

LOGAN CITY  
REQUEST FOR PROPOSAL  
TO PROVIDE EMPLOYEE BENEFITS CONSULTING SERVICES

AUGUST 1, 2018

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Logan City is interested in receiving proposals from a qualified health and benefit insurance agent/agency to provide consulting services concerning Logan City group insurance products.

An insurance committee has been formed by Logan City to make recommendations concerning what insurance products are provided, benefit levels, and selection of insurance providers. The Logan City Insurance Committee also reviews insurance utilization and cost. The committee has the responsibility to periodically bid group insurance products and review proposals from benefit providers.

The agent/agency/consultant selected will be highly involved in assisting the Logan City Insurance Committee in fulfilling these functions.

**Scope of Services**

Rather than evaluating the applicants on the merits of any particular insurance plan that they may represent or on fees, Logan City will evaluate applicants on the proposed type and level of services provided. The written proposal should:

- Describe the processes, tools, and resources you will use to help Logan City evaluate and manage contracts with the following benefit insurance carriers:
  - Medical and Dental third-party administrators and insurance companies
  - Utilization Review and Case Management
  - PPO and HMO networks
  - Employee Assistance Programs
  - Pharmacy Benefit Managers
  - Life and Accidental Death and Dismemberment Carriers
  - Long Term Disability Carriers
  - Vision Carriers
  - Other Welfare Benefits
  - Health Savings Accounts (HSA)
  - COBRA Administration
  - City Health Fair

When addressing the following areas please limit your response to two paragraphs for each item.

Does your organization provide the services listed? What would be the associated fees for those services?

Describe how your organization would assist Logan City in improving the effectiveness of its benefit programs.

Describe your organizations capabilities for electronic and on-line enrollment processes and efficiencies to Logan City.

Describe how your organization would provide the necessary customer service to our employees, including coordination of reporting and assistance resolving claims.

Identify who would be assigned and responsible for our account. Include a Bio of the person or persons and the respective assigned responsibility to our account.

Describe your organization's services as it relates to Human Resource Consulting and compliance to Federal and State Laws i.e. HIPAA security, COBRA, FMLA, etc.

Provide at least three (3) references of current clients with public entity, municipal and school district employee benefit plans. Provide for each reference: name of company, number of employees, contact name and title, address, and telephone number.

Provide proof of ability to maintain required insurances as per Exhibit A.

Provide proof of Utah licensure.

Provide an example of your company's typical agreement for services.

### **Terms of Contract**

It is anticipated that Logan City will enter into an initial two-year contract with the successful bidder effective *October 1, 2018 and could be renewed on a year to year basis*. This contract may be canceled at any time within 30 days of written notice from either Logan City or the agent/agency.

Compensation will be negotiated with the successful applicant in consultation with Logan City's current health insurance providers. Compensation will likely be through the brokerage fees paid by the insurance providers or a combination of broker fees and consulting fees. Logan City's intention is to negotiate a compensation package that is equivalent to the brokerage fees currently paid on Logan City's medical and dental insurance providers. However, Logan City does not want the brokerage fees to be a determining factor in selecting providers or negotiating contracts and will endeavor to establish a compensation package that reflects this philosophy.

When evaluating potential insurance providers, the representative will factor any fees that Logan City will need to pay the representative directly into the financial analysis.

## **RFP Clarifications**

All questions regarding this RFP must be submitted in writing to Greg Cox, Director of Human Resources, at [greg.cox@loganutah.org](mailto:greg.cox@loganutah.org). Questions must be received by 5:00 p.m., August 17, 2018. Question and answer information will be posted at <http://purchase.loganutah.org>.

## **Directions for Submittal**

Proposals must be received before **5:00 p.m., August 22, 2018**. Send three (3) copies of your proposal to:

Ms. Lori Mathys  
Purchasing Agent  
Logan City  
290 North 100 West  
Logan, Utah 84321

## **Selection Process**

1. The Logan City Insurance Committee will review the proposals using the evaluation criteria listed below.
2. After evaluation of the proposals, finalists will be asked to make a 30-minute presentation to the Logan City Insurance Committee on Friday, August 29, 2018.
3. Final selection will be based on Logan City's assessment of the written proposal and formal presentation.

Logan City reserves the right to reject any or all proposals and to waive any informality or technicality in any proposal.

## **Evaluation Criteria**

1. Reputation and expertise in providing insurance consulting among similar clients
2. Ability to negotiate rates and benefits
3. Understanding of Logan City's products and suggestions for future considerations
4. General services offered
5. Other

## EXHIBIT A

### CITY OF LOGAN INSURANCE AND BOND REQUIREMENTS

#### FOR: Employee Benefits Consulting Services August 2018

The Contracting party shall procure and maintain for the duration of the contract insurance and bonds against claims or liability which arises out of or in connection with the performance of the work hereunder by the Contracting party, his agents, representatives, employees or subcontractors. The cost of such insurance and bonds shall be included in the Contracting party's bid or proposal.

#### A. MINIMUM LIMITS OF INSURANCE

Contracting party shall maintain limits not less than:

1. **GENERAL LIABILITY:** \$1,000,000 combined single limit per occurrence, personal injury and property damage, \$2,000,000 aggregate. Broad Form Commercial General Liability is required. (ISO 1993 or better) to include Products - Comp/OP aggregate of \$2,000,000. Limits to apply to this project individually.
2. **PROFESSIONAL LIABILITY:** \$2,000,000 per occurrence.
3. **AUTOMOBILE LIABILITY:** \$2,000,000 per occurrence. "Any Auto" coverage is required.
4. **WORKERS' COMPENSATION and EMPLOYERS LIABILITY:** Workers' Compensation statutory limits as required by the Workers Compensation Act of the State of Utah and Employers Liability limits at a minimum of \$100,000 per occurrence.
5. **PAYMENT and PERFORMANCE BONDS:** Not applicable for these services.

#### B. ACCEPTABILITY OF INSURERS

Insurance and bonds are to be placed with insurers admitted in the State of Utah with an A. M. Best rating of not less than A-: IX, and in the limits as listed in this document, unless approved by the City's Risk Manager, or his designee, **a minimum of five (5) business days prior to bid or proposal deadline.**

#### C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retention exceeding 5% of the policy limits must be declared to and approved by Logan City. At the option of Logan City, either (1) the insurer may be required to reduce or eliminate such deductibles or self-insured retention as respects Logan City, its officers, officials and employees; or (2) the Contracting party may be required to procure a bond guaranteeing payment of losses and related investigations, claim distribution and defense expenses.

#### D. NOTICE OF INCIDENT OR ACCIDENT

Contracting party shall agree to promptly disclose to Logan City, all incidents or occurrences of accident, injury, and/or property damage covered by the insurance policy or policies.

**E. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain, the following provisions:

**I. General Liability and Automobile Liability Coverages**

A. Logan City, its officers, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the contracting party; products and completed operations of the Contracting party; premises owned, leased, hired or borrowed by the Contracting party. The coverage shall contain no special limitations on the scope of protection afforded to Logan City, its officers, officials, employees or volunteers.

B. The Contracting party's insurance coverage shall be a primary insurance as respects to Logan City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by Logan City, its officers, officials, employees or volunteers shall be in excess of the Contracting party's insurance and shall not contribute with it.

C. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to Logan City, its officers, officials, employees or volunteers.

D. The Contracting party's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.

**F. VERIFICATION OF COVERAGE**

Contracting party shall furnish Logan City with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms acceptable to Logan City before work commences. Logan City reserves the right to require complete, certified copies of all required insurance policies, with all endorsements, at any time.

**G. SUBCONTRACTORS**

Contracting party shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.