



**Campbell County, Kentucky Fiscal Court
Request for Proposals for
Group Insurance/Benefits Broker Services
October 7, 2016**

The Campbell County, Kentucky Fiscal Court (hereafter, the County) is requesting proposals from qualified employee benefits brokerage/consulting firms (hereafter, the Proposer) to serve as the County's broker of record with regard to providing group insurance and other employee benefits, evaluating the existing employee benefit plans, including health, dental, vision, life, and prescription drug benefits and recommending the most cost-effective method of providing those group benefits including reference-based pricing, feasibility of full versus self-funding for health insurance and prescription drugs, and other cost-containment strategies. Service delivery models for consideration include, but are not limited to, brokerage services, membership in multi-jurisdictional pools, and/or direct relationships with an insurance carrier or carriers. The Proposer will also be asked to make recommendations concerning supplemental insurance and/or other benefit programs related to the County's S125 Cafeteria Plan, COBRA administration, and compliance requirements related to the Affordable Care Act and/or other health care reform legislation, social security and other related laws and regulations. The plan year for all insurance and benefits coincides with the County's fiscal year commencing July 1st.

Firms responding to this Request for Proposals must submit four (4) copies of their proposal in sealed envelopes identified on the outside as "Insurance Broker RFP" no later than 5:00 p.m. (local time) on November 14, 2016. Sealed proposals should be addressed to Frank Spataro, Human Resources Director, 1098 Monmouth Street, Newport, Kentucky 41071, and conform to the format specified in Section VI, Proposal Form. Notice of intent to submit a proposal and any questions for clarification must be submitted to Frank Spataro, at fspataro@campbellcountyky.org no later than October 21, 2016. All prospective proposers who have made contact in this matter will receive an email response to all submitted questions by October 28, 2016. Questions may only be submitted to the Human Resources Director and there shall be no contact with any appointed or elected official of the Campbell County Fiscal Court during the proposal process. Contact with other officials may result in disqualification.

The Campbell County Fiscal Court reserves the right to accept or reject any and all proposals or to waive technicalities. All proposals in response to this RFP are to be the sole property of the County. Proposals may not be withdrawn for sixty (60) days from the proposal due date. Upon approval of the successful Proposer by the Fiscal Court at a regular-scheduled meeting, an agreement will be executed for the performance of services and payment of agreed-upon fees as described herein.

Information concerning this request for proposals is available from Frank Spataro, Human Resources Director, 1098 Monmouth Street, Newport, Kentucky 41071 who can be reached by telephone at (859) 547-1870, or via e-mail at fspataro@campbellcountyky.org.

The documents constituting this request for proposals are listed below. Respondents are responsible for the completion of Sections V and VI, in their entirety.

- I. Background Information
- II. Current Benefits and Providers
- III. Request for Proposal Detailed Specifications
- IV. Award of Contract
- V. Organization of Proposing Firm
- VI. Proposal Form

Responses to the sections and subsections comprising Section III, Detailed Specifications, shall be addressed on the Proposal Form (Section VI of this RFP). If the Proposer wishes to include additional information on any specific item, such information may be attached and clearly referenced to the section and subsection of the Detailed Specifications. Proposals deemed by the County as incomplete will not be considered.

The criteria for evaluating proposals shall consist of the following (in no order of priority): The Proposer’s ability to demonstrate familiarity with the local health insurance industry, regulations, laws, practices and trends as they relate to public-sector group insurance and benefit plans; The Proposer’s experience developing and modifying plan designs to reduce and/or control expenses; completeness and responsiveness to the requirements of the RFP; price including standard services provided and services for which additional fees will be charged; and other factors that may be considered appropriate by the County. Proposers whose proposals are determined to most closely meet the County’s criteria will be invited to present and discuss their proposals before the Selection Committee prior to making a final decision and recommendation to the Fiscal Court for approval.

I. BACKGROUND INFORMATION

With approval by the Fiscal Court, the Human Resources Director is responsible for administering employee benefit plans for medical, life, dental insurance and flexible spending accounts; negotiating annual contracts; coordinating annual enrollment activities; preparing and processing all necessary paperwork; reviewing monthly bills; and serving as contact for all employees enrolled in plans, brokers, and insurance company representatives.

