal to the RFP, including clarity and organization of response, clear presentation of firm's experience and approach to ensuring the needs of City are fully met.

## **Contract Considerations**

### **Equal Opportunity – Affirmative Action**

The Firm shall comply with all aspects of the Equal Employment Opportunity Act.

Findings of noncompliance with State and/or Federal equal employment opportunity laws and regulations could be sufficient cause for revocation or cancellation of any contract that results from this RFP.

### **Indemnification**

The Firm shall indemnify, defend, and save harmless, the City, its officers, agents and employees from any and all claims and losses to the extent caused by the negligence, error or omission of the awarded firm in the performance of this work, except to the extent caused by the negligent acts of the City or its officers, agents or employees.

### **Insurance**

The City is requiring insurance coverage as listed below for this work.

Note: The term "Firm" shall also include their respective agents, representatives, employees or subcontractors; and the term "City" shall include their respective officers, agents, officials, employees, volunteers, boards and commissions of The City of Binghamton. The insurance required shall be written for not less than the scope and limits of insurance specified hereunder, or required by applicable federal, state and/or municipal law, regulation or requirement, whichever coverage requirement is greater. It is agreed and understood that the scope and limits of insurance specified hereunder are minimum requirements and shall in no way limit or exclude the winning firm from additional limits and coverage provided under the Firm's policies.

*All policies shall include a waiver of subrogation*

## **Worker's Compensation Insurance**

With respect to all operations the Firm performs the Firm shall carry worker's compensation insurance in accordance with the requirements of the laws of the State of New York. The Firm shall carry employers liability limits of \$1,000,000.

## **Commercial General Liability**

With respect to all operations the Firm performs the Firm shall carry Commercial General Liability insurance providing for a total limit of \$1,000,000 per occurrence for each job site or location for all damages arising out of bodily injury, personal injury, property damage, products/completed operations, and contractual liability coverage for the indemnification provided under this contract. Each annual aggregate limit shall not be less than \$2,000,000.

## **Automobile Liability**

With respect to any owned, non-owned, or hired vehicles the Firm shall carry Automobile Liability insurance providing \$200,000 per accident for bodily injury and property damage.

## **Errors and Omissions/Professional Liability**

With respect to any damage caused by an error, omission or any negligent acts of the Firm performed under this contract the Firm shall carry \$1,000,000 per claim for any wrongful act.

## ***"Tail" Coverage***

If any of the required liability insurance is on a "claims made basis," "tail" coverage will be required at the completion of this contract for a duration of 24 months, or the maximum time period reasonably available in the marketplace. Firm shall furnish certification of "tail" coverage as described or continuous "claims made" liability coverage for 24 months following Contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage, provided its retroactive date is on or before the effective date of this Contract. If continuous "claims made" coverage is used, Firm shall be required to keep the coverage in effect for a duration of not less than 24 months from the end of the Contract.

## **Acceptability of Insurers**

The Contractor's policies shall be written by insurance companies licensed to do business in the State of New York, with an AM Best rating of A-VII, or otherwise acceptable to the City. Additionally, all carriers are subject to approval by the City.

## **Subcontractors**

The Firm shall require subcontractors to provide the same "minimum scope and limits of insurance" as required herein, with the exception of Errors and Omissions/Professional Liability insurance, unless Errors and Omissions/Professional Liability insurance is applicable to the work performed by the subcontractor. All Certificates of Insurance shall be provided to Purchasing Agent's office as required herein.

## **Aggregate Limits**

Any aggregate limits must be declared to and approved by City of Binghamton. It is agreed that the Firm shall notify the City when 50% of the aggregate limits are eroded during the contract term. If the aggregate limit is eroded for the full limit, the Firm agrees to reinstate or purchase additional limits to meet the minimum limit requirements stated herein. The premium shall be paid for by the Firm.



## **Deductibles and Self-Insured Retentions**

Any deductible or self-insured retentions must be declared to and approved by the City of Binghamton. All deductibles or self-insured retentions are the sole responsibility of the Firm to pay and/or to indemnify.

## **Notice of Cancellation or Nonrenewal**

Each insurance policy required shall be endorsed to state that coverage shall not be suspended, voided or cancelled before the expiration date except after 30 days prior written notice by certified mail, return receipt requested, has been given to the City. Notwithstanding this requirement, the Firm is primarily responsible for providing such written notice to the City 30 days prior to any policy change or cancellation that would result in a change of the amount or type of coverage provided. In the event of any such change the Firm shall provide comparable substitute coverage so that there is no lapse in applicable coverage or reduction in the amount of coverage available to the City related to the Firm's services.

