



REQUEST FOR BOARD ACTION

ITEM NO. 12

DATE OF MEETING: March 15, 2010

REQUESTED BY: Rick Benton, County Manager

SHORT TITLE: Resolution to Approve Eben Concepts-Group Benefit Services as the County's Health Insurance Program Broker for FY 10/11.

BACKGROUND: Request for proposals for a broker to provide administrative services for the County's health insurance program were solicited in February. A committee of seven county employees was selected to assist the Finance Director in reviewing and making recommendations to the County Manager, and then to the Board in the selection of a broker. The employees are Melinda Knoerzer, Erik Harvey, Angela Jenks, Monique Baker, Tony Clewis, Melissa Murphy, and Patricia Thornton. Of four firms that responded with a proposal, two firms were selected for further consideration and interviews. Eben Concepts-Group Benefit Services and Mark III Employee Benefits were selected to make presentations to the committee on March 2, 2010. After a thorough review of the proposals, presentations and interviews, the committee recommends that Eben Concepts-Group Benefit Services be recommended to the County Manager for recommendation to the Board for selection as the County's Health Insurance Broker for a three year period. A copy of the company's proposal is attached.

This firm has provided the health insurance broker-consulting services to the County since 2007, and has provided excellent services. The firm has helped to keep our insurance costs below 2007 levels to date. As well, they have been instrumental in assisting the County in implementing a wellness program, and will provide recommendations for implementing incentive-based wellness programs in the coming year. And importantly, their cost proposal was the lowest of all four bidders. A copy of the committee's recommendations is attached, along with a copy of the firm's proposal and the Request for Proposal.

SPECIFIC ACTION REQUESTED: To consider a resolution approving Eben Concepts-Group Benefit Services as the County's Health Insurance Program Broker as of July 1, 2010.

Rick Benton

From: Melinda Knoerzer [mknoerzer@pendercountync.gov]
Sent: Wednesday, March 03, 2010 3:31 PM
To: 'Rick Benton'
Subject: Selection of Health Insurance Brokerage Firm - Wellness Committee

Mr. Benton

Based on interviews of Group Benefits and Mark III held on March 22, 2010, the Committee unanimously recommends to the Board of Commissioners that the current relationship with Group Benefits be maintained and that we select them as the successful Health Insurance Broker.

This decision was based largely on the following:

GB's presentation was professional and all-inclusive.
GB has a strong emphasis on and approach to Wellness and Disease Management Programs.
GB has personnel in the local area (Clinton and Wilmington) who are dedicated to Pender County.
GB has indicated that based on initial projections, health care costs have stabilized.
GB, as the current vendor will maintain continuity of business.
GB introduced innovative programs to expand services and reduce costs to the County.
GB is highly involved in state and national health insurance brokerage issues.

It is our pleasure to make this recommendation to the Board. Please let us know if you have additional questions.

MELINDA KNOERZER

Administrative Assistant
And Pender County Wellness Committee Member
Pender County Utilities
P.O. Box 995
605 E. Fremont St.
Burgaw, NC 28425
910.259.1521-office
910.259-1579-fax
knoerzermk@pender-county.com

**Pender County
Request for Proposals**

TITLE: Employee Health Benefits Broker Services
ISSUE DATE: January 13, 2010
DUE DATE: February 5, 2010; 5:00 p.m.

Sealed Proposals subject to the conditions made a part hereof will be accepted until February 5, 2010, 5:00 p.m. for furnishing services described herein.

IMPORTANT NOTE: Indicate firm name on the front of each sealed proposal envelope or package. Electronically submitted (email/fax) proposals will not be accepted.

Direct all inquiries concerning the submission of this RFP to:

Mr. Dave McCole, Finance Director
Pender County
PO Box 5
805 S. Walker Street
Burgaw, NC 28425
910-259-1200
mccoled@pender-county.com

1. Purpose:

The purpose of this Request for Proposal (RFP) is to solicit offers from qualified brokers to assist Pender County with strategically planning, designing and negotiating the best coverage and cost for selective employee benefit programs, including health insurance. The County has approximately 348 full-time employees. Pender County is constantly competing to recruit and retain the best employees possible. Our leadership is looking to ensure we have financially competitive and affordable benefit programs to offer our employees.

2. Contract Period:

Any contract resulting from this proposal shall be for the benefits plan year beginning July 1, 2010 with the option of the County to continue services under the same terms and conditions set forth herein in subsequent years.