Approximately 250 employees participate in the insurance and employee benefit program administered by the Fiscal Court as described in the table below.

Table 1. Employer	Number of Insurance/Benefit-Eligible Employees	Number of Employees Electing Insurance/Benefits
Fiscal Court	125	117
Campbell County Detention Center	110	100
County Attorney’s Office	5	5
County Coroner	1	1
Dispatch Center	21	21
Campbell County Media (Cable TV)	3	3
Totals	265	247

II. CURRENT BENEFITS AND PROVIDERS

- **Health Insurance and Prescription Co-Pays:** The County is currently fully insured, offering a high-deductible health insurance plan through Anthem Blue Cross/Blue Shield (Lumenos Health Savings Account) with four levels of coverage: employee, employee plus spouse, employee plus child(ren), and employee plus family. The table below provides a history of maximum deductible and out-of-pocket expenses, and total monthly premiums for varying levels of health insurance coverage.

Table 2. Anthem Blue Cross/Blue Shield High Deductible Plan History (Fully Insured)					
Deductibles & Out-of-Pocket \$	FY2017	FY2016	FY2015	Premium Split ¹ (EE%) - ER%	Annual Employer-Paid Health Savings Account (HSA) Contributions FY2016 & 2017
Max Deductible (In-Network) (Single/Family)	\$3,000/ \$6,000	\$3,500/ \$7,000	\$3,500/ \$7,000		
Max Out-of-Pocket (In-Network) (Single/Family)	\$5,000/ \$10,000	\$5,000/ \$10,000	\$5,000/ \$10,000		
Total Monthly Premiums	FY2017	FY2016	FY2015		
Employee	\$377.80	\$361.36	\$370.52	(15.4) - 84.6	\$2,000
Employee + Spouse	\$793.42	\$758.67	\$778.12	(18.5) - 81.5	\$2,500
Employee + Child(ren)	\$680.04	\$650.27	\$666.94	(18.5) - 81.5	
Family	\$1,208.96	\$1,156.02	\$1,185.67	(18.5) - 81.5	

¹ The percentage split between the Employee-Paid (EE) and the Employer-Paid (ER) portion of the monthly health insurance premium

Prescription Co-Pays (No Deductible)	FY2017	FY2016	FY2015
Tier 1 (Generic)	10%	10%	10%
Tier 2 (Brand)	10%	10%	10%
Tier 3 (Specialty)	10%	10%	10%
Mail Order	10%	10%	10%

- **Dental Insurance:** Employee-paid dental insurance benefits are provided by Dental Care Plus to all eligible employees.

Table 3. Dental Care Plus Plan History (HMO, Fully Insured)			
Total Monthly Premiums	FY2017	FY2016	FY2015
Employee	\$31.83	\$31.83	\$31.83
Employee + Spouse	\$63.64	\$63.64	\$63.64
Employee + Child(ren)	\$55.72	\$55.72	\$55.72
Family	\$101.26	\$101.26	\$101.26

- **Vision Insurance:** Employee-paid vision insurance benefits are provided by Avesis to all eligible employees.

Table 4. Avesis Vision Plus Plan History (HMO, Fully Insured)		
Total Monthly Premiums	FY2017	FY2016
Employee	\$7.85	\$7.85
Employee + Spouse	\$13.74	\$13.74
Employee + Child(ren)	\$14.92	\$14.92
Family	\$24.96	\$24.96

- **Basic Life and Accidental Death & Disability Insurance:** Employer-paid basic term life and accidental death and Disability (AD&D) insurance in the amount of \$50,000 is provided by Anthem Life to all eligible employees.

Table 5. Anthem Basic Life and AD&D Insurance		
Cost/\$1,000 of Coverage	Basic Life	AD&D
	\$0.20	\$0.02

- **Supplemental Term life insurance:** Employee-paid supplemental life insurance is provided by Cincinnati Life Insurance Company to all eligible and interested employees.

