

CITY OF CHERRY HILLS VILLAGE

Request for Proposal for Benefit Consulting Services

This Request for Proposal (“RFP”) is not a competitive bid based on price only. The RFP allows the City to select the consultant that best meets the needs of the City.

2450 East Quincy Ave, Cherry Hills Village, CO 80113

Kathryn Ducharme, Human Resource Analyst

5/18/2020



SECTION 1 SUMMARY OF REQUEST

The City of Cherry Hills Village (“City”) is soliciting proposals from insurance brokers/consultants qualified to perform, and that are interested in providing, the services related to the design, implementation, maintenance and improvement of the City’s employee benefits insurance programs (listed in Section 3, page 2). The City anticipates to enter into an annual contract with the option to renew subject to City Council approval for a period of five (5) years. The City is seeking a full-service consultant who can provide a variety of benefit consulting services, including customer and administrative support to meet the needs of the City. The City is most interested in firms that have prior experience with governmental entities, partially self-funded health plans, and an understanding of and direct experience with Kaiser Permanente healthcare delivery.

Due to COVID-19 the City is requesting mailed proposals for Employee Benefits Insurance Brokerage/Consulting Services until 4:00pm on Monday, June 29, 2020, at [City Hall, 2450 East Quincy Ave, Cherry Hills Village, Colorado 80113](#).

Questions pertaining to the specifications of this Request for Proposal should be directed to Kathryn Ducharme at (303)783-2734 or kducharme@cherryhillsvillage.com and will be accepted until June 5, 2020. It is the responsibility of the prospective consultant to contact Kathryn Ducharme at (303)783-2734 to verify receipt of questions. The questions and answers will be posted on the City’s website by June 10, 2020.

A copy of the Request for Proposal may be obtained as follows:

1. The City website at <https://www.cherryhillsvillage.com/446/RFPs-RFOs-and-Bid-Openings>
2. Rocky Mountain Bid Net system

SECTION 2 BACKGROUND

The City was established in 1945 as the Town of Cherry Hills Village. It became a City in 1966 with the adoption of its Home Rule Charter. The City serves an area of approximately six and one-half (6.5) square miles and is comprised of approximately 6,600 residents. The City has seven (7) elected officials that make up City Council to include a mayor and six (6) Councilmembers. The City Council appoints a City Manager to lead the organization. The City consists of four (4) departments including Administration and Finance, Community Development, Police and Public Works. However, the City also provides services in the following areas: general government, municipal court, parks and recreation, as well as water and sewer.

Currently there are fifty-two (52) full-time employees, one (1) part-time, and up to seven (7) seasonal employees per year. Benefits are offered to all full-time employees and eligible part-time employees who work twenty (20) hours per week at a prorated basis.

SECTION 3 SUMMARY OF BENEFITS

List of Benefits provided:

BENEFIT	DESCRIPTION
Group Medical Plans	Kaiser Permanente HMO plans-two options Kaiser Permanente HDHP with HSA (HSA services for City provided through Optum Bank), City/Employee shared premiums
Group Dental Plan	Principal PPO plan, City/Employee shared premiums
Group Vision Plan	EyeMed Vision plan, Employee pays premiums
Group Supplemental Coverage	AFLAC plans including Accident, Cancer, Hospital Employee pays premium
Group Life Insurance & AD&D	Mutual of Omaha, City pays premium for full-time employees, Coverage is annual salary rounded up to nearest thousand to a maximum of \$100,000 Spouse and Dependent coverages of \$10,000 and \$2,000
Voluntary Life Insurance	Mutual of Omaha, Employee pays premium Provides employee guaranteed amounts of coverages of \$100,000, spouse \$25,000 and child \$10,000
Group Disability	Mutual of Omaha, City pays premiums Short-term disability-66.67% weekly salary for non-public safety officers, 60% weekly salary for Police Officers for all full-time employees Long-term disability-60% monthly salary for all full-time employees
Employee Assistance Program	Mutual of Omaha
Flexible Spending Accounts	Rocky Mountain Reserve, Medical and Dependent Care plans
COBRA	Rocky Mountain Reserve