## **Waiver of Governmental Immunity**

Unless requested otherwise by the City, the Firm and his insurer shall waive governmental immunity as defense and shall not use the defense of governmental immunity in the adjustment of claims or in the defense of any suit brought against the City.

## **Additional Insured**

The liability insurance coverage, except Errors and Omissions, Professional Liability, or Workers Compensation, if included, required for the performance of the Contract shall include the City as Additional Insured but only with respect to the Firm's activities to be performed under this Contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

## **Certificate of Insurance**

As evidence of the insurance coverage required by this Contract, the Firm shall furnish Certificate(s) of Insurance to Purchasing Agent's Office prior to the award of the Contract if required by the RFP document, but in all events prior to Firm's commencement of work under this Contract. The Certificate(s) will specify all parties who are endorsed on the policy as Additional Insureds (or Loss Payees). The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. Renewals of expiring certificates shall be filed 30 days prior to expiration. The City reserves the right to require complete, certified copies of all required policies at any time. The City reserves the right to require complete, certified copies of all required policies at any time.

All insurance documents required should be mailed to Comptroller' Office, 38 Hawley ST. Binghamton NY 13901.

## **Waiver of requirements**

The Purchasing Agent, may vary the requirements at Purchasing Agent's sole discretion; if Purchasing Agent determines that the City's interests will be adequately protected without meeting all stated requirements.

## **Invoicing and Payment**

Invoices shall be paid promptly by the City unless any invoiced items are questioned, in which case payment will be withheld pending verification of the amount claimed and the validity of the claim. The City's standard payment terms are Net 30 days from receipt of properly executed invoice(s).

## **Award Consideration**

The City reserves the right to accept or reject any and all responses, in whole or in part, to waive technical defects, irregularities and omissions, if, in its judgment, the best interests of the City will be served. The City also reserves the

right to negotiate further with one or more of the firms as to any features of their PROPOSALS and submittals and to accept modifications of the work and price when such negotiations will be in the best interest of the City. Work performed under this contract shall be authorized by an engagement letter, with the letter signed by both a designated authority from the awarded firm, the City Manager or his designee and the Comptroller.

The individual signing this submittal hereby declares that no person or persons other than members of his/her organization are interested in this project or in the contract proposed to be taken; that it is made without any connection with any person or persons making a submission for the same work and is in all respects fair and without collusion or fraud; that no person acting for or employed by the City is directly or indirectly interested therein, or in the supplies or works to which it relates or will receive any part of the profit or any commission therefrom in any manner which is unethical or contrary to the best interests of the City.

Unless otherwise noted within a submission received in response to this RFP, the proposed fees are assumed to be valid for 120 days from the date of the RFP opening. If an award is not made within such time, the submission can be considered no longer valid, or can be extended with mutual consent of the City and the firm making the submission. Any documents, reports, and data generated as a result of the work under this contract shall become the property of the City.

### **Termination**

Subject to the provision below, the contract may be terminated by either party upon 30 days' advance notice to the other party. If any work or services hereunder are in progress, but not completed as of the date of termination, the contract may be extended upon written approval by the City until said work is completed and accepted.

#### **Termination for Convenience**

In the event that the contract is terminated or canceled upon request and for the convenience of the City without the required 30 days' advance written notice, then the City shall negotiate reasonable termination costs, if applicable.

#### **Termination for Cause**

Termination by the City for cause, default or negligence on the part of the contractor shall be excluded from the foregoing provision; termination costs, if any, shall not apply. The 30 days' advance notification requirement is waived in the event of termination for cause.

#### **Availability of Funds**

Any contract executed by the City is subject to the appropriation funds.

## Fee Proposal Form

Proposal to:

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I, \_\_\_\_\_, have received the following contract documents:

1. Request for Proposal number,
2. Addenda \_\_\_ through \_\_\_, posted at \_\_\_\_\_

and have included their provisions in my fee proposal.

Provide an annual flat fee for providing the items included in the Scope of Services. You may detail other fee structures as alternatives to an annual flat fee.