- **Short and Long-Term Disability insurance:** Employee-paid long and short-term disability insurance is provided by UNUM Life Insurance Company to all eligible and interested employees.
- **Section 125 Cafeteria Plan Flexible Spending Accounts (FSA):** Employees are permitted to participate in one of two flexible spending accounts administered by Chard Snyder for pre-tax payment for IRS-eligible expenses.
 1. **Limited FSA:** For employees who elect health insurance coverage, subject to maximum contribution limits set forth by the Internal Revenue Service for dental and vision expenses only;
 2. **Unlimited FSA:** For employees who elect to waive health insurance coverage, subject to maximum contribution limits set forth by the Internal Revenue Service for eligible expenses; and a
 3. **Child Care FSA:** For employees who choose to pay for eligible child care expenses, subject to maximum contribution limits set forth by the Internal Revenue Service
- **ADP and Carrier Connection:** The County currently utilizes ADP for purposes of processing payroll including deductions for insurance and benefit elections for employees of the Fiscal Court and the Campbell County Detention Center (see Table 1). Insurance and benefit elections for all other employees in Table 1 are entered or forwarded to respective carriers by the Human Resources Department. Electronic carrier connections with Anthem Blue Cross/Blue Shield, Avesis, Chard Snyder and Dental Care Plus are in place with ADP to facilitate enrollment and account maintenance activities.

III. REQUEST FOR PROPOSAL DETAILED SPECIFICATIONS

A. Characteristics and Qualifications of the Proposer

1. Describe the history and organization of your firm. Include your main business (benefits consulting, actuarial consulting, asset manager, insurance provider, etc.), number of employees, number of offices, locations, and the office designated to serve the County's program.
2. If your firm intends to utilize other offices, describe the services they would provide.
3. Name the principal and other key personnel who will be fully responsible for the account. Provide a resume or statement of professional qualifications, related educational background and professional certifications of the personnel assigned to this account. Also, list each person's title as it is conveyed professionally within the firm, and their particular area of expertise.
4. Describe capability to perform Broker of Record duties in full compliance with all federal and state statutes and regulations, including confirmation the Proposer serves as a consultant or broker, independently, and is not affiliated with any insurance company, third party administrative agency or provider network.
5. Attach a summary of the firm's premium volume for the past three years for employee group medical insurance coverage that includes dental and prescription plans if applicable.
6. Provide a copy of your firm's current financial statement.
7. Indicate if insurance coverage can be effective by July 1, 2017 if your firm was selected and approved by the Judge/Executive and Fiscal Court on or around May 3, 2017.

B. Conceptual Strategy

1. Review existing health insurance and related programs and conduct a risk analysis. Make recommendations for changes in benefit offerings, plan designs, alternate service delivery systems, financing alternatives, employee contributions, and other areas, as appropriate.
2. Describe your conceptual plan for the County's health insurance and related benefit program. Include general coverage terms, exclusions, market capacity and constraints, risk aversion or appropriate stop-loss insurance levels, approximate premiums, and deductibles.
3. Describe any performance guarantees your firm will make if awarded a contract with the County.
4. Provide a detailed work plan for implementing new insurance or related benefit programs. The work plan must include a list of all tasks to be performed, the party responsible for

accomplishing the task, the date on which the task needs to be accomplished in time for the start of the new plan year on July 1, 2017.

5. As noted above, the County's benefits, human resources and payroll administration is currently maintained and executed using ADP, version 11.0. Describe your experience working with ADP benefit, human resources and payroll applications.
6. Describe any web-based or internet interfaces or access means County staff will have to third party administrators or insurance carriers in addition to those listed above in "ADP and Carrier Connections" for purposes of enrolling, terminating or checking on the status of employees' benefit elections.
7. Describe your firm's experience and role(s) conducting employee open enrollment and education sessions. Describe your plan for conducting such sessions with agencies and employees listed in Table 1.

C. Insurance Marketing Services

1. List the major insurance companies with which your firm has historical or strong relationships with regard to employee group insurance coverage and benefits.
2. Describe your access to the licensed, excess or surplus lines markets.
3. Describe the insurance marketing expertise of your servicing office and the firm with respect to public-sector, not-for-profit and/or other governmental units.
4. Describe as well as submit information concerning the firm's access to specialized technical expertise to assist in identifying and analyzing problems in various areas. It is not essential that such expertise be "in-house", but rather, to demonstrate that it knows how or can obtain such technical assistance when it is required.

