REQUEST FOR PROPOSAL
16-421-RFP-01

EMPLOYEE BENEFITS CONSULTING SERVICES
For
Human Resources
200 South Center Street, Statesville, NC  28677

DEADLINE FOR SUBMITTING PROPOSALS
4:00 PM October 7, 2016

Questions

PROPOSAL PROCESS & SUBMISSION
~Contact~

Dean A. Lail, CLGPO
Purchasing & Contract Manager
dlail@co.iredell.nc.us
704-878-5043

SERVICE SPECIFICATIONS & ADMINISTRATION
~Contact~

Sandra Gregory
Human Resources Director
sgregory@co.iredell.nc.us
704-878-3128

200 S. Center St. / PO Box 788
Statesville, NC  28687
IREDELL COUNTY is requesting proposals for Employee Benefits Consulting Services and will receive such proposals in the office of:

Dean A. Lail, Purchasing and Contracts Manager  
PO Box 788/200 South Center Street  
Statesville, NC 28687-0788  
704-878-5043  
dlail@co.iredell.nc.us

Proposal submissions will be accepted up to and until 4:00 P.M., Friday, October 7, 2016. and must include
One (1) Original and five (5) copies of the Proposal
or
One (1) original and one (1) copy of the original on CD/DVD or USB Drive

IMPORTANT NOTICE TO ALL PROPOSERS: IREDELL COUNTY reserves the right to disqualify incomplete proposals, waive minor defects in the written proposals as it deems applicable, request additional information from a respondent, change or modify the scope of the study at any time, negotiate terms with one or more of the respondents, reject any or all proposals, and take any steps necessary to act in the County’s best interest. Proposals will not be considered for award if received after the official closing date and time. Proposals not completed in their entirety will not be considered.

PURPOSE
IREDELL COUNTY (also “County”) is requesting proposal and qualification statements from qualified consulting/broker firms (hereinafter “Consultant”) to provide benefit consulting to include assistance with benefit design, bidding and evaluation, contract negotiation, on-going evaluation, plan modification and other services required to obtain and maintain a competitive benefits program.

The County seeks a benefit plan that can be adjusted annually based on experience as well as one that can easily adapt to changes in market conditions and regulations. Therefore, the County is interested in a firm with a demonstrated record of taking a creative, innovative approach to maneuver through the health reform changes and the risings costs of healthcare and employee benefits, while maintaining fiscal responsibility and providing an unbiased perspective to the process.

All prospective Consultants will be afforded full opportunity to submit a proposal and statements of qualifications in response to this request. This Request for Proposal (RFP) is an invitation by the County for consultants to submit an offer, which will be subject to subsequent discussion. It is not a request for competitive bid. Submittal of proposal does not create any right in or expectation to be awarded a contract with the County.
BACKGROUND
IREDELL COUNTY provides a wide range of services to its citizens which includes the following departments: Administration, Finance, Development Services, Library, Register of Deeds, Sheriff, Fire Marshal, EMS, Emergency Communications, Health, Social Services, Transportation, Solid Waste, Parks & Recreation, Tax Office, Elections, and Veterans Services. Currently, the County has approximately 950 full time employees. In addition, the County manages approximately 125 retirees on the Health Insurance Plan.

The County currently provides a comprehensive Benefits Program for its employees including the following plans with employer contributions:

- Medical Insurance (PPO and H.S.A. Plans)
- Retiree Medical Insurance
- Health Savings Accounts
- Defined Benefit Retirement Plan (NCLGERS)
- NC 401K Prudential
- Life Insurance
- Off-site Employee Health Clinic for Minor Illnesses and Injuries Only

and optional benefits with no employer contributions:

- Accident Insurance
- Cancer Insurance
- Critical Illness Insurance
- Dental
- Flexible Spending Accounts
- Long and Short-Term Disability
- Term Life Insurance
- Vision Insurance
- Whole Life Insurance

The County’s fiscal year for this contract begins July 1. The County’s health plan year is July 1 to June 30. Employees participate in an annual open enrollment process prior to July 1 benefit renewal.

