

**BOROUGH OF NAUGATUCK & NAUGATUCK PUBLIC SCHOOLS
REQUEST FOR PROPOSAL
For
HEALTH AND WELFARE BENEFITS CONSULTANT SERVICES**

I. GENERAL INFORMATION

- 1.0 Background:** The Borough of Naugatuck & Naugatuck Public Schools (hereafter referred to as “Naugatuck”) has employees and qualifying retirees enrolled in the Group Health Plan that provides benefits for Medical, Rx, Vision, Dental and auxiliary insurance (Life, Accident, LTD). Naugatuck is currently fully-insured for health with ConnectiCare and self-insured for dental with Delta Dental. Naugatuck is insured through CIGNA for auxiliary insurance and United American for Medicare Supplemental coverage. Naugatuck currently has approximately 900 employees and retirees covered through ConnectiCare and an additional 180 retirees covered through United American.
- 1.1 Issuing Office:** This Request for Proposal (RFP) is issued by Naugatuck, located at 497 Rubber Avenue, Naugatuck, CT 06770. All responses must be returned to John Lawlor, Director of Human Resources. Three hard copies and one electronic copy should be sent to Mr. Lawlor at the address above. Faxed or emailed responses will not be accepted.
- 1.2 Purpose:** The purpose of this RFP is to provide prospective firms with necessary information to enable them to submit proposals regarding professional consultant services for Naugatuck’s Health & Welfare and auxiliary benefits. It is the intent of the RFP to identify the firm most likely to successfully represent Naugatuck in its desire to minimize rate increases for all medical, pharmacy and dental benefits. The selected Consultant shall identify the base cost of services as provided under the Scope of Services section herein and identify the cost of various options/alternatives itemized separately. Fees for additional services should be clearly stated and if not listed, then the annual service fee will be the sole compensation.
- 1.3 Proposals:** This RFP is interested in reviewing proposals for Health & Welfare and auxiliary benefit consulting services as follows:

A) Borough of Naugatuck & Naugatuck Public Schools

All proposals received 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.

B. Include three (3) hard copies and one (1) electronic copy.

C. Submission Instructions:

1. Must be signed by an official authorized to bind the Consultant to its provisions.
2. The proposal shall remain valid for a period of at least ninety (90) days from the date of its submission, unless indicated otherwise. Any response received after the prescribed due date regardless of the mode of delivery will be refused. Naugatuck is under no obligation to return submissions.

SCHEDULE

The following represents an estimate of the schedule that shall be followed. Naugatuck reserves the right at its sole discretion to adjust this schedule as it deems necessary. Notification of adjustment will be provided to all Consultants submitting a proposal by the deadline.

Release Date	4/12/19
Deadline for submission of proposal	5/10/19 @ 2:00 p.m.
Selection of finalists	5/24/19
Oral presentations week of	6/10/19

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

1.5 Communications Concerning RFP: All questions and responses relevant to the development of a proposal must be submitted in writing to

John Lawlor, Director of Human Resources
E-mail: john.lawlor@naugatuck.k12.ct.us

Any questions determined to be of interest to all prospective Consultants will be answered in writing and provided to all firms by e-mail. **No other communication with any employee or official of Naugatuck is permitted.**

1.6 Term: Based upon the outcome of this process, Naugatuck will award a one-year contract with the option for two additional years at the sole discretion of Naugatuck. The ultimate successful respondent will be expected to commence services on July 1, 2019.

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 Consultants by e-mail.

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

C. Incurring Costs: Naugatuck will not be liable for any costs incurred by a firm in the preparation or submission of a proposal or for any cost incurred in the finalist presentations.

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

E. Acceptance of Proposal Content: At the discretion of Naugatuck, the contents of the successful proposal may become part of the contract entered into by the successful Consultant and Naugatuck.

II. CONTENT OF PROPOSALS

2.1 Scope of Services: The selected Health and Welfare Benefits Consultant shall identify base cost of services as provided under the Scope of Services section herein and identify the cost impacts of various options/alternatives itemized separately. The fees for all services listed in subsections A through F below are considered core services and must be covered, without exception, in the Consultant's quoted fixed fee. The fees for additional services listed in subsection G or otherwise addressed in a Consultant's proposal must be clearly stated. The selected Consultant must agree that all services performed for Naugatuck shall be deemed to be core services and included in the core fee unless the Consultant notifies Naugatuck prior to commencing such service that Consultant believes the service is an additional service and provides a proposed fee for said service. 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 Naugatuck.

A. General Consulting Services

Represent Naugatuck in all aspects of its Health and Welfare Benefits Plan.

Provide ongoing stewardship and support to key members of management at Naugatuck involved with the administration and management of the benefit plans.