D. Service to the Account

1. Provide examples of quarterly and annual reports the firm has prepared or obtained for clients including, among other relevant information, the complete accounting of fees or commissions earned on the account; a cumulative quarterly and annual premium and loss record; observations on relevant changes in the insurance market or industry and recommendations for potential cost savings for the County; observations on loss exposures facing the County and recommendations for minimizing such losses; and insurance policy summaries. If available, please attach a copy of an annual report previously prepared by your firm for a similarly situated public entity.
2. Describe the form and substance of quarterly and annual meetings with County staff (to include representatives from the County Administration, Human Resources and Finance Departments). Also describe the form, frequency and substance of meetings you conduct with major insurance carriers to discuss the County's plans, and the means by which that information is conveyed back to the County.
3. Describe the range of claims management services provided by the servicing office and your firm.
4. Describe your business management information systems to provide and maintain the County's loss information. Provide examples of tables, charts, reports, graphical presentations or any other medium you use for conveying information.
5. Describe your ability to produce an annual "benefits statement" to all employees that describes all employee insurance benefits as well as additional wage and expense information for employees provided by the County to the firm to supplement insurance benefit information. Such statements shall include a description of each benefit, the dollar value of each benefit to the employee, how the value calculated, when the benefit is realized, and the party responsible for providing the benefit.

E. Risk Evaluation and Control

1. Describe any exposure identification and evaluation assistance that is contemplated in your brokerage service to the County, and how such work shall be compensated.

2. Indicate any training, education or other technical or employee services available from your firm and the servicing office, as well as the frequency with which such services are available.
3. Describe your capacity, ability and experience designing and/or administering corporate wellness programs to promote healthy lifestyles and reduce exposure to long-term health costs resulting from chronic or episodic conditions.

F. Affordable Care Act and Health Care Reform Legislative Compliance

1. Provide the means by which education, tools and guidance will be provided concerning compliance requirements related to the Affordable Care Act and/or other health care reform legislation, social security and other related laws and regulations.
2. Describe the means by which responses are provided to questions and situations posed by or on behalf of employees.
3. Describe the means by which notice is provided to the County of new or pending legislation.
4. Coordinate distribution of mandatory annual notices.
5. Describe the assistance provided regarding compliance and/or notice requirements related to HIPAA, COBRA, Section 125, Schedule A (Form 5500) and other related topics.

G. Reference List

1. List and describe the firm's experience providing service for at least three (3) public-sector, not-for-profit and/or other governmental units with populations, coverage or programs comparable to the County's, as well as a description of any underwriting procedures or special plans which have been used to service other accounts.
2. Indicate if the County may independently contact such accounts for an appraisal of comparable services they have received from your firm.

H. Fee Structure

1. Describe the method(s) by which your firm is compensated, such as fees, commissions or a combination of both. Also, indicate your firm's willingness to work on a fee basis.
2. Submit the hourly billing rates of all personnel to be assigned to the project. This information will be used to negotiate modifications to work contained in the Scope of Work.
3. Submit other pricing/cost data necessary to carry out this project, including justification for any data submitted.
4. If the firm provides unique or proprietary services, submit a description of such services and the fee including fixed price and/or hourly billing rates. Make all fee and pricing proposals in the appropriate section(s) in Section V, Proposal Form as well in your response document.
5. If you are selected as County's Proposer, state if you would you be willing to sign an affidavit stating you receive no commission, rebates, bonus or other compensation related to your work with the County other than the fee outlined in your proposal?
6. Confirm your proposed fee is all inclusive for the scope of work outlined in your proposal.

IV. AWARD OF CONTRACT

The following information is presented to inform the Proposer of terms and conditions likely to be included in the resulting Agreement.

A. Contract Term

The County anticipates awarding an initial minimum contract for two years, after which the County will have the right to renew for an additional one-year period of time. The annual contract period for broker services, insurance and related benefits commences on July 1 and ends June 30.

B. Authorization

Any agreement with a selected Proposer must be reviewed and approved by the Campbell County Attorney, approved and authorized by the Campbell County Fiscal Court, and executed by the

Judge/Executive. The Proposer is advised that no person other than the Judge/Executive has authority to sign agreements, and that any other agreements, whether signed or verbal by anyone other than the Judge/Executive are null and void.

C. Payments

All invoices will be paid within normal and customary practices of the County.