3. Scope of Work:

Pender County requires a North Carolina licensed Broker that is independent and is not affiliated with any insurance company, third party administrative agency or provider network. The brokerage firm must have experience (no less than 5 years) in providing brokerage services in the public sector arena and specifically for local governments (cities and counties). Pender County requires the following services:

- Audit resulting contracts for accuracy of coverage, terms and conditions.
- Assist with annual benefits renewals, including negotiation of changes in contracts.
- When employee benefits are marketed, prepare bid specifications, identify appropriate markets, analyze proposals submitted, make recommendations, and assist in negotiation of (preferably multi-year) contracts.
- Annual reviews of selected employee benefit package for quality of benefits provided, cost effectiveness, competitiveness and plan administration.
- Monitor ongoing contracts, including provider plan administration, provider compliance with contract, and incurred claims.
- Provide information on employee benefit issues, trends and proposed or new legislation.
- Be available to meet with the Benefits staff and County Management as needed.
- Recommend and assist in the design of employee benefits communications, programming and events. Assist in the implementation and evaluation of programs such as wellness programs.
- Provide a key contact person to be available to answer questions and resolve issues that arise during the year regarding employee benefits, contract administration, and service provisions.
- Evaluate various insurance products submitted by carriers, agents and brokers.
- Perform other related consultation services as needed or requested.

4. Vendor Proposal Requirements:

The proposal response must clearly demonstrate the required qualifications, expertise, competence and capability of the vendor. Please provide a concise description of your firm's ability to provide the services required in the *Scope of Work* set forth under Section 3 in this

document. Costs incurred by firms responding to this RFP are solely their responsibility. Additionally, please include the answers to the following questions (address by number):

1. Describe your organizational structure (i.e. publicly held corporation, partnership, etc.).
2. Confirm that you are a licensed broker in North Carolina and provide documentation. Confirm that you serve as a broker, independently, and are not affiliated with any insurance company, third party administrative agency or provider network.
3. Briefly describe your company's organization, philosophy, and management. Also, please provide a brief company history. Describe your contractual relationships, if any, with organizations necessary to your proposal's implementation (i.e. actuarial services, data information services).
4. How long has your organization been providing brokerage services?
5. How many clients does your organization presently have? Typically, how many clients does each broker manage?
6. How many public sector (including local governments) clients do you personally manage?
7. What is your average response time to questions posed from your clients? How do you handle follow up to outstanding items? What is your preferred method of communicating with your clients (i.e. voicemail, e-mail, fax)?
8. Please provide a list of three verifiable client references of similar scope and industry, all of whom are able to comment on your organization's relevant experience. Please include company name, contact name, telephone number and size of company's workforce. It is the vendor's responsibility to provide valid reference information and the County reserves the right to use reference checks in its evaluation of proposals.
9. Please describe the organizational structure of the brokers who would provide services to the County (i.e. individual broker, individual broker with supporting back up, team of brokers). Include a brief professional history for each individual and how they are qualified to provide services to the County.
10. Briefly describe the level of service and support provided by your brokers on a day-to-day basis.
11. What steps does your organization take to ensure that each broker is educated on current market trends and legislative developments? How is this information communicated to your clients?
12. Describe how you propose to build an understanding of the direction and priorities of County and how you would utilize this information in order to anticipate our needs in relation to benefits.
13. Describe your organization's involvement in the annual renewal process, and how you would assist Pender County in making decisions related to vendors. Include information

regarding process timeframes, negotiation of rates and vendor selection. Include how your company's experience and expertise would benefit the County.

14. Please provide a list of the vendors you have relationships with in regard to health, disability, life, supplemental health, and dental insurance plans.
15. Describe how your organization strives to streamline benefit administration for your clients. Include any services you provide for automation of the benefit process (i.e. electronic capabilities, outsourcing options). Attach any associated costs for these services on a separate fee schedule.
16. Detail how you develop a benefit communication strategy with your clients. Include what tools or resources you have available to assist your clients in effectively communicating not only the specific plan details but also the value of the benefits offered?
17. What training resources does your organization provide to assist your clients in educating and training their benefit staff?
18. What makes your organization unique from other organizations that may submit proposals for the County's consideration?
19. Provide any additional information regarding your organization or services that you feel would be beneficial in helping the County to select a benefits broker.
20. Indicate any experience that your firm has with implementing innovative benefit plans such as health savings accounts. List those clients where these programs exist.
21. Indicate the experience your firm has with implementing wellness programming such as biometrics, blood testing, Health Risk Assessments, or other programs to improve employee health and reduce benefit costs in your client base.
22. Describe three innovative programs or services to improve employee health and reduce benefit costs your firm might be able to suggest and help implement that would be appropriate for implementation in Pender County. Be specific.
23. Indicate if your firm has staff dedicated to working with clients on wellness incentives.