Coordinate regular meetings at least quarterly to review utilization and other administrative aspects of Naugatuck's Plans.

Ensure accurate follow through on all negotiated contractual arrangements made between Naugatuck and any administrators or insurance carriers utilized by Naugatuck.

Liaise with Naugatuck's benefit vendors to promote and protect Naugatuck's interests.

Attend various employee, committee and board meetings as necessary.

Monitor all Health and Welfare Benefits and auxiliary insurance related contracts for administrative and financial performance and continued compliance.

Maximize management information available through the carriers and work with Naugatuck's staff to develop a timely and meaningful reporting program.

Cause Naugatuck to be provided with accurate management reports and Consultant shall review and provide input on all information from all carriers on a continuing basis.

Provide current information on managed care delivery systems, including HMO, HDHP/HSA, PPO, POS, PBM and other current systems.

Provide Naugatuck with information on new health insurance programs, more cost-effective products and funding options, and future trends in employee benefits.

Intervene in and resolve claim issues related to all of Naugatuck's Health and Welfare Benefit plans.

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

Assist in preparing employee communications as new programs are implemented.

B. Renewal, Forecasting, Budget, and Financial Reporting Support

Monitor all financial aspects of Naugatuck's Health & Welfare and benefits program.

Review current plans experience, claims, and market trends, and negotiate all Health and Welfare benefit renewals on an annual basis.

For fully insured products, negotiate multi-year rate guarantees to the extent such guarantees benefit Naugatuck and are allowed by law.

For self-insured products, prepare annual actual to budget comparisons and renewal forecasts assuming no benefit changes, and prepare additional renewal illustrations.

Provide ongoing analysis of plan designs, cost containment strategies, and cost sharing alternatives available to Naugatuck while maintaining integrity of the collective bargaining agreements.

Periodically, but no less frequently than annually, review the health insurance plans' claims and fees and provide a benchmark analysis in comparison with industry norms.

Monitor the ongoing performance of the pharmacy plan to protect Naugatuck's interests, including an annual benchmarking of discounts, fees, rebates, and plan design.

C. Labor Relations Support

Provide consulting advice that supports Naugatuck's labor negotiations.

Serve in an advisory role for Naugatuck 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.

Provide expert advice and/or testimony in disputes that may arise between Naugatuck and their labor unions, as they pertain to benefit plans.

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

D. Compliance Support

Provide consulting services to assure Naugatuck's awareness of State and Federal regulations, statutes, and mandates related to Health and Welfare benefits.

Annually review all contracts and employee manuals for compliance with applicable regulations.

Inform Naugatuck of changing legislation and legal decisions affecting employee benefits. Recommend and discuss methods to comply with these changes.

E. Cost Control Initiatives

Provide support in the design, monitoring, and evaluation of wellness programs.

Assist Naugatuck in measuring the effectiveness of disease management programs.

Recommend changes to the disease management programs based on measured results supported by Naugatuck's data.

Evaluate disease management and wellness vendors to determine if carving these services out will better serve Naugatuck.

Evaluate the utilization of key health plan services and make plan design recommendations to address any services that fall outside of normative levels.

F. RFP Support

Prepare complete RFPs, evaluate the responses, and make appropriate recommendations.

Should Naugatuck elect to change carriers following the marketing process, Consultant would manage and review the SPD development ensuring that the selected vendor provides benefits that are equivalent to or better than those currently in effect.

Ensure accurate follow-through on all negotiated contractual arrangements made between Naugatuck and its health insurance carrier(s) and other benefit vendors.

For a health insurance or PBM RFPs, provide a disruption analysis relative to the physician, pharmacy, and hospital providers in networks.

For a health insurance or PBM RFPs, evaluate the discounts offered by competing networks and project the financial impact..

Negotiate and enforce performance guarantees in all vendor contracts.

G. Additional Services That May Be Requested

Provide data warehousing services. Such services should include capabilities for reporting on utilization, benchmarks, demographic composition and changes, cost and medical trend by type of service, health risk measurement, and clinical reporting used to support and monitor disease management and wellness initiatives.

Provide predictive modeling and related services. Such services should include projected changes in the overall health risk of Naugatuck's population and the identification of potential and emerging large claims.

Provide audit services (statistically valid audits, focused audits, electronic audits).

Support Risk Management Plan.

Provide comparisons of like size municipal systems.

2.2 Other Requirements: Proposals must also include the following. Please provide responses to each of the following except for I on a separate document. Clearly label each response using the letters below. Begin each response by repeating the question.

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

B. A list of municipalities and school districts in Connecticut and other states for which the firm has provided similar services in the last three years. Connecticut public schools or municipal references of comparable size are preferred. Please include the name and contact information including e-mail addresses. A minimum of three (3) references are required. One reference must be a former client.

