



City of Hondo
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2021 Request for Proposal **Health Insurance Broker Services**

May 20, 2021

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1- Introduction

Introduction

City of Hondo is requesting proposals from a qualified firm to provide professional Health and Welfare Benefits Consulting Services to partner in the administration of CITY OF HONDO's various insured programs listed below:

- a. Medical
- b. Dental
- c. Vision
- d. FSA
- e. Life/Accidental Death & Dismemberment
- f. Disability Plans

The intent of this Request for Proposal (RFP) is to determine which firm is best suited to provide the outlined Health and Welfare Benefits Consulting Services to CITY OF HONDO and partner with our Human Resources and Benefits Department in meeting our goals of this initiative. This RFP document does not necessarily represent CITY OF HONDO's final requirements, but does represent the current and best understanding of the scope of the work we will require. Nothing in this RFP creates any legally binding obligations on the part of CITY OF HONDO.

Timeline

- RFP Issued on May 20, 2021
- Intent to respond due May 24, 2021
- Proposal due date on May 31, 2021 (3 copies)

CITY OF HONDO intends to provide feedback to responding consulting firms as soon as practical.

Confidentiality

This RFP is both confidential and proprietary to CITY OF HONDO. CITY OF HONDO reserves the right to recall this RFP in its entirety or in part. Suppliers cannot, and agree that they will not, duplicate, distribute or otherwise disseminate or make available this document or the information contained in it without the expressed written consent of CITY OF HONDO. Even if your company does not intend to respond, you are bound to maintain confidentiality on all matters related to this RFP, including the fact that it was issued.

Notwithstanding the foregoing, you may make this document available to those employees who have a need to know its contents in order to participate in the preparation of this proposal. All pricing and non-pricing information submitted in response to this RFP will be considered confidential. Any additional materials that are to be considered and treated as confidential must be clearly marked "Confidential" prior to submission. Unless otherwise specified, CITY OF HONDO has the right to copy the supplier's RFP response for distribution to its employees and advisors on a need to know basis.

Proposals, once submitted by suppliers for consideration, may not be returned unless specifically agreed to before submission by supplier.

2- Questionnaire

SECTION I Company Profile

1. Tell us about your company's history, growth, ownership structure (public vs. private, etc.), and the office that will serve our account.
2. Describe your company's culture and philosophy regarding client management.
3. How does your organization distinguish itself from competitors in the area of employee benefit program consulting? Describe the area(s) of expertise for which your organization is known.
4. Describe your firm's market leverage within the employee benefits marketplace.
5. Describe the amount of professional liability or errors and omissions insurance currently carried by your company. Please indicate if you have had any claims filed against you for errors and omissions in the last five years and provide a short description of such claims.
6. Please list three clients similar to CITY OF HONDO and the length of your relationship with them. Please provide a contact name and telephone number for each reference so that CITY OF HONDO may contact them as references.

SECTION II Service Team

1. Please provide the name, title, professional experience, and role for each individual that would be assigned to CITY OF HONDO's account.
2. Confirm that your firm and members of the team assigned to CITY OF HONDO's account are properly licensed and qualified to provide the services requested in this RFP. Include the following:
 - a. Account services department description
 - b. Indicate the roles and responsibilities of each team member
 - c. How do you gauge customer satisfaction
 - d. Type of internal training provided to your team members
3. Does your firm employ the following experts? If yes, please provide their credentials, location and responsibilities in servicing CITY OF HONDO.
 - a. An ERISA/Compliance Lawyer

- b. Health and Welfare Actuary
 - c. Communications Specialist
 - d. Pharmacy Practice Manager
 - e. Market Benchmarking Studies
4. Do you maintain an employee customized and dedicated telephone number and email address for questions regarding benefits, provider find, plans costs and claims issues?
- a. Hours of operation
 - b. Provide utilization reports of customer service center
 - c. Bilingual services/communications
5. What is the employee turnover rate for each of the past three years at your servicing office?

SECTION III Consulting Services

1. Describe how your firm will address CITY OF HONDO's needs in the following areas:
- a. Strategic Planning - the creation of an optimal benefits strategy that is consistent with our business objectives.
 - b. Industry Trends and Emerging Issues – timely benefit consulting services on trends in benefits industry and emerging benefit issues.
 - c. Benchmarking – tools and resources offered to assist with benchmarking.
 - d. Cost Projections - the process for projecting plan cost and assisting clients with their budgeting requirements.
 - e. Technology – Describe your experience with employee navigator and ADP
 - f. Annual Renewals – the renewal process, including a description of the tasks undertaken and analysis performed.
 - g. Competitive Marketing and Placement of Plans – assisting with the development of marketing specifications, identification of market conditions, evaluation of proposals, negotiations and placement of insurance contracts.
 - h. Employee Contributions and Plan Design Modeling – assisting with establishing employee contributions to meet corporate objectives.
 - i. Annual Reporting Requirements – assist in meeting annual reporting deadlines, including coordinating with vendors/carriers in obtaining required form 5500 information and provide completed draft of Form 5500.

- j. Employee Communications – assist in developing employee communication and related tools. Please provide sample copies of employee benefit communication materials.
 - k. Employee Satisfaction – process and resources available for assessment of employee satisfaction with existing benefit programs.
 - l. Vendor Management – assisting with management of benefits vendors.
2. Describe the resources your firm provides in the area of Wellness and Health Promotion Consulting.
 3. Describe how your organization will track objectives and activities associated with CITY OF HONDO to assure all tasks are completed and items are addressed.
 4. Describe how you select providers (insurance companies, third-party administrators, etc.) to provide quotes or services on new benefit or renewal plans.

