

City of Albany, New York

REQUEST FOR PROPOSALS TO PROVIDE EMPLOYEE HEALTH BENEFITS CONSULTING SERVICES

February 14, 2011
Proposal Number 2011-04

SECTION 1: PURPOSE

- 1.1 The City of Albany hereby requests proposals from qualified consulting firms to provide employee health benefits consulting services to the City of Albany. Minority Business Enterprises and Women's Business Enterprises are encouraged to submit proposals.

SECTION 2: RECEIPT OF PROPOSALS:

- 2.1 Three (3) copies of the Proposal must be received in a sealed envelope marked "Proposal Enclosed - Employee Health Benefits Consultant Services" no later than **Monday, March 7, 2011 at 1:00 p.m.** at the following address:

Michelina C. Wojton, Esq.
Assistant Corporation Counsel
City Hall - Room 106
24 Eagle Street
Albany, New York 12207

- 2.2 Each proposal submitted will be the document upon which the City of Albany will make its initial judgment regarding each proposer's qualifications, methodology, and ability to provide the requested services.
- 2.3 Those submitting proposals do so entirely at their own expense. There is no express or implied obligation by the City to reimburse any firm or individual for any costs incurred in preparing or submitting proposals, preparing or submitting additional information requested by the City, or participating in any selection interviews.
- 2.4 Submission of any proposal indicates an acceptance of the conditions contained in this Request for Proposals unless the submitted proposal clearly and specifically states otherwise.
- 2.5 The City of Albany reserves the right to accept or reject any and all proposals in whole or in part, to waive any and all informalities, and to disregard all non-conforming, non-responsive or conditional proposals.
- 2.6 The City of Albany reserves the right to award the work, in whole or in part, to one or more firms and individuals.
- 2.7 Any award of the work shall be conditioned on the later execution of a formal written contract. The City of Albany reserves the right to revoke or rescind any award at any time prior to the full execution of a formal written contract.

SECTION 3: QUALIFICATIONS OF PROPOSER:

- 3.1 Each proposer shall provide a statement of qualifications including:
1. A brief history and description of the firm submitting the proposal.
 2. Identification of the firm's professional staff members who will be assigned to this engagement if the firm's proposal is selected. Include a resume for each such professional staff member that details qualifications, years and types of experience, education, accomplishments, etc. Specify the extent of the availability and commitment of each such professional staff member who will be assigned to this engagement if the firm's proposal is selected. If the firm will be subcontracting any work, describe the tasks to be subcontracted in this section and provide the proposed subcontractor's qualifications.
 3. At least three (3) references, including addresses and telephone numbers.
 4. A signed cover letter from a person within the firm who is authorized to make representations on behalf of the firm and to bind the firm.
 5. A summary of the firm's general experience in providing employee health benefits consulting services, and a summary of the firm's specific experience in providing group benefits consulting services to large public sector employers/plan sponsors. Proposer shall assign and designate a specific individual from the firm to the City's account.
 6. Any additional information which would serve to distinguish the firm from other firms submitting proposals.
- 3.2 The City of Albany may make such inquiries it deems necessary to determine the ability of each proposer to perform the services contemplated by this RFP. Proposers shall promptly furnish all information and data for this purpose as may be subsequently requested by the City of Albany.

SECTION 4: SCOPE OF SERVICES:

- 4.1 The City is seeking the following consulting services in conjunction with the City's health, dental, and vision plans:
- A. Benefit Consulting
 - (1) Review and evaluation of benefit programs to insure consistency with employee relations and financial objectives and constraints.
 - (2) Negotiation with carriers to develop benefit plans and rate structures consistent with the City's objectives, and negotiation with carriers to develop funding techniques consistent with risk assumption capabilities and cash management objectives.
 - (3) Analyze claims experience and utilization data to develop an annual report and to recommend changes in benefit design.

- (4) Review internal policies regarding waiting periods, employee contributions, premium waivers, duplicate coverage, retiree contributions, employee collective bargaining agreements, and other personnel policies.
- (5) Provide advice and assistance in collective bargaining. Upon request by the City, attend and participate in informational meetings with City and union representatives and present benefit options.
- (6) Oversee the design and implementation of new or restructured benefit programs.
- (7) Audit carrier performance and assist in the resolution of claim problems and disputes.
- (8) Inform the City of changes in federal and state legislation affecting employee benefits and develop strategies to implement regulations.
- (9) Develop annual budgetary forecasts for all benefit areas, including the developing of premium equivalents for self-insured benefits.
- (10) Compile and prepare data, narratives and other required reporting for various grants and federal subsidy programs including but not limited to the City's ERRP application and submissions.
- (11) Perform other tasks as requested by the City of Albany relating to the City's health insurance.