Number of Participants:

BENEFIT	ENROLLMENT NUMBERS	
Medical	46 employees	104 total people
Health Savings Account	8 employees	16 total people
Dental	45 employees	92 total people
Vision	34 employees	64 total people
Supplemental	5 employees	18 total people
Flexible Spending Accounts	15 employees	
Life Insurance	52 employees	
Dependent Life Insurance	83 total people	
Voluntary Life Insurance	25 employees	59 total people
Short-term Disability	52 employees	
Long-term Disability	52 employees	

Plan Year:

BENEFIT	RENEWAL DATE
Medical	January 1
Dental	January 1
Vision	January 1
Life Insurance, AD&D, Vol. Life, Disability	January 1

SECTION 4 SCOPE OF WORK/SERVICES EXPECTATIONS

1. Serve as management consultant on health insurance related matters. Provide advice and assistance reviewing the City's employee benefits program on a continuing basis to ensure that the plans are in compliance with federal requirements and that the program provides adequate benefits. Recommend alternative benefit designs or delivery systems as dictated by emerging plan costs or benefit practices.
2. Notify, monitor, and provide information on pending or new legislation and ballot measures, changes in tax law, as well as benefit and funding trends that may affect the benefit program. Assist with Health Insurance Portability Accountability Act (HIPAA) and Patient Protection Affordable Care Act (PPACA) compliance. Maintain confidentiality of the City's health claims, records, and related data which cannot be sold, shared, or otherwise disclosed to other companies or individuals without written permission from the City.
3. Negotiate for the City favorable costs and high-quality services with vendors, including semi-annual reports for budgeting, resolution of issues, and renewal purposes.
4. Prepare and review contracts, plan documents, insurance policies, and other documents for applicability and accuracy.
5. Proactively recommend alternative benefit designs, ancillary benefit program(s), voluntary benefit programs, or delivery systems as dictated by emerging costs or benefit practices and trends. Identify any possible consolidation opportunities and design changes that will reduce overall program cost for long term.
6. Review City trends for the applicable plans. Identify appropriate and cost-effective strategies to reduce health and benefit claim costs.
7. Prepare bid specifications and solicit proposals from health and benefit vendors and insurance markets specializing in group insurance plans as needed.
8. Assist with adjudication of specific claims. Provide comprehensive, objective review of received and processed claims to determine whether the claims are adjudicated according to contractual performance standards, appropriate benefits, and industry standards. Provide liaison services between program and other benefits contractors, including coordination of reporting and assistance resolving claims.
9. Partner with Human Resources and management team at the City in the administration of all group insurance plans, including responding to questions from and providing information to staff, and providing other benefits-related advisory services throughout the plan year.
10. Advise the City in contract negotiations and renewals within the consultant's field of expertise. Develop and assist in implementation of new insurance plans and benefits, as applicable.
11. Assist with preparation of materials for annual employee benefits and open enrollment meetings. Be available to attend meetings with City representatives as required.
12. Provide full disclosure of all fees, commissions, bonuses, overrides, and compensation received from each health and benefit plan annually and at the start or change of any existing plan.

SECTION 5 RFP PROCESS

Schedule of the Process

- | | |
|---|----------------------------------|
| 1. Run ad/post on City's website | May 18, 2020 |
| 2. Deadline to submit questions or requests for information | June 5, 2020 |
| 3. Answers to questions submitted will be posted on the City's website | June 10, 2020 |
| 4. Proposal submission deadline
(Complete proposals must be received no later than 4:00pm) | June 29, 2020 |
| 5. Internal review of proposals | July 17, 2020 |
| 6. Presentations (if deemed necessary) | Last week of July 2020 |
| 7. Final selection | At the latest by August 14, 2020 |
| 8. Open enrollment | November/December 2020 |

The management team will review all proposals by Friday, July 17, 2020. The request for proposal is not a competitive bid based on price only. The management team may then extend invitations to those consultants with the most suitable proposals requesting that they make formal presentations to the members of the management team, if deemed necessary. The management team will determine which consultant firm is best suited to meet the needs of the City. The City is committed to selecting the consultant providing the best value, by displaying a high level of responsiveness and responsibility that the City determines best meets its needs.