The County’s medical insurance is currently administered by CIGNA. We offer a PPO self-insured plan or a Health Savings Plan that includes medical, hospital and prescription benefits. The County’s dental insurance is currently administered by Ameritas. The County’s vision insurance is currently administered by Community Eyecare. All full-time employees (30 hours per week) are eligible to enroll in the County-paid benefits (medical, , and Life Insurance 1X’s annual salary). In addition, retirees may be enrolled in the County-paid or retiree-paid medical-only insurance benefit. However; as of 07/01/2013, no new hires are eligible for the Retiree Health Insurance Plan. Voluntary benefits are also available as stated above.

QUALIFICATIONS
IREDELL COUNTY requires a North Carolina licensed Consultant who is independent and is not affiliated with any insurance company, third party administrative agency, or provider network. The Consultant must demonstrate that they have the expertise, resources, capability, and experience to provide the materials and services for employers with at least 900 employees. Such qualifications must be fully evident within the proposal and verifiable through a minimum of four (4) references. References must be for similar work performed during the past five (5) years of which two (2) references must be from NC Public Sector clients of similar size.

**E-VERIFY**

E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security used to verify the work authorization of newly hired employees pursuant to federal law. Article 2, Chapter 64 of the North Carolina General Statutes requires that all employers doing business in the state of North Carolina, who employ 25 or more employees in this State, use E-verify to verify the work status of newly hired employees. Additionally, North Carolina General Statute 153A-449 states that “Contractors Must Use E-Verify. - No county may enter into a contract unless the contractor and the contractor’s subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes.”

Therefore, as a condition of payment under this contract, the seller or vendor agrees to and must comply with Article 2 of chapter 64, as well as take measures to ensure that any subcontractor performing work for the Vendor under this contract complies with the provisions of this statute. By submitting a signed offer in response to this solicitation, seller or Vendor verifies compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Upon request of the Iredell County, Vendor shall verify, by affidavit, compliance of the terms of this section.

The seller and/or vendor acknowledges that payment by the County is conditioned upon the vendor’s, or its subcontractor’s, compliance with Article 2 of Chapter 64. Failure to comply may render any contract with the County void and unenforceable.

**IRAN Divestment Act (N.C.G.S. 147 Article 6E)**

During the 2015 legislative session, the North Carolina General Assembly enacted the Iran Divestment Act (S.L. 2015-118; SB455) (“the Act”) which prohibits state agencies and local governments from entering into contracts with entities that the North Carolina State Treasurer has determined are engaged in certain investment activities in the Iranian energy sector.

The Act requires the State Treasurer’s Office to publish a list of entities it has identified as investing in the Iranian energy sector and update the list every 180 days. This list can be found at [https://www.nctreasurer.com/inside-the-department/OpenGovernment/Pages/Iran-Divestment-Act-Resources.aspx](https://www.nctreasurer.com/inside-the-department/OpenGovernment/Pages/Iran-Divestment-Act-Resources.aspx). An entity identified on the Treasurer’s list (called the “Final Divestment List”) is prohibited from contracting with state agencies and local governments. Local governments and state agencies must require entities with which they contract to certify that the entity not included on the Final Divestment List. In addition, all entities contracting with the State and local governments are prohibited from subcontracting with any entity included on the
Final Divestment List. Contracts entered into with an entity included on the Final Divestment List are rendered void by operation of the statute.

Submission of a signed response to this solicitation indicates contractor’s understanding of the requirements of this act and will serve as preliminary certification by the individual signing that the entity is not included on the Final Divestment List and they are prohibited from subcontracting with any entity included on the Final Divestment List. Any contract entered into with an entity included on the Final Divestment List is void and government entities in North Carolina are not authorized to issue payment for such a contract.

The contractor under consideration for award of this contract will be required to submit a separate certification prior to such award.

SCOPE OF SERVICES
IREDELL COUNTY GOVERNMENT requires the following services to include, but not limited to:

- Review and make recommendations regarding (1) existing benefit plans and programs, (2) modifications to the existing plan design, cost (rates), and cost shares, and (3) potential benefit plans and programs.

