TOWN OF LEDYARD

CONNECTICUT

741 Colonel Ledyard Highway
Ledyard, CT 06339-1541
860.464.3235 (P)
860.464.1126 (F)
http://www.ledyardct.org

REQUEST FOR PROPOSALS

for

HEALTH AND WELFARE BENEFITS CONSULTANT

BID #2011-11

May 16, 2011

LEGAL NOTICE
TOWN OF LEDYARD, CONNECTICUT
INVITATION TO BID
BID #2011-11

The Town of Ledyard seeks sealed bids for a Health and Welfare Benefits Consultant. Bidding documents and specifications are available via email by contacting the Director of Finance at finance.director@ledyardct.org, or from the Town of Ledyard Website at http://www.ledyardct.org. If documents are downloaded from the Town's Website, bidder must notify the Director of Finance by email to ensure notification of any subsequent addenda.

Sealed proposals will be received until 2:00 P.M. on Friday, June 3, 2011, at the

Town of Ledyard
Mayor's Office
741 Colonel Ledyard Highway
Ledyard, CT 06339

at which time and place they will be publicly opened and read aloud. Proposals received after that time will not be accepted and will be returned to the bidder unopened. Sealed proposals should be clearly marked "**SEALED BID #2011-11—Ledyard Health and Welfare Benefits Consultant**."

The Town of Ledyard reserves the right to waive technical defects in the bids; to reject any bids which do not conform to terms and conditions described in the specifications; to reject any or all bids and again invite bids; and waive informalities or irregularities in the qualification bidding process.

Proposals will be evaluated based on what is deemed to be in the best interests of the Town, including such factors as the bidder's experience and expertise in providing Insurance Advisory and Brokerage services for municipalities, clarity and creativity of the proposal, recommendations of entities for which the bidder has previously provided services, evidence of prior success in evaluating and implementing plan design and financing alternatives for clients in a collective bargaining environment, the persons to be assigned to the project by the bidder, and total cost. Cost will not be the sole factor in evaluating bids.

_____
Marcia Hancock
Director of Finance

THE TOWN OF LEDYARD IS AN AFFIREMATIVE ACTION / EQUAL OPPORTUNITY EMPLOYER

I. GENERAL INFORMATION

1.1 Issuing Office: This Request for Proposals (RFP) is issued by the Town of Ledyard, Connecticut.

1.2 Purpose: The purpose of the RFP is to provide prospective firms with essential information to enable them to prepare and submit proposals regarding a professional Health and Welfare Consultant. Consulting services shall include, but not be limited to day to day benefit consulting, review and analysis of renewal offers from service providers and/or carriers, and other administrative and labor related services. It is the intent of the RFP to identify the party most likely to successfully represent the Town and Board of Education in its desire to minimize rate increases for all insurances.

1.3 Proposals: All proposals received by the Town in response to this RFP will be retained. Submissions must:

A. Constitute a complete response to this RFP, using the Proposal Form provided in this document (see page 7).

B. Include an original and two (2) copies. The price proposal and/or fee structure (Appendix A) **must** be submitted in a separate envelope from the base proposal.

C. Proposal must be received by:

Mayor's Office
Town of Ledyard
741 Colonel Ledyard Highway
Ledyard, CT 06339

no later than **2:00 P.M. on Friday, June 3, 2011.** Envelopes must be clearly marked "Proposal Health and Welfare Benefits Consultant." Firms mailing proposals should allow for normal delivery time to ensure timely receipt of their proposals. **Proposals may not be submitted by e-mail**.

D. Must be signed by an official authorized to bind the firm to its provisions.

E. Must include a statement that the proposal remains valid for a period of at least ninety (90) days from the date of its submission.

1.4 Rejection of Proposals: The Town reserves the right to reject any and all proposals received as a result of this RFP.

1.5 Communications Concerning RFP: All questions relevant to the development of a proposal are to be directed by email to:

Marcia Hancock
Director of Finance
Finance.director@ledyardct.org

Any questions determined to be of interest to all prospective firms will be answered in writing and provided to all firms either by mail or by e-mail.

1.6 Term: Based upon the outcome of this process, the Town of Ledyard will award a two-year contract with the option for a two-year renewal, at the sole discretion of the Town of Ledyard. The ultimate successful respondent will be expected to commence services effective 7/1/2011. It is expected that the successful consultant will take over the existing policies via "consultant of record."

1.7 Additional Information:

A. Revisions or addenda to the RFP: In the event it becomes necessary to revise or supplement any part of the RFP, the revision or supplement will be provided to all prospective firms either by U.S. mail or by e-mail.

B. Experience: Firms with experience in Health and Welfare consulting services for public sector organizations are encouraged to apply. Firms must demonstrate their knowledge of both Town and Board of Education organizations as well as the mandates and laws that affect such organizations in the State of Connecticut.