B. Benefits Management and Administration

- (1) Upon request from the City, serve as a liaison with the City's insurance carriers for issues affecting any changes in benefits and benefit administration.
- (2) Reconciliation and audit of monthly claims received from carriers. Audit shall consist of a formal written monthly report identifying any discrepancies with respect to utilization and claims paid.
- (3) Upon request, assist in the presentation and coordinating of annual open enrollment meetings to inform employees of benefit choices, and prepare communication material for new employees to use in their selection of a plan to suit their needs.

C. Data Processing

- (1) Upon request from the City, establish a comprehensive enrollment coding structure for employee and retiree records for transmittal to insurance carriers. Upon request, provide for the electronic transfer of data between the City of Albany and Consultant and between Consultant and insurance carriers.
- (2) Provide computer generated reports on a scheduled basis for the City to use for a variety of management purposes including, but not limited to:
 - Budgetary and expense forecasting
 - Financial accounting
 - Meeting state and federal reporting requirements

SECTION 5: CONTRACT:

- 5.1 The selected proposer(s) will be required to execute a contract with the City of Albany. A sample Professional Services Agreement is available upon request. The contract period for the services contemplated by this RFP will be two (2) years. The City shall have the option to extend the Agreement for two (2) additional one (1) year periods. Notwithstanding the foregoing, the City reserves the right to terminate the contract at any time, with or without cause, upon thirty (30) days written notice.

SECTION 6: COST PROPOSAL:

- 6.1 Provide the proposed fee for providing the services set forth in Section 4 above. The proposed fee should be quoted as a total not to exceed flat monthly fee.
- 6.2 Clearly set forth in detail any and all additional expenses for which you expect to be reimbursed. The proposal must, however, provide a guarantee that no additional fees will be charged to the City of Albany without prior written consent by the City.

SECTION 7: PROPOSAL EVALUATION:

- 7.1 Proposals shall remain valid until the execution of a contract by the City of Albany.
- 7.2 Proposals shall be examined and evaluated to determine whether each proposal meets the requirements of this RFP. A recommendation will be made for a contract award based on the following criteria:
- * Proposer's demonstrated capabilities, professional qualifications, and experience.
 - * The wherewithal of the proposer(s) to render the requested services to the City.
 - * Total proposed cost.
 - * Completeness of the proposal.
- 7.3 The selection of a proposal will not be based solely on a monetary evaluation. Considerable weight will be given to experience in the areas required and the track record of the proposer(s).

SECTION 8: ALTERNATIVES:

- 8.1 Proposals may include alternative matters or items not specified or requested in this RFP such as modifications and refinements to the services sought by the City which may reflect unique capabilities and experience. However, all such alternative matters or items must be listed separately from the proposal and the cost(s) thereof must be separate and itemized.

SECTION 9: INDEMNIFICATION:

- 9.1 The selected proposer will be required to defend, indemnify, and save harmless the City of Albany, its employees and agents, from and against all claims, damages, losses and expenses (including without limitations, reasonable attorney's fees) arising out of, or in consequence of, any negligent

or intentional act or omission of the selected proposer, its employees or agents, to the extent of its or their responsibility for such claims, damages, losses, and expenses.

SECTION 10: SPECIFICATION CLARIFICATION:

10.1 All inquiries with respect to this Request for Proposals shall be directed to the City of Albany Corporation Counsel's Office as follows:

Michelina C. Wojton, Esq.
Assistant Corporation Counsel
City Hall - Room 106
24 Eagle Street
Albany, NY 12207

10.2 All questions about the meaning or intent of the specifications shall be submitted in writing to the individual referenced in Section 10.1 above. Replies will be issued by Addenda mailed or delivered to the party that submitted the inquiry/inquiries and will be posted on the City's website at <http://www.albanyny.org/home.aspx>. Questions received less than four (4) business days prior to the date of submission of proposals will not be answered. Only questions answered by formal written Addenda will be binding. Oral or other interpretations or clarifications will be without legal effect.

SECTION 11: MODIFICATION AND WITHDRAWAL OF PROPOSALS:

11.1 Proposals may be modified or withdrawn by an appropriate document duly executed (in the manner that a proposal must be executed) and delivered to the place where proposals are to be submitted at any time prior to the opening of proposals.

11.2 If within twenty-four (24) hours after the proposals are opened, any proposer files a duly signed written notice with the City and promptly thereafter demonstrates to the reasonable satisfaction of the City that there was a material and substantial mistake in the preparation of its proposal, that proposer may withdraw its proposal and the proposal security will be returned. Thereafter, that proposer will be disqualified from further proposal on the work.

SECTION 12: INSURANCE AND SECURITY REQUIREMENTS:

12.1 The selected proposer will be required to procure and maintain at their own expense the following insurance coverage:

- (a) **General Liability Insurance:** A policy or policies of comprehensive general liability insurance with limits of not less than \$1,000,000.
- (b) **Professional Malpractice Insurance:** A policy or policies of professional liability insurance with limits of not less than \$1,000,000.