The Proposer is required to state whether or not he/she is in agreement with D, E, F, G, H, I and J below on the Proposal Form (Section VI).

D. Termination for Non-appropriation of Funds

The County reserves the right to terminate any multi-year agreement if the Fiscal Court fails to appropriate funds for this purpose in any subsequent fiscal year.

E. Proposer Personnel Assigned to the County Account(s)

The County reserves the right to accept or reject any staff designated by the Proposer to manage the County account(s). If no suitable replacement staff is provided, the County reserves the right to terminate the contract in accordance with applicable termination procedures and notices.

F. Ownership of Data

The County will remain the owner of its employee and claims data at all times. At the conclusion of the services, the Proposer will be required to transfer all employee and claims data back to the County in a format acceptable to the County.

G. Confidentiality

The Proposer shall keep the County's employee and claims data confidential.

H. Subcontracting

The Proposer shall not assign or subcontract any portion of the services to be provided without the written approval of the County and the Fiscal Court. The Proposer assumes responsibility for all Sub-Contractors, whether or not authorized. In the event of a merger of a Proposer with another firm, the Proposer shall provide sufficient notice to the County, and the existing agreement will be transferable to the successor firm only upon the approval of the Fiscal Court.

I. Insurance Requirements

The selected Proposer must purchase and maintain for the length of the contract, the lines of described insurance. All insurance coverages shall be on an occurrence basis. The Proposer shall provide evidence of such insurance to the County together with its proposal, and will provide evidence that the County has been added as a named insured, where applicable, before commencement of the services and on an annual basis thereafter. Certificates of Insurance shall contain a clause stating that the coverage afforded by the policies listed will not be canceled or materially altered, except after forty-five (45) days advance written notice to the County. The Proposer shall secure the following endorsements to each of the required policies: "It is understood and agreed that the insurance company will give not less than forty-five (45) days advance written notice of any cancellation or material change under any of these policies to the County. In the event that such notice is not given to the County at least forty-five (45) days prior to cancellation or material change, the policy will continue in full force and effect for the benefit of the County as if such change or cancellation had not occurred."

- 1. Professional Liability/Errors and Omissions Insurance** in an agreed-upon amount naming the County as a named additional insured.

2. Crime and Fraud Coverage in an agreed-upon amount naming the County as a named additional insured.

J. Hold Harmless and Indemnity

Notwithstanding any limitations or restrictions applicable to any insurance or bonds required hereunder, indicate that the Proposer agrees that it shall defend, indemnify and hold the County, and its employees harmless from and against any and all liability, loss, damage, claim, payment or expense, including attorney fees, which the County or its employees may incur resulting from or arising out of any error or omission in the performance of an agreement, including, without limitation, errors or omissions in the handling, accounting for, or transferring of funds, or to work, services or systems or products provided in the performance of this agreement by the Proposer or its employees, agents, servants, associates, Contractors, Sub-Contractors, or assignees.

V. ORGANIZATION OF PROPOSING FIRM

(Complete Applicable Paragraph Below)

(a) **Corporation:** The Proposer is a corporation, operating under the legal name of _____
_____ and is organized and existing in good standing under the laws of the State of _____. The full
names of its Officers are:

President _____

Secretary _____

Treasurer _____

The Name and Address of its Registered Agent is: _____
_____ (Name)

_____ (Number, Street, Suite #) _____ (City, State & Zip)

The corporation has a corporate seal. (In the event that this proposal is executed by a person other than the
President, attach hereto a certified copy of that section of Corporate By-Laws or other authorization by the
Corporation that permits the person to execute the offer for the corporation.)

(b) **Partnership:** The Proposer is a Partnership operating under the name _____

The following are the names, addresses and signatures of all partners:

Name	Address	Signature
_____	_____	_____
_____	_____	_____

(Attach additional sheets if necessary.) If so, check here _____.

If the partnership does business under an assumed name, the assumed name is _____

(c) **Sole Proprietor:** The Proposer is a Sole Proprietor. If the Vendor does business under an
Assumed Name, the Assumed Name is _____

(d) **Affiliates:** The name and address of any affiliated entity of the business, including a description of the
affiliation: _____

The name and address of any affiliated person of the business entity, including a description of the affiliation. _

Signature of Owner

VI. PROPOSAL FORM

Responses to Detailed Specifications

Proposer's responses shall be organized and presented in the order listed below.