- Prepare:
  - Request for Proposals (RFP) for the solicitation of future benefits plans and programs,
  - Identify appropriate markets,
  - Analyze benefit plan designs and historical claims data submitted,
  - As required, assist the County in negotiations of contract(s), and
  - Present the results of such analysis to the appropriate parties.

- Assist and advise the County in contract negotiations with benefit plan providers on matters including, but not limited to, premium rates, benefit levels, performance standards and guarantees, contractual terms and conditions, quality assurance standards, utilization and performance reports, statistical and/or financial reports, and plan specific data such as medical conditions, prescription drugs, high cost procedures, in-patient data, etc.

- Provide timely notification of and assistance with understanding and implementing new, updated or revised benefits, laws, regulations and programs including alerting the County regarding any employee communication deadlines or communication issues, and provide sample documents that may be used to notify employees and/or retirees of any of these changes.

- Provide information on employee benefit issues, trends, and proposed or new legislation especially in regard to the Affordable Care Act (ACA).

- Review the County benefits program on a continuing basis to ensure that the Plans are in compliance with governmental regulations.

- Provide consultation and guidance with respect to governmental mandates such as FMLA, COBRA, HIPAA, ADA, ACA, USERRA, etc.

- Provide open enrollment support including, but not limited to, developing timeline, assisting with the development of open enrollment materials, coordinating and participating in open enrollment meetings as reasonably requested.
Advise and assist the County with required benefit plan communications to employees annually, as regulatory changes occur, and as other changes require.

- Provide such other services as requested by the County for which the consultant has the technical capability to render.
- 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.
- Bid primary health insurance at least every 5 years and consider stop loss at least every 2 years. These would be done separately.
- Attend meetings with IREDELL COUNTY.

**ADDITIONAL SERVICES**
The Contractor may be required to provide additional services at any time throughout the contract which are, at the sole discretion of the County, over and above those included in the resulting contract. Fees for additional services shall be negotiated between the parties, however, they shall not be greater than those usual and customary fees charged for the same or similar services.

**PROPOSAL FORMAT AND CONTENT**
Proposals are to be submitted on letter size paper, typed, and bound with a simple method of fastening. Lengthy narrative is discouraged; presentations should be brief and concise and not include extraneous or unnecessarily elaborate promotional material. The following must be included as part of the proposal:

A. Introduction letter, signature page, and all addenda acknowledgements, if any.

B. Written Narrative to include:
- Experience in providing the services described herein; include your firm’s most noteworthy qualifications for providing the required services to the County, specifically those qualifications that distinguish you from your competitors.
- Name, qualifications, resumes, and experience of personnel to be assigned to the contract to provide direct consulting services.
- A list of all North Carolina local government clients to which your firm has provided employee benefits consulting services within the past five (5) years. Include the name, address and telephone numbers of two (2) persons associated with three (3) different contracts within the list who may be contacted by the County for references.
- A list of a minimum of four (4) references from similar projects who could attest to the firm’s overall knowledge, quality of work, timeliness, diligence, flexibility, and ability to meet budget constraints. Include name, contact person, and telephone number of all references.
- Results of noteworthy initiatives, cost saving measures, programs, etc. that set you apart.
- How do you intend to negotiate with insurance carriers to obtain the best rates for Iredell County?

C. Work Plan/Technical Approach for providing the proposed services to include:
- Understanding of each requirement of the scope of services and the approach to providing services.
- Proposed implementation plan for delivery of services.
- List of the individuals in your firm who will be responsible for each assignment.
D. A five (5) year history of self insured clients, giving a breakdown (overview/chart of plan design) of benefit packages and total cost per member. Please use the chart below as a template and example.

<table>
<thead>
<tr>
<th>Client</th>
<th>Year</th>
<th>Plans Offered</th>
<th>Deductibles</th>
<th>Maximum Out of Pocket</th>
<th>Stop Loss Limit</th>
<th>Total Per Member Per Year Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iredell County</td>
<td>2015</td>
<td>PPO, HSA</td>
<td>PPO $1500, HAS $2000</td>
<td>PPO $4000, HAS $3000</td>
<td>$125,000</td>
<td>$4,200</td>
</tr>
</tbody>
</table>

**COST PROPOSAL**

The Cost Proposal should outline and detail the fees for employee benefit consulting services as set forth in this RFP. Disclose all charges to be assessed the County for the Scope of Services. Include in your cost proposal a projected schedule of payment terms (i.e., monthly, quarterly, etc.).