12.2 Each policy of insurance required shall be in form and content satisfactory to the Corporation Counsel, and shall provide that:

- (a) The City of Albany is named additional insured on a primary and non-contributing basis.
- (b) The insurance policies shall not be changed or cancelled until the expiration of thirty (30) days after written notice to the City of Albany Corporation Counsel's Office.
- (c) The insurance policies shall be automatically renewed upon expiration and continued in force unless the City of Albany Corporation Counsel's Office is given sixty (60) days written notice to the contrary.

12.3 No work shall be commenced under the contract until the selected proposer has delivered to the Corporation Counsel or his/her designee proof of issuance of all policies of insurance required by the Contract to be procured by the selected proposer. If at any time, any of said policies shall be or become unsatisfactory to the City, the selected proposer shall promptly obtain a new policy and submit proof of insurance of the same to the City for approval. Upon failure of the selected proposer to furnish, deliver and maintain such insurance as above provided, this Contract may, at the election of the City, be forthwith declared suspended, discontinued or terminated. Failure of the selected proposer to procure and maintain any required insurance, shall not relieve the selected proposer from any liability under the Contract, nor shall the insurance requirements be constructed to conflict with the obligations of the selected proposer concerning indemnification.

SECTION 13: PERTINENT INFORMATION

13.1 Health

The City currently has the following health plans for employees and retirees:

- A. Active Employees: Empire BlueCross Extended; Empire BlueCross Wrap; Empire BlueCross PPO; CDPHP HMO
- B. Retirees Non-Medicare Eligible: Empire BlueCross PPO; CDPHP HMO
- C. Retirees Medicare Eligible: BlueCross PPO (Medicare Advantage); CDPHP (Medicare Choices)

The Empire BlueCross Extended, Wrap and PPO plans are currently administered on a self-insured basis. Prescription drug claims are processed by Envision under a contract with NYRx and there is also a Canadian Mail Order program through CanPharm. NYRx is a municipal purchasing cooperative for PBM services to which the City belongs. Benefits of union employees are collectively bargained together with other important plan aspects.

13.2 Dental

The City self-insures its Dental Plan. In 2000 blue-collar employees negotiated coverage under a Delta DMO. In 2001, active employees were offered benefits under Delta Dental PPO Plus Premier.

13.3 Vision

The City self-insures its Vision Care Plan with Davis Vision.

SECTION 14: NON-COLLUSIVE PROPOSAL CERTIFICATE AND ACKNOWLEDGMENT:

14.1 Each proposer shall complete and submit with its, his, or her proposal the "Non-Collusive Proposal Certificate" and the "Acknowledgment" found on the two (2) pages which follow this page.

NON-COLLUSIVE PROPOSAL CERTIFICATE
PURSUANT TO NEW YORK STATE GENERAL MUNICIPAL LAW SECTION 103-D

By submission of this proposal, each proposer and each person signing on behalf of any proposer certifies, and in the case of a joint proposal each party thereto, certifies as to its own organization, under penalty of perjury, that to the best of knowledge and belief:

- (1) The prices in the proposal have been arrived at independently, without collusion, consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other proposer or with any competitor;
- (2) Unless otherwise required by law, the prices which have been quoted in this proposal have not been knowingly disclosed by the proposer and will not knowingly be disclosed by the proposer prior to the opening, directly or indirectly, to any other proposer or to any competitor; and
- (3) No attempt has been made or will be made by the proposer to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

(date)

(signature)

(name and title)

(name of firm)

ACKNOWLEDGMENT BY PROPOSER

If Individual or Individuals:

STATE OF _____)
COUNTY OF _____) **SS.:**

On this _____ day of _____, 20____, before me personally appeared _____ to me known and known to me to be the same person(s) described in and who executed the within instrument, and he/she (or they severally) acknowledged to me that he/she (or they) executed the same.

Notary Public, State of _____
Qualified in _____
Commission Expires _____

If Corporation:

STATE OF _____)
COUNTY OF _____) **SS.:**

On this _____ day of _____, 20____, before me personally appeared _____ to me known, who, being by me sworn, did say that he/she resides at (give address) _____; that he/she is the (give title) _____ of the (name of corporation) _____, the corporation described in and which executed the above instrument; that he/she knows the seal of the corporation, and that the seal affixed to the instrument is such corporate seal; that it was so affixed by order of the board of directors of the corporation, and that he/she signed his/her name thereto by like order.

Notary Public, State of _____
Qualified in _____
Commission Expires _____

If Partnership:

STATE OF _____)
COUNTY OF _____) **SS.:**

On this _____ day of _____, 20____, before me personally came _____, to me known to be the individual who executed the foregoing, and who, being duly sworn, did depose and say that he/she is a partner of the firm of _____ and that he/she has the authority to sign the same, and acknowledged that he/she executed the same as the act and deed of said partnership.

Notary Public, State of _____
Qualified in _____
Commission Expires _____