SECTION IV Compliance

1. Describe your firm's healthcare reform practice and capabilities to assist with healthcare reform. Please provide samples of the modeling tools and work product developed to advise your clients.
2. How does your company monitor benefits legislation, compliance and new products in employee benefits?
3. How does your firm inform clients about compliance-related issues? Please provide samples of any relevant materials.
4. Describe how your firm ensures that vendors, third-party administrators and other service providers meet the HIPAA privacy and security requirements and how your firm assists clients in meeting the applicable requirements.

SECTION V Compensation

1. Discuss the various methods by which you are compensated by your clients (i.e. fee-for-service, retainer, etc.). Specify your preferred means of compensation and explain why this method is preferred.
2. Please provide pricing in your preferred method of compensation for specified services in Section III "Consulting Services."
3. Does your organization offer multi-year contracts? If yes, describe the terms for such an agreement with CITY OF HONDO.
4. Does your organization put any of its compensation at risk pursuant to performance guarantees? If yes, explain and illustrate. If no, explain why not.
5. Please specify any services that would fall outside the scope (i.e. require outsourcing) of your proposed service plan, but would be available to CITY OF HONDO for an additional fee. Are there services that fall outside of the scope of the proposed service plan for which the cost would be paid by vendors or other parties-in-interest?
6. Please confirm that your firm will fully disclose all types, sources and amounts of compensation received from servicing the CITY OF HONDO account including, but not limited to: commissions, contingency commissions, fees from acting as "managerial general agent," retainers, bonus payments from vendors, administrative service fees or insurance contracts built into ASO contracts or insurance plans or any other compensation that is not reportable on the Form 5500 Schedule A, etc.
7. Please complete the following charts in full identifying each line item as either (a) scheduled/ongoing, or (b) as requested (but not both) and provide additional fee amount, if applicable.
8. Do you provide performance guarantee on services provided?

3– Evaluation Criteria

Evaluation Criteria

1. **Expertise.** We are seeking a consultant/advisor who is fully expert in all of the technical aspects of benefits strategy setting, design, consultation and brokerage;
2. **Experience.** We are seeking a consultant/advisor who has depth of experience in providing consulting and brokerage services to the public sector, specifically the consulting industry, as well as more general knowledge of professional services firm benefits package positioning/practices, both public and private; further, we are seeking an organization with depth and breadth of resources in terms of types of benefits programs.
3. **Responsiveness/Availability of Appropriate Personnel.** We are seeking a consultant/advisor/broker whom we believe will work effectively with our organization who are available to commence work on this initiative beginning in July 2021;
4. **Reasonableness of Professional Fees.** CITY OF HONDO will be evaluating the costs/fee structure submitted in response to this RFP, based on industry norms;
5. **Approach/Methodology -** CITY OF HONDO will be evaluating insights provided into proposed approaches and methodologies.
6. **Proximity –** CITY OF HONDO is limiting the search to consultants with an operation in Bexar and Medina counties.

4– General Terms & Conditions

General Terms and Conditions

1. Unless the bidder is specifically instructed otherwise in the Request for Proposal (“RFP”), these terms and conditions will apply to all contracts or purchase agreements made with CITY OF HONDO, and are in addition to the terms and conditions set forth in the RFP. If a bidder proposes changes or modifications or takes exception to any of CITY OF HONDO’s terms and conditions, the bidder must so state specifically in writing in the bid proposal. Any proposed change, modification, or exception in or to CITY OF HONDO’s terms and conditions by a bidder will be a factor in the determination of an award of a contract or purchase agreement.
2. If awarded a contract or purchase agreement, the bidder’s status shall be that of an independent contractor and not as an employee of CITY OF HONDO. The bidder has no authority to commit CITY OF HONDO to any third party.
3. The contractor or vendor must comply with all local, state and federal laws, rules and regulations applicable to the contract and to the goods delivered and/or services performed hereunder, including all applicable anti-discrimination, wage and hour, and other laws.
4. The contractor or vendor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless CITY OF HONDO and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.
5. The contractor or vendor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless CITY OF HONDO and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of claims of infringement of a third party’s intellectual property.
6. The contractor shall secure and maintain in force for the term of the contract liability insurance at the limits and as provided in the contract and workers’ compensation insurance as provided by applicable state law.
7. Unless otherwise provided, the contractor or vendor shall treat as confidential the terms of this RFP, all documents related to the RFP and the contract, and all proprietary or confidential data or documents of CITY OF HONDO and not to disclose such facts or documents to any third party without the prior written consent of CITY OF HONDO.
8. CITY OF HONDO, in its sole discretion, reserves the right to reject any or all bids, or to award in whole or in part if deemed to be in the best interest of CITY OF HONDO to do so.

5– Current Participation Levels

Total U.S. based Employees: 110

Plan	Approximant Participation Level
Medical & RX with Stop Loss Reinsurance	100
Dental	90
Vision	90
Flexible Spending Account (both Medical and Dependent Care)	0
Life/Accidental Death & Dismemberment (employee basic life and voluntary employee and dependent life and AD&D)	100
Disability (paid short term and long term insurance benefits)	80