There will be no extensions in the opening dates in either phase granted on an individual basis. If the City determines in its sole discretion that the response time it has provided is inadequate for the preparation of complete proposals, or if amendments issued have materially changed the proposal requirements, the City may extend the opening or response dates to all firms.

All consultants agree that their proposals are a firm offer to provide the requested services to the City. Once submitted, all offers must remain valid for one hundred eighty (180) days from submission deadline date for proposals. No offer may be withdrawn after the opening date for a period of one hundred eighty (180) days.

SECTION 6 INSTRUCTIONS

1. Proposers responding to this RFP must submit their proposals in the overall format as outlined in this solicitation.
2. Three (3) copies of the proposal are to be submitted on or before 4:00 p.m., Monday, June 29, 2020.
3. Proposals must be sent by mail to 2450 East Quincy Ave, Cherry Hills Village, Colorado 80113. Due to COVID-19, we are asking for mailed submittals, please allow sufficient delivery time to ensure receipt by the deadline.
4. Proposers must complete the attached Disclosure Statement and return with your proposal.

SECTION 7 SUBMITTAL CONTENTS

1. Provide the name and home office address of your organization. Describe what type of a business entity your organization is (corporation, general partnership, limited liability company, etc.). Indicate in what state your business entity was incorporated or formed. Also indicate any mergers or acquisitions experienced in the last ten (10) years of business.
2. Provide a brief history of your business including years of operation, general business description, number of clients serviced, types of service generally offered, size of the firm, financial status and stability, and statement of philosophy of customer service levels provided to clients.
3. Identify the key personnel of the business who will be assigned to perform the services for the City, and who will provide continuing support throughout the term of the agreement. Indicate the specific office from which you are proposing to provide service to the City. Provide resumes stating qualifications for key personnel and provide a statement as to the availability, continuity, and accessibility of the individuals who would be assigned to manage the City's account. Also indicate the service philosophy and approach used by the team being assigned to our account.
4. Confirm that you are a licensed consultant or broker in Colorado and provide documentation. Also provide proof that your company carries Errors and Omissions insurance coverage.
5. Describe the leading and future issues that will impact organizations like the City in the next three (3) to five (5) years. Briefly describe how your company is uniquely qualified to address each of the leading issues you've identified for the City.
6. Provide contact information including names, positions, and telephone numbers for cities, towns, and counties and/or companies for which your firm is the lead consultant and broker in regards to health and benefit plans and services. Include types of services you provide them and, if possible, the total number of people served.
7. Provide a list of the top three (3) health and benefit plan providers and/or insurance companies that your firm deals with in each of the following: medical, dental, vision, life insurance, disability, and other voluntary benefits.
8. Provide the account (health and benefit accounts) retention for your company for the past three (3) years. Include a list of clients who have left and their contact information.
9. Describe how your company can assist the City in reaching and communicating with our benefit-eligible employees. If appropriate, use examples of how you have approached this situation and have provided assistance with similar clients.
10. Describe your services in the areas of renewal negotiation and financial review.
11. Describe your firm's experience in dealing with transitions and what the broker's role is in the implementation of plan changes. Propose how you will transition our account into your firm's business.
12. Describe responsibility for auditing procedures, assurance of quality control, and access to claims administrators.
13. Detail your ability to monitor regulatory, initiative, and legislative developments at both the federal and state level and how this will be communicated to the City. Provide information on the services you offer to assist with compliance issues.

14. Describe the firm's capability to conduct an employee benefit satisfaction survey, including surveying employee interest for voluntary benefits. Include in your response the frequency your firm would recommend that we conduct an employee survey and the methodology for conducting such a survey.
15. Describe your firm's training and education services and/or programs for employees.
16. Provide (if any) specific costs per services, fee payment schedule and cost guarantees, if available, for an initial agreement period with the City. Include an hourly rate for services performed beyond the normal scope of services, if any, that would be included in an agreement.

