

**REQUEST FOR QUALIFICATIONS #1654  
(RFQ)**



**Agent of Record/Broker  
for the City's Employee Benefits Program**

**CLOSING LOCATION:  
ATHENS MUNICIPAL BUILDING  
ATTN: C. SETH SUMNER  
815 North Jackson Street  
Athens, TN 37303  
(423) 744-2702**

**ISSUED: 30 November 2017**

**DUE: 21 December 2017, 2pm ET**

# CITY OF ATHENS

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**SECTION I – GENERAL INFORMATION**

***REQUEST FOR QUALIFICATIONS NOTICE***

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## REQUEST FOR QUALIFICATIONS NOTICE

Notice is hereby given that the City of Athens is currently in the process of evaluating the city's broker services and is publishing a Request for Qualifications ("RFQ") for an Agent(s) of Record for the City's **Health, Dental, Vision, Life, Accidental Death & Dismemberment (AD&D), and Long Term Disability (LTD)** employee benefits.

All submittals shall be clearly identified as the Employee Benefits Broker Qualifications for the City of Athens. **An original, five (5) copies, and an electronic file (pdf)** of your Qualifications should be delivered to the City at the following address:

**City of Athens  
Attn: Nina Edmonds  
815 North Jackson Street  
Athens, TN 37303**

Qualifications will be evaluated and the successful agent(s)/broker(s) will be determined and announced at a future meeting of the Athens City Council. The City reserves the right to reject any or all Qualification submittals, waive formalities, negotiate terms and conditions, and to select the agent and service options that best meet the needs of the City and its employees.

During the evaluation process, the City of Athens reserves the right, where it may serve the City of Athens best interest, to request additional information or clarifications from vendors, or to allow corrections of errors or omissions. At the discretion of the City of Athens, firms submitting qualifications may be requested to make oral presentations as part of the evaluation process.

Inquiries, clarification, or requests for qualifications by electronic mail should be directed by telephone or e-mail to the following City contact:

**Nina Edmonds  
Director of Human Resources  
423-744-2703  
nedmonds@cityofathenstn.com**

## CONDITIONS AND STIPULATIONS

You are invited to submit your qualifications for the administration of the indicated benefit plans based on the information contained in this Request for Qualifications. Firms may choose to be considered for any or all of the following services:

### **Health, Dental, Vision, Life, AD&D, LTD**

Unless a specific note is made to the contrary in your Qualifications or a subsequent agreement for services, we will assume that your Qualifications conforms to the City's Specifications and an award to you will bind you to comply fully with all of the following Conditions, Stipulations, and Specifications.

#### **General Conditions and Stipulations**

1. The City reserves the right to accept or reject any or all qualification submittals and to waive formalities and select the agent(s) that best meet the needs of the city and its employees. The City's objective is to select an agent(s) who will provide the best possible service at the best possible cost while meeting the Request for Qualifications specifications. The City is not obligated to award the agreement based on cost alone. The City reserves the right to designate more than one agent of record for the different coverage options.
2. Agent(s) that are awarded the business shall submit an action-plan and timetable for assuming responsibilities to the City within thirty (30) days from when the City Manager approves the selected agent(s) of record.
3. A servicing representative must be available to the City on an on-going basis. Representatives must be available at all open enrollment meetings during the agreement for services period to explain the plan and enroll City employees in benefits programs. Representatives must also be available for all plan design and cost containment planning meetings.
4. The agent(s) who is selected must be recognized as an agent or apply to be an agent for the Benefit Carriers used by the City.

## **AGENT SCOPE AND RESPONSIBILITIES**

The City of Athens desires the agent to perform the following services:

1. Advise and assist the City in evaluating and selecting among coverage alternatives such as plan coverages, deductibles, co-payments, out of pocket payments, et cetera.
2. Review coverage documents and invoices to assure coverage has been correctly issued and billed.
3. Advise the City on potential gaps or overlaps in coverages.
4. Assist the City with reviewing claims data and determining premium impact of any coverage changes.
5. Assist the City as requested in submitting claims and interpreting coverage as applied to claims.
6. Assist with COBRA/HIPAA administration audits, 5500s, forms and questions as needed.
7. Assist the City with Benefit Renewals through ensuring that all providers that meet City needs receive proposals and seek alternative coverage if requested.
8. Assist the City with Benefit Plan Design to contain cost and maximize benefit effectiveness.
9. Assist with setting up the renewals timing schedule annually. Assist with writing, reviewing, analyzing, and presenting Requests for Proposals/Qualifications during renewals. Provide side by side reporting for City review. Prepare and/or review and advise on contract renewals.
10. Provide written update on new State or Federal legislation or judicial decisions impacting the City and suggested action or changes in operations or procedures to assure compliance.
11. Provide advice on data practice, records retention, and privacy issues. Research benefits questions and provide advice to the City as needed.
12. Establish relationships with those providers that will most greatly benefit the needs of the City of Athens employees.
13. The successful candidate will be in contact with the City Manager and Human Resources Director in all matters as they relate to the benefits plan for the City. Said

candidate will also be required to address the City Council or City staff as the need arises.