5. Criteria for Evaluation:

All proposals will be evaluated according to, but not necessarily limited to, the following:

- The proposal's Plan of Services as required in item 3. Scope of Work and 4. Vendor Proposal Requirements.
- Extent and success of previous work provided to organizations similar in nature and size to those required herein. References provided verifying the required experience and level of service needed by the County.
- The proposal itself as an example of the potential vendor's work.

- Qualifications/experience of key personnel to be assigned to the project.
- All required forms completed and returned as part of the proposal package.

6. Compensation:

Please outline clearly and succinctly your compensation associated with providing the required services on a separate compensation addendum.

7. Oral Presentations:

During the evaluation process, Pender County may, at its discretion, request any one or all brokerage firms to make oral presentations for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, brokers are cautioned that the County is not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the broker. Not all brokers may be asked to make such oral presentations.

8. Final Selection:

A recommendation will be made to the County Manager, and forwarded to the Board of Commissioners for award.

Note: The right is reserved to accept the response that the County determines to be in the best interest of the County and the employees. The County reserves the right to reject any and or all proposals.

COMPANY NAME _____

REFERENCES

PROPOSALS MUST LIST THREE (3) REFERENCES FOR WHOM SIMILAR WORK HAS BEEN PERFORMED DURING THE PAST THREE (3) YEARS.

- (1) CLIENT NAME _____
ADDRESS (Street) _____
ADDRESS (City, St, Zip) _____
CONTACT NAME _____
TELEPHONE/E-MAIL _____

- (2) CLIENT NAME _____
ADDRESS (Street) _____
ADDRESS (City, St, Zip) _____
CONTACT NAME _____
TELEPHONE/E-MAIL _____

- (3) CLIENT NAME _____
ADDRESS (Street) _____
ADDRESS (City, St, Zip) _____
CONTACT NAME _____
TELEPHONE/E-MAIL _____

THIS PAGE MUST BE COMPLETED AND SUBMITTED AS A PART OF YOUR PROPOSAL.

EXECUTION OF PROPOSAL

DATE: _____

The potential Contractor certifies the following by placing an "X" in all blank spaces:

- ___ That this proposal was signed by an authorized representative of the firm.
- ___ That the potential Contractor has determined the cost and availability of all materials and supplies associated with performing the services outlined herein.
- ___ That all labor costs associated with this project have been determined, including all direct and indirect costs.
- ___ That the potential Contractor agrees to the conditions as set forth in this **Request for Proposal** with no exceptions.

Therefore, in compliance with the foregoing **Request for Proposal**, and subject to all terms and conditions thereof, the undersigned offers and agrees, if this proposal is accepted within forty-five (45) days from the date of the opening, to furnish the services for the prices quoted within the timeframe required.

CONTRACTOR _____ ADDRESS _____

CITY, ST. & ZIP _____ PHONE _____ FAX _____

BY _____ TITLE _____
(Signature)

Type or Printed Name Federal Identification Number

THIS PAGE MUST BE COMPLETED AND SUBMITTED AS A PART OF YOUR PROPOSAL.

General Procurement Instructions

1. All proposals must be received by Mr. Dave McCole, Pender County Finance Director not later the date and time listed on the cover sheet of this proposal. Clearly mark the proposal with firm name. **Eight (8) copies of the proposal must be received from each offeror (1 original, 7 copies)**. Each proposal must be signed and dated by an official authorized to bind the firm. Late proposals will not be considered for award. Electronic proposals (fax, email, etc.) will not be considered.
2. Proposals will be evaluated according to completeness, content, experience with similar projects, ability of the broker and its staff. The award of a contract to one broker does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed to provide the best value to the County.
3. Brokers are cautioned that this is a request for offers, not a request to contract and the County reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the County.
4. Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired. In an effort to support the sustainability efforts of Pender County we solicit your cooperation in this effort.
5. Any costs incurred by broker in preparing or submitting offers are the broker's sole responsibility; Pender County will not reimburse any broker for any costs incurred prior to award.
6. Proposals must be submitted in accordance with the requirements of the RFP. Failure to include any required information may cause rejection of the proposal.