C. Incurring Costs: The Town will not be liable for any costs incurred by a firm in the preparation or submission of a proposal.

D. Civil Rights Compliance: Where applicable, firms must comply with the Civil Rights Act of 1964, the Equal Employment Act, and the Connecticut Fair Employment Practices Act.

E. News Releases: News releases pertaining to this RFP or the services, study or project to which it relates will not be made without prior approval, and then only in coordination with the Town.

F. Acceptance of Proposal Content: The contents of the successful proposal may, at the Town's option, become part of the contract entered into by the successful firm and the Town.

II. BACKGROUND INFORMATION

The Town of Ledyard provides health care for approximately 157 general government participants and 357 Board of Education participants including both active and retirees. Health insurance for our employees and retirees is currently provided through a self insured plan with Anthem as its third party administrator. The plan consists of a Preferred Provider program and Prescription Drug Benefits. Dental Insurance is provided through a fully insured program through MetLife. Long Term Disability and Life Insurance are provided through AIG.

III. CONTENT OF PROPOSALS

3.1 Scope of Service

A. Market all insurances to include, but not be limited to, preparation of bid specifications, evaluation of proposals received, and recommendations on contracts to be signed for with effective date to be determined by the Town.

B. Coordinate and review necessary demographic data for marketing.

C. Should the Town and/or Board of Education elect to change carriers following the marketing process, manage and review the SPD development ensuring that the selected vendor provides benefits that are equivalent to or better than those currently in effect.

D. Provide a disruption analysis relative to the provider, pharmacy, hospital and appropriate other vendor networks. Attend various employee, committee and board/commission meetings as necessary.

E. Review all contracts and booklets.

F. Review current plans experience, claims, and market trends, and negotiate renewal premiums with all insurance providers on an annual basis.

G. Periodically review the health insurance plans' claims and fees and provide a reasonability analysis in comparison with industry norms.

H. Ensure accurate follow through on all negotiated contractual arrangements made between the Town of Ledyard and Board of Education and its health insurance carrier(s).

I. Ensure that any self-funding arrangements with third party administrators are appropriately managed.

J. Monitor the third party administrator's actuarial assumptions under self-insured programs, if applicable.

K. Intervene and resolve with providers, problems that may arise regarding claims, proper coverage, routine administration and day-to-day account service.

L. Cause the Town and Board of Education to be provided with accurate management reports/utilization, review on comment information from all carriers on a continuing basis.

M. Provide the Town and Board of Education with information on new health insurance programs, more cost-effective products and funding options, and future trends in employee benefits.

N. Analyze annual renewals for all self-insured and insured plans and periodically solicit coverage proposals from alternative providers.

O. Develop strategies for presentation and implementation of any new benefit program to employee unions and other interested parties.

P. Serve in an advisory capacity during negotiations with collective bargaining units. This includes analyzing benefit proposals, providing counsel to negotiators, and testifying at negotiation, mediation, and arbitration sessions as needed.

Q. Coordinate employee communications and conduct employee informational meetings as new programs are implemented.

R. Provide expert advice and/or testimony in disputes that may arise between the Town and Board of Education and their labor unions, as they pertain to the health insurance benefit plans.

S. Inform the Town and Board of Education and Administration of changing legislation and legal decisions affecting employee benefits. Recommend and discuss methods to comply with these changes.

3.2 Other Requirements

Proposals should also include the following:

A. Brief statement as to the firm's particular abilities and qualifications related to this project.

B. List of municipalities in Connecticut and other states for which the firm has provided similar services in the last three years. Connecticut public schools or municipal references are preferred. Please also include the name and contact information for these references.

C. Resumes of key personnel who would be assigned to this project.

D. Additional information or documentation that may be useful and applicable to this project.

E. Rates for any additional work that the consultant recommends beyond the original scope of services contained in this RFP should be submitted as a formal proposal. The proposal should detail the requirements and the deliverables as well as a capped

cost.

F. Prior to contract, the winning firm will be required to show evidence of insurance coverage of a kind and in an amount satisfactory to the Town. The Town's insurance requirements are attached to this RFP in Appendix B.

G. Information concerning any suits filed, judgments or liens entered or claims made against the firm during the last five years with respect to employee assistance program services provided by the firm (b) or any declaration of default or termination for cause against the firm with respect to such services. In addition, state whether during the past five years the firm has been suspended from bidding or entering into any government contract.

H. Utilization report format.

I. Vendor should describe their confidentiality policy.

3.3 Fees

The selected Health and Welfare Benefits Consultant shall identify base cost of services as provided under the Scope of Services and identify the cost impacts of the various options/alternatives itemized separately; fees for additional services clearly stated. The contract award will be on a fee basis and no commission may be accepted by the consultant in the performance of their services on behalf of the Town of Ledyard. Fees will be invoiced directly to the Town of Ledyard.