14. Prompt response to questions and requests is an absolute requirement. It is expected that there will be more than one individual within the firm capable of addressing possible concerns of the City.
15. Analyze and report utilization trends and cost. Help to provide management and staff overview education on how best utilize and limit premium increases.

## **SECTION II - CITY INFORMATION**

### ***CITY EMPLOYMENT DATA***

### ***SUMMARY OF COVERAGE OPTIONS***



## CITY DATA

Number of Full-Time Equivalents: 113

Other Employment: 3 Part-Time  
60 Seasonal

Section 125? Yes

In-House Payroll? Yes

Renewal/Coverage Dates: July 1 – June 30

The following are the current rate options available for employees of the City of Athens, based on a Bi-Weekly pay period:

<b>Medical – Blue Cross Blue Shield</b>	<b>Option 1 (S)</b>	<b>Option 2 (P)</b>
<i>Employee Only</i>	\$0.00	\$26.31
<i>Employee + 1</i>	\$140.16	\$192.82
<i>Family</i>	\$234.66	\$296.26
<b>Dental – Delta</b>		
<i>Employee Only</i>	\$10.96	
<i>Employee + 1</i>	\$22.21	
<i>Family</i>	\$33.96	
<b>Vision – Blue Cross Blue Shield</b>		
<i>Employee Only</i>	\$3.28	
<i>Employee + 1</i>	\$6.57	
<i>Family</i>	\$10.50	
<b>Standard Life Insurance</b>		
<i>Life</i>	\$0.19 per thousand	
<i>AD&amp;D</i>	\$0.03 per thousand	

## SUMMARY OF COVERAGE OPTIONS

The following is a description of current coverage options for employees of the City of Athens:

### Medical Benefits Insurance

The City of Athens offers group medical insurance to full time employees. The city pays 100% of the lowest monthly premium option for the employee only. A medical booklet, enrollment form, and rates will be provided during in-processing. The plan year begins July 1 with open enrollment during the month of June.

### Voluntary Dental Insurance

Dental insurance is available to all full-time employees and their dependents. The monthly premiums are paid by the employee through payroll deduction. The plan year begins July 1 and open enrollment is during the month of June. There is a 30-day waiting period for enrollment.

### Voluntary Vision Plan

Vision insurance is available to all full-time employee and their dependents. The monthly premiums are paid by the employee through payroll deduction. The plan year begins July 1 and open enrollment is during the month of June. There is a 30-day waiting period for enrollment.

### Life Insurance

Life insurance coverage is equal to the employee's salary rounded to the nearest thousand. The total cost is divided equally between the employee and the City of Athens.

### Accidental Death and Dismemberment

The maximum principal sum payable equals the employee's salary rounded to the nearest thousand with a minimum sum payable equal to one-half the principal sum.

### Long Term Disability

In January 1990 City Council established a Long-Term Disability plan for employees. This plan pays a monthly benefit which is designed to partially replace income lost during periods of total disability as a result of injury or illness. The monthly premiums are paid fully by the City of Athens.

### American Family Life Assurance (AFLAC)

Currently, payroll deductions are available for those employees who wish to purchase additional cancer or intensive care coverage. This is a voluntary plan and is not supplemented by the City of Athens.

**SECTION III- QUALIFICATION REQUIREMENTS**

***REQUIRED CONTENT OF QUALIFICATIONS SUBMITTAL***

***ADDITIONAL QUALIFICATIONS QUESTIONNAIRE***

## REQUIRED CONTENT OF QUALIFICATIONS SUBMITTAL

The purpose of this Request for Qualifications is to demonstrate the qualifications, service level, cost for services, competence, and capacity of the firms seeking to become an agent of record for the City of Athens. The submittals should address all the points outlined here as required.

**A. For which benefits program(s) is/are your firm wishing to be an agent of record?**

**B. Firm History and Experience:**

1. Brief history of firm including size and any specialty areas.
2. Background company data, including financial references.
3. Particular expertise or involvement in the insurance/employee benefits industry.
4. Municipality experience.
5. List of providers the firm is associated with.
6. Expected communication responsibilities.

**C. Qualifications:**

1. Description of service philosophy.
2. Conceptual program structure and pricing.
3. An introduction of the account team, by name with specific roles, qualifications and experience, and distribution of responsibilities including support capabilities.
4. Current use of technology, especially capability for computerized legal/benefit design research, and for sharing and editing documents electronically.
5. Action-plan and timetable for assuming responsibilities as well as future design/cost containment plan.
6. Detail of services that will be provided to the City.
7. Indicate current responsibilities of person designated to serve as lead contact for the City.