If your firm works on a fee-only basis, include the proposed fixed annual fee along with a detailed description of the number of hours your firm believes necessary to complete the Scope of Services. Identify any services that would not be included in the fixed annual fee and the associated cost for those services.

In lieu of a fee-only basis, describe any other proposed fee structure on which you would be willing to provide consulting services, including how the compensation is determined and calculated. Itemize any service levels for which there would be an additional fee and describe how additional fees are calculated. Describe any incentive based bonuses for savings throughout the year are open for discussion. What other means will your company profit from Iredell County? For example, do you receive commission from voluntary benefits?

**PROPOSAL SUBMISSION**

Proposals must be received in the office noted below by 4:00 p.m., Friday, October 7, 2016. Proposals received after this date and time will not be considered, regardless of reason.

Proposals must be submitted in a sealed envelope marked **RFP-Employee Benefits Consulting Services** and delivered to:

IREDELL COUNTY
Dean A. Lail, Purchasing & Contracts Manager
PO Box 788/200 South Center St
Statesville, NC 28687-0788
Proposals may be mailed, sent by private carrier, or delivered in person during normal business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday except for the final day which RFP’s must be received by 4:00 pm. Faxied or emailed copies will not be accepted. Regardless, all proposals must be received in this office no later than the date and time posted, late proposals will be rejected. Response packages must be sealed and include one (1) original and five (5) copies. As an alternative, respondents can submit one original and one copy on CD/DVD or USB Drive.

**INQUIRIES**
Questions regarding any content contained in the RFP may be directed in writing to Sandra Gregory, Human Resource Director, at sgregory@co.iredell.nc.us or by telephone to 704-878-3128.

**EVALUATION – SELECTION PROCESS**
All proposals received in accordance with these RFP instructions will be evaluated to determine if they are complete and meet the requirements as specified in the RFP. An award will be made to the Consultant whose offer is judged to be the most advantageous to the County.

A. Process
- Consultant will be selected by the County after a review of each proposal. Prior to award, the County may request the top consultants to attend an interview to discuss proposal and/or provide additional information.

B. Criteria
- Demonstration of the firm’s ability to successfully complete all requirements as specified in the Scope of Services.
- Work plan/technical approach.
- Qualifications/related experience/references.
- Staffing/project organization.
- Cost of Services.

IREDELL COUNTY will endeavor to negotiate a contract with the successful consultant. However, this RFP does not commit the County to award a contract, pay any costs incurred in preparation or travel to Iredell County, NC to present a proposal to this request, or to procure or contract for services.

All proposals submitted in response to this RFP become the property of IREDELL COUNTY and the County reserves the right to accept or reject any or all proposals or to cancel this RFP in part or in its entirety. After proposals are reviewed the County will select the proposal in the best interest of the County.

**CONTRACT TERM**
Upon full execution of mutually agreeable conditions, any resulting contract will become effective July 1, 2017 for an initial term of one year. Thereafter, the County reserves the right, at its sole option, to annually renew the contract for additional one-year terms or terminate contract. Any change in rates at renewals will be agreed to by the County and no change will exceed the increase or decrease in the Consumer Price Index (CPI) for All Items as published in December of the preceding year.
The contract will be subject to termination for cause or convenience by the County with written notice thirty (30) days prior to effective date. The Contractor will give the County written notice of its intention to terminate the contract, or not to renew the contract, at least sixty (60) days prior to the proposed termination date or renewal date of the contract.

**PROPOSAL QUESTIONNAIRE**
Please answer/address the following questions in each category and return with your proposal. You may attach as many pages as necessary to ensure all questions are answered and sections are complete. However, submissions should be kept to the minimum size possible.