IV. SELECTION PROCESS

4.1 Review Process: All proposals will be reviewed by a committee comprised of the Town's Director of Finance, Board of Education Business Manager, and the Finance Committee of the Town Council.

The Town reserves the right to waive non-material deficiencies in any proposal.

Proposals will be evaluated based on what is deemed to be in the best interests of the Town, including such factors as the bidder's experience and expertise in providing Insurance Advisory and Brokerage services for municipalities, clarity and creativity of the proposal, recommendations of entities for which the bidder has previously provided services, evidence of prior success in evaluating and implementing plan design and financing alternatives for clients in a collective bargaining environment, the persons to be assigned to the project by the bidder, and total cost. Cost will not be the sole factor in evaluating bids.

A short list of finalists will be developed and firms may be interviewed by the Selection Committee after the proposals are received. Specific information required for the interviews will be provided to finalists at the time of notification.

If interviews are held, they will be 30-45 minutes long. Initial presentations will be limited to 15 minutes. The final 15-30 minutes will be reserved for questions from the Selection Committee and subsequent discussion. The key person to be assigned to this project must be present at this interview.

The Selection Committee expects to recommend a firm to the Ledyard Town Council for approval by June, 2011.

The Town expects to complete its review of all proposals and select the tentative bidder within two weeks after the receipt of proposals. If necessary, the Town may extend that review period.

Selection as the preferred proposal does not provide any contract rights to that firm. Any such rights shall accrue only if and when the Town and the firm execute a binding contract. The Town reserves the right to negotiate with the successful firm in any manner necessary to best serve the interests of the Town. If the Town fails to reach an agreement with the successful bidder, the Town may commence negotiations with an alternative bidder or reject all bids and reinstitute the RFP process.

[Form of Cover Page of Proposal]

TOWN OF
LEDYARD

PROPOSAL FOR HEALTH AND WELFARE BENEFITS CONSULTANT

The undersigned has read, understands, and agrees to comply with the requirements contained in the Request for Proposals for Health and Welfare Benefits Consultant. The undersigned submits this proposal in good faith and without collusion with any other person, individual or firm.

The proposal consists of this cover page and the following attachments:

Name and Address of Firm:

_____

_____

_____

Name, Title and Contact Information (phone, fax, email) of Authorized Representative:

_____

_____

_____

_____

Signature of Authorized Representative:

_____

(Attach additional sheets as necessary)

APPENDIX A

FEE PROPOSAL

My proposal to provide Health and Welfare Benefits Consultant is as follows:

Cost/Year One: _____

Cost/Year Two: _____

Cost/Year Three (Option): _____

Cost/Year Four (Option): _____

Total Cost: _____

Name of Firm: _____

APPENDIX B

An Insurance Certificate shall be required to be filed with the Director of Finance certifying coverage as described in this section.

The contractor shall procure and maintain insurance against claims for injuries or losses to persons or property that are alleged to have arisen in connection with activities of the contractor and any agents, representatives, subcontractor or employees. Insurance companies must be licensed by the State of Connecticut or otherwise acceptable to THE TOWN. The cost of such insurance, including required endorsements or amendments, shall be the sole responsibility of the contractor. Full disclosure of any nonstandard exclusions is required for all required coverages. The Town requires to be added as additional insured.

A. Broad form commercial general liability coverage naming the Town of Ledyard as additional insured, written on a 'per occurrence' basis and with an aggregate cap no less than 3 times the required limit: $1,000,000 Combined Single Limit (C.S.L.)

B. Automobile Liability coverage, including coverage for owned, hired or borrowed autos: $1,000,000 C.S.L.

C. Workers' Compensation Coverage (per Connecticut law) and Employer's Liability Coverage: coverage A at statutory limits and coverage B at limits of 100,000 / 500,000 / 100,000.

OR

"Certificate of Solvency" issued by Connecticut Workers' Compensation Commission for self-insurers.

D. Professional errors and omissions coverage for (i.e. architects, engineers, etc.): $1,000,000 C.S.L

If Contractor/Vendor is underwritten on a claims-made basis, the retroactive date shall be prior to or coincident with the date of this Contract/Agreement, and the Certificate of Insurance shall state that the coverage is claims-made and also the retroactive date, if any. The contractor shall maintain coverage for the duration of the award and for two years following the completion of the contract.

It is further agreed that the contractor shall provide the Town a thirty (30) day notice of cancellation, in advance of the retroactive date, and/or non-renewal. An Award for work shall not be issued until the Director of Finance has received the required Insurance Certificate.