**B. References:**

1. List new clients and the clients that have left you within the last three years. Provide the contact names and telephone numbers.
2. List of cities you currently represent and for what type of service. Provide the contact names and telephone numbers.
3. Provide the contact names and telephone numbers of five (5) clients in the State of Tennessee with whom you have had a working relationship, as a reference for the City. Include the number of participants for each group. (Preferably, the references should be governmental units.) Include two groups that recently terminated coverage.

**C. Conflict of Interest:**

1. Disclose any conflicts or perceived conflicts of interest.
2. Identify what procedures your firm utilizes to identify and resolve conflicts of interest.

**D. Previous engagements with the City of Athens:**

1. List of previous engagements with the City of Athens.
2. Describe what lead to the end of the engagement.

**E. Proposed Fee for Services:**

1. Explanation of compensation plans for your firm under this RFQ including all services to be included in that fee.
2. The RFQ should contain the proposed fee for services in either a fixed dollar amount or as a percentage of premiums paid for coverage. Fees are to be maintained at the proposed level unless approval is given by the City Council for a change in the fee structure or level.
3. List any additional service options as well as the fee structure involved.
4. Indicate any alternate billing arrangements you would be willing to consider and under what circumstances they would be most appropriate.

**F. Copies of the following items:**

1. Errors and omissions coverage.
2. Business license.
3. Statement of compliance with federal and state laws.
4. Description of the firm's view of their responsibilities to the City in the provision of benefits brokerage services.

## ADDITIONAL QUALIFICATIONS QUESTIONNAIRE

1. What is the number of employees in your company who provide/service Health, Dental, Vision, Life, AD&D, and LTD insurance coverages?
2. What are the number of years of experience that each of your employees have working in Health, Dental, Vision, Life, AD&D, and LTD insurance?
3. How have you reduced premium costs for your government clients (other than renewals?)
4. Prepare a list of employee services provided to your current clients during the year (health fair, employee wellness programs, payroll stuffers, et cetera)
5. How many follow-up meetings during the year do you typically have with your clients?
6. Include the percentage of premium that you, your company, and/or any associated or contractual company will receive from the successful insurance carrier that provides the policy to the city.
7. Describe in detail the process you follow during insurance renewal.
8. Please list the number of agents that are available in the surrounding area and their distance to city limits.
9. List all locations of agent offices that would be servicing the City of Athens.

## **SECTION IV- EVALUATION AND AWARD PROCEDURES**

***EVALUATION CRITERIA AND REVIEW PROCESS***

***CONTACTS AND SUBMISSION DEADLINE***

## EVALUATION CRITERIA AND REVIEW PROCESS

### A. Criteria

The City will evaluate qualifications based on the needs of the City and its employees. The following criteria will be used in evaluating each of the Agent/Broker responses:

1. Compliance with specifications.
2. Ability to provide strong administrative support and member services to the City.
3. Compliance with applicable State and Federal laws and regulations.
4. Financial position of the agency.
5. Cost.
6. Experience and Qualifications.

### B. Review of Qualifications

A Selection Committee will review all Qualifications and make a recommendation based on the criteria established in this RFQ. Finalists may be brought in for interviews. The recommendation of the Selection Committee will be forwarded to the City Manager, who may concur in the selection and direct an agreement for services to be negotiated. Upon satisfactory negotiation of an agreement, the agreement will be presented to the City Council.

In the event an agreement cannot be negotiated with the highest ranked firm, the next highest ranked firm will be contacted for the purpose of negotiating an agreement for services; and so on down the list until a satisfactory agreement is negotiated or until the process is terminated by the city.

The successful candidate will be required to enter into a written agreement with the City of Athens that will include service agreements and compensation for all coverages. This agreement will last for a period of **one** year and will contain a review process and termination provisions.

The City of Athens reserves the right to retain all qualifications submitted and use any idea in a qualifications submittal regardless of whether that qualifier is selected.

The City will choose the qualifier that best fits its needs. The City is not obligated to award the agreement for services based on cost alone nor is the City obligated to award only one agent of record.



## **CONTACTS AND SUBMISSION DEADLINE**

Qualifications will be accepted in the Human Resources Department, Athens Municipal Building, 815 N. Jackson Street, Athens, Tennessee 37303 until December 21, 2017, at 2:00 p.m., ET. Include the Qualifications reference number on the Qualifications envelope.

All Qualifications must bear the title "Employee Benefits Broker" along with the firm's name and address. Submit one (1) original and five (5) complete copies of the submittal, along with an electronic copy. Facsimile submittals will not be accepted. Late submittals will not be considered. It is the responsibility of the proposer to ensure that the submittal arrives at the correct location by the correct time.

Questions about this RFQ and submission requirements may be directed to:

C. Seth Sumner  
City Manager  
Telephone: (423) 744-2702  
Email: [citymanager@cityofathenstn.com](mailto:citymanager@cityofathenstn.com)