C. Resumes of key personnel who would be assigned to this account. Furthermore, Naugatuck shall have direct access to all key personnel, including specialists such as attorneys and actuaries, with no additional fees provided such access is related to services covered under subsections A through F in the Scope of Services set out Section 2.1.

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

E. Rates for any additional work 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. A current Insurance Certificate indicating Vendor's workers' compensation insurance, employer's liability insurance, commercial general liability insurance, and automobile liability insurance for owned, hired or borrowed autos.

G. Information concerning any suits filed, judgments entered or claims made against the firm during the last five years with respect to Health and Welfare Benefit Consulting by the firm 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. Provide all necessary details on any felony convictions of any officer or director of the firm. If information related to the above is discovered by Naugatuck and not disclosed during the RFP process, vendor may be discharged immediately even after a contract has been awarded with no penalty to Naugatuck.

H. Vendor must provide their confidentiality policy.

I. Vendor must complete the following checklist, placing a check mark in front of each item that has been enclosed.

Required Submissions under Section 2.2

- ___ References provided, including multiple public sector references
- ___ Firm annual rates provided for core services
- ___ Bidder agrees to provide requested information regarding insurance if selected
- ___ Information on suits or judgments provided
- ___ Confidentiality policy submitted
- ___ Bidder is able to provide all legal and actuarial resources in house

III. SELECTION PROCESS

3.1 Review Process: Finalist proposals will be reviewed by key members of Naugatuck's management team. After a review of written proposals, selected firms may also be asked to make an in-person presentation. Naugatuck will choose the proposal(s) that best fits its needs. Naugatuck is not obligated to award the contract based on cost alone nor is Naugatuck obligated to award only one agent of record. Naugatuck reserves the right to waive non-material deficiencies in any proposal. Proposals will be evaluated based on what is deemed in the best interests of Naugatuck, including such factors as the bidder's experience and expertise in providing Insurance Advisory and Brokerage services for municipalities and school districts, clarity and creativity of the proposal, recommendations from other similar 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 lead persons to be assigned to the account and total cost. Cost will not be the sole factor in evaluating bids. Selection of the preferred proposal does not provide any contract rights to that firm. Any such rights shall accrue only if and when Naugatuck and firm execute a binding contract. The proposal submitted may, at the leisure of Naugatuck, become an addendum to any contract entered into. Naugatuck shall have full rights to negotiate with the successful firm in any manner necessary to best serve the interests of Naugatuck. If Naugatuck fails to reach an agreement with the successful bidder, Naugatuck may commence negotiations with an alternative bidder or reject all bids and reinstitute the RFP process.

IV. EVALUATION CRITERIA

All qualification submissions shall be evaluated with emphasis placed on Submitter's ability to meet Naugatuck's requirements, the responsiveness of the submission and the criteria specified below. Submissions will be evaluated through a weighted point system that will include, but will not be limited to, the areas outlined:

- Professional Qualifications of Submitter (up to 33%)

- Experience with similar projects of size and scope/ability to execute Naugatuck's requirements (up to 33%)
- Cost proposal (up to 34%)

Naugatuck shall have the right to perform an on-site visit to Submitter's office.

Form of Cover Page of Proposal

**BOROUGH of NAUGATUCK & NAUGATUCK PUBLIC SCHOOLS REQUEST FOR
PROPOSALS
HEALTH AND WELFARE BENEFITS CONSULTANT**

The undersigned has read, understands, and agrees to meet or exceed the Scope of Work for a capped fee listed within and agrees to meet the requirements contained in this Request for Proposals. By signing below, all responses will be binding in any agreement entered in the future and the response may be considered an addendum to any future agreement. The undersigned submits this proposal in good faith and without collusion with any other person, individual or firm.

Name and Address of Firm:

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

Signature of Authorized Representative:

Title of Authorized Representative:

(Attach additional sheets as necessary)

APPENDIX A
FEE PROPOSAL

My proposal to provide Health and Welfare Benefits Consultant Services as described in the scope of services is, as follows:

Cost/Year One (July, 2019 – June 2020): _____

Cost/Year Two (July, 2020 – June 2021): _____

Cost/Year Three (July, 2021 – June 2022): _____

Naugatuck may elect to start the contract later than July, and in that case, the contract dates would run one year from the start of services.

SALES TAX SHOULD NOT BE INCLUDED IN PRICES.

NAUGATUCK RESERVES THE RIGHT, AT ITS SOLE DISCRETION, TO AWARD THE CONTRACT FOR YEAR ONE ONLY, AND EXTEND THE CONTRACT FOR ONE OR BOTH OF THE TWO OPTION YEARS

List below additional services and pricing:

Description of Service

Pricing

Use additional pages if needed and mark as Appendix- A