**Proposer’s Experience**
1) Provide the history of your firm, particularly your employee benefits division and ownership of your company.
2) Provide a brief overview of your organizational chart- the functions and reporting relationships between marketing, underwriting and service areas.
3) State the percentage of your business that are fully insured and the percentage that is self-funded.
4) State the percentage of your clients having greater than 500 covered employees.
5) Define your geographical service area.
6) Provide a count of your existing clients categorized by large (500 employees or more), medium (100-500 employees), or small (under 100 employee) employer groups.
7) Provide the roles and qualifications of each person who would be working with Iredell County. Include the number of clients each person is expected to handle.
8) Describe the form of professional liability or errors and omissions insurance carried by your company and the amount of coverage.
9) Indicate if any services will be provided by a sub-contractor and describe the type of service to be provided and the sub-contractor qualifications.

**Strategic Planning**
1) Describe the resources available to help Iredell County manage our benefits.
2) Outline a benefits strategy that would accomplish savings on health care benefits for Iredell County employees and retirees and show results over five years.
3) Describe the methods to be used to assist Iredell County with the competitive marketing and placement of our plans, including development of marketing specifications, identification of market conditions, evaluation of proposals, negotiations, and placement of insurance contracts for annual renewals that will result in monetary savings for the County. Describe in detail how the savings will be demonstrated.
4) Describe any program your company has developed to implement and maintain a self-insured employee health plan for a company of comparable size to Iredell County.
5) Describe how the “rebidding” process for Third Party Administrators of health care carriers will be handled.
6) Describe how the “rebidding” of Third Party Administrators will be handled.
7) Describe how plan design changes are handled.
8) Furnish a list of insurance companies, third-party administrators, and other providers for which your firm is an authorized agent or broker.

**Account Services**

1) Describe your company’s account services department.
2) Describe your company’s process for ensuring customer satisfaction.
3) Describe the annual training (industry, internal, computer, other) your staff receives and what training Iredell County may receive if applicable.
4) Provide a general description of your capabilities of providing communication services to Iredell County employees and retirees. Provide a sample of employee communication materials that have been distributed to other clients.
5) Describe ways your organization will assist in facilitating employee meetings.
6) Include a description of any assistance to be provided to Iredell County to facilitate annual open enrollments and wellness programs.
7) Describe what electronic capabilities are available for enrollment and web-based access.
8) What services do you provide that are unique to your organization? For example, does your company create videos for open enrollment; does your company create Employee Benefit Books, etc.?

**Data Analysis**

1) Describe available resources used to analyze medical and pharmacy utilization.
2) Explain how and what access the County will have for ad hoc queries.
3) Describe what data will be available to enable the County to determine where employees are receiving services; i.e. physicians, clinics, and hospitals.
4) Include a sample of each above report that will be available to the County.

**Cost Projections and Review Process**

1) Describe how cost projections tied to the County’s fiscal goals will be developed.
2) List the firm and/or individual used for actuarial services and provide credentials.
3) Detail how your company will assist with the management of insurance, including monthly (or quarterly) supervision and/or preparation of claims activity reports from carriers; executive summary reports; underwriting analysis for annual renewals; annual financial projections for budgeting purposes; and alternative funding analyses.

**Legislative Compliance**

1) Provide contact information for in-house benefits attorney.
2) Describe how your company stays current with insurance regulations that impact employees?
3) Outline procedures to be used to notify Iredell County of changes in federal and/or state laws that would affect the County.
4) Describe how Iredell County will be notified of any fee requirements payable under the Affordable Care Act.
5) Explain what steps you have taken to become HIPAA compliant.

**Fees**
1) Describe your expected form of compensation: commission rate, annual retainer fee, fee-for-service schedule or hourly rates. Based on the estimated services required to fulfill the program proposed, any fee for service or hourly rate schedule should include an itemized estimate of annual charges.
2) Fees charged for consulting and employee communication, indicate the basis of your charges (hourly, by project, etc.) and what typical charges might be.
3) Fees charged, if any, for customized or ad hoc reports.
4) Fees for Optional Services available to Iredell County such as Section 125 Services COBRA and Retiree Administrative services and if applicable, HSA plan services, HRA plan services should also be included if applicable.
5) Outline any service guarantees that will be offered to the county.

**Miscellaneous**
1) Describe any other facets of your firm’s experience that are relevant to this proposal that has not been previously described and that you feel warrant consideration.