SECTION 8 TERMS AND CONDITIONS

When preparing a proposal for submission to the City in response to the RFP, consultants should be aware of the following terms and conditions:

1. The City reserves the right to: reject any and all proposals, to consider alternatives, to waive or decline to waive any informalities and irregularities, to abandon the RFP process at any time, to extend the deadline for the receipt of proposals, negotiate with one or more proposers desired modifications of changes in the proposed work, and to re-solicit proposals.
2. The City reserves the right to conduct such investigations of and discussions with those who have submitted proposals or other entities as it deems necessary or appropriate to assist in the evaluation of any proposal or to secure maximum clarification and completeness of any proposal.
3. All proposals submitted must be valid for a period of one hundred eighty (180) days after the date of the proposal deadline.
4. The City reserves the right to select the most responsive and responsible proposal that it determines best meets the City's needs and desires.
5. The City makes no commitments to any consultants until such time as the City approves the negotiated agreement.
6. The City assumes no responsibility for payment of any expenses incurred by any consultant as part of the RFP process.
7. Because the agreement which will be entered into between the City and successful consultant may be a multi-year agreement, it will contain a standard provision making the City's financial obligations under the agreement subject to annual appropriation by the City Council. If funds are not appropriated for any fiscal year, the City will have the right to terminate the agreement without penalty; however, the agreement will obligate the City to pay for all services rendered by the successful consultant up to the time of termination.
8. The agreement to be entered into between the City and the successful consultant will obligate the successful consultant to maintain the following insurance coverage's throughout the term of the contract: (a) worker's compensation insurance to cover obligations imposed by the applicable laws for any employee of the consultant engaged in the performance of work under this agreement; errors and omissions insurance not less than One Million Dollars (\$1,000,000.00) and (b) comprehensive general liability insurance with limits of liability not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million (\$2,000,000.00) aggregate.
9. The final form of agreement to be entered into between the City and the successful consultant shall be subject to the final review and approval of the City Attorney and City Council.

10. The City shall not be liable for any costs incurred by the proposer in the preparation, production, or delivery of the proposal, contract negotiations, or for any work performed prior to the effective date of a contract.
11. All proposals submitted shall become the property of the City and shall be held, controlled, manipulated, and retained by the City in accordance with the City's policies and records retention schedule and applicable law, including the Colorado Open Records Act, C.R.S. § 24-72-401 *et seq.* ("CORA").

SECTION 9 COLORADO OPEN RECORDS ACT

The information included in this RFP is for your exclusive use in preparing a proposal. The use of the City's name in any way as a potential customer is strictly prohibited.

The proposer acknowledges the City is subject to Colorado Open Records Act (CORA) and the information in the proposal may be subject to public inspection and disclosure under CORA. The proposers should expect that the proposal may be viewed by the general public and competitors following the deadline for submission. If anything submitted in a proposal is marked "confidential," "proprietary," or otherwise stating an intention to protect the information from disclosure, the City cannot guarantee that such demarcation is sufficient to prevent disclosure by law.

DISCLOSURE STATEMENT

As a condition for consideration, vendor must disclose any conflict of interest with the City of Cherry Hills Village, including, but not limited to, any relationship with any City of Cherry Hills Village elected official or employee. Your response must disclose if a known relationship exists between any principal of your firm and any City of Cherry Hills Village elected official or employee. If, to your knowledge, no relationship exists, this should also be stated in your response. Failure to disclose a conflict may result in disqualification. This form must be completed and returned in order for your proposal to be eligible for consideration.

NO KNOWN RELATIONSHIP EXISTS

RELATIONSHIP EXISTS (Please explain the relationship)

I CERTIFY THAT:

1. I, as an officer of this organization, or per the attached letter of authorization, am duly authorized to certify the information provided herein is accurate and true as of the date; and
2. My organization shall comply with all state and federal equal opportunity and non-discrimination requirements and conditions of employment.

Print Name

Title

Signature