Name of Business: \_\_\_\_\_

Address: \_\_\_\_\_

Authorized Representative (Print Name & Title): \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Questionnaire

In order for your proposal to be considered and accepted, your organization must provide answers to the questions presented in this section. When answering the questions contained in the Questionnaire Section of this Request for Proposal, please repeat the questions and provide your answers numbered to correspond to the question as indicated in the RFP. All questions must be answered in a concise manner. Reference should not be made to a prior response. Be sure to refer to the earlier sections of this RFP before responding to any of the questions so that you have a complete understanding of all of the City's requirements with respect to the proposal.

## General Information

1. Name of the proposed firm and name of the representative submitting the proposal. Include all contact information.
2. Provide an overview of your firm and its ownership/organizational structure, philosophy/culture and number of employees. Related businesses to ownership also needs to be disclosed.
3. Describe, if applicable, how your firm is functionally tied to any insurer or provider of service and how that relationship may influence your ability to provide Broker services to City.
4. Identify members of your staff that would be assigned to this contract and provide a summary of their percentage of their time you anticipate they would be dedicating to this contract and their availability to travel to our corporate headquarters and/or field locations.

## Qualifications

### Expertise

Describe your firm's expertise in each of the following areas.

1. Health and Other related Benefits
2. Legal Counsel/Compliance
3. Benchmarking
4. Actuarial/Underwriting
5. Research and Technical Services
6. Benefits Administration
7. Benefits Communication
8. Wellness Programs
9. Carving out Pharmaceuticals
10. Cost containment strategies

### Marketplace Position

1. Describe your firm's marketplace leverage in negotiating with carriers in regards to rates, policy terms and plan design.
2. Describe your view of the role of a Broker in this type of relationship and what differentiates your firm from other brokerage-consulting firms.
3. Identify a minimum of three (3) other accounts similar in size and scope for which you are presently serving as Broker which can serve as a reference for your service. These accounts will be called and the broker

assigned needs to be heading up these accounts. New York State Municipalities with Police and Fire Unions are recommended.

### **Insurance Carrier and Health Plan Selection Process**

1. Describe how your firm would handle the selection of insurance carriers and other service providers for City. Describe your firm's consulting approach for bidding and selecting the most appropriate health plan alternative.

### **Broker Services and Ability**

1. Describe the process your firm utilizes to manage and administer a benefit package of our size throughout a contract year.
2. What strategy does your firm utilize to manage and forecast a benefit package over a 2-3 year period?
3. Describe all services your firm/agency will offer City.
4. What type of performance measures would your firm use to evaluate customer service and City employee satisfaction? Are you willing to provide performance guarantees to City for your services?
5. Describe your procedure for dealing with employee inquiries.
6. Do you offer assistance with claims and/or coverage questions?
7. Describe the action that would be taken, the support provided, and the personnel who would be involved in investigating and settling a disputed claim.
8. Describe the steps you anticipate will be needed to ensure a smooth transition if you are selected as the Agent of Record.

## Non-Collusion Affidavit

State of \_\_\_\_\_ )

)

County of \_\_\_\_\_ )

\_\_\_\_\_, being first duly sworn, deposes and says that:

1. (Individual's Name)He/she is \_\_\_\_\_ of \_\_\_\_\_

(Sole Owner, Partner, President, Secretary, etc.)

(Corporation

Name) herein after referred to as the "Proposer" that has submitted the attached bid;

2. He/she is fully informed respecting the preparation and content of the attached Proposal and of all pertinent circumstances respecting such Proposal;

3. Such Proposal is genuine and is not a collusive or sham proposal;

4. Neither the said Proposer nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including the affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Proposer, firm or person to submit a collusive or sham bid, in connection with the contract for which the attached Proposal has been submitted or to refrain from bidding in connection with such contract, or has in any manner directly or indirectly, sought by agreement or collusion or communications or conference with any other Proposer, firm or person to fix the price or prices in the attached Proposal or of any Proposer, or to fix any overhead, profit or cost element of the Proposal price or the Proposal price of any other Proposer, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against \_\_\_\_\_ or any person interested in the proposed contract; and

5. The price or prices quoted in the attached Proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Proposer or any of its agents, representatives, owners, employees, or parties of interest, including this affiant.

6. That no officer or employee or person whose salary is payable in whole or in part from \_\_\_\_\_ is directly or indirectly interested in this Proposal, or in the supplies, materials, equipment, work or labor to which it relates, or in any of the profits thereof.

Signed: \_\_\_\_\_ Title: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
My Commission expires on \_\_\_\_\_

Notary Public