A. Characteristics and Qualifications of the Proposer

- 1 Description of history, organization and location of Firm serving the County
- 2 Description of other offices serving the County, and their services
- 3 List Principal and other key Personnel
- 4 Indication of capability to perform as Broker of Record
- 5 Summary of premium value for past three years
- 6 Copy of Firm's current financial statement (attach as an appendix to proposal)
- 7 Indication if insurance coverage can be effective July 1,2017

B. Conceptual Strategy

- 1 Risk analysis of existing health insurance and related programs
- 2 Description of conceptual plan
- 3 Description of performance guarantees
- 4 Detailed work plan for implementing new insurance and related programs
- 5 Description of experience working with ADP applications
- 6 Description of web-based interfaces or access means to third-party administrators or insurance carriers
- 7 Description of experience and role(s) conducting open enrollment and education sessions

C. Insurance Marketing Strategies

- 1 Listing of major insurance companies with which firm has historical relationships
- 2 Description of access to the licensed, excess or surplus lines markets
- 3 Description of insurance marketing expertise with respect to public-sector, not-for-profit or other governmental units
- 4 Description of firm's access to specialized technical expertise

D. Service to the Account

- 1 Examples of quarterly and annual prepared for a similarly situated public entity.
- 2 Description of form and substance of quarterly and annual meetings with clients
- 3 Description of range of claims management services provided by firm
- 4 Description of business management information systems regarding the County's loss information.
- 5 Description of firm's ability to produce an annual employee "benefit statement"

E. Risk Evaluation and Control

- 1 Description of exposure identification and evaluation, and means of compensation
- 2 Description of training, education or other technical or employee services available from firm
- 3 Description of capacity, ability and experience designing and administering corporate wellness programs

F. Affordable Care Act and Health Care Reform Legislative Compliance

- 1 Description of education, tools and guidance provided regarding compliance with the ACA and/or other related laws
- 2 Description of means by which responses are provided to questions and situations posed by or on behalf of employees
- 3 Description of means to notify the County of new or pending insurance-related legislation
- 4 Description of process to distribute mandatory annual notices to employees regarding health care
- 5 Description of assistance provided to comply with or provide notice regarding HIPAA, COBRA, Section 125,and Form 5500

G. Reference List

- 1 List at least three (3) references
- 2 Indication of approval for the County to independently contact references

H. Fee Structure

- 1 Description of method of compensation
- 2 Hourly billing rates of personnel assigned to the project
- 3 Description of other pricing/cost data to carry out project
- 4 Description of unique or proprietary services
- 5 Indication of willingness to sign affidavit regarding commissions, rebates, bonuses or other compensation
- 6 Confirmation that proposed fee is all inclusive

Indicate your agreement below with items D, E, F, G, H, I and J	Initial	Date
D. Termination for Non-appropriation of Funds	_____	_____
E. Proposer Personnel Assigned to the County Account(s)	_____	_____
F. Ownership of Data	_____	_____
G. Confidentiality	_____	_____
H. Subcontracting	_____	_____
I. Insurance Requirements	_____	_____
J. Hold Harmless and Indemnity	_____	_____

The undersigned proposes to furnish Services to the Campbell County Fiscal Court for the fees stated below:

Fee for Specified Work: – Specify below

_____ \$ _____

Commission(s) for Specified Work – Specify below

_____ \$ _____

Hourly Rate(s) for Specified Work – Specify below

_____ \$ _____

Other Pricing - As indicated below

_____ \$ _____

Proposal Signature: _____

State of _____), County of _____)

_____, being first duly sworn on oath deposes and says that the Proposer on the above Proposal is organized as indicated below and that all statements herein made on behalf of such Proposer and their deponent is authorized to make them, and also deposes and says that deponent has examined and carefully prepared their proposal from the Detailed Specifications and has checked the same in detail before submitting their Proposal; that the statements contained herein are true and correct.

Signature of Proposer authorizes the County to verify references of business and credit at its option.

Signature of Proposer shall also be acknowledged before a Notary Public or other person authorized by law to execute such acknowledgments.

 Organization Name
 (Seal - If Corporation)

By: _____ Dated: _____

Authorized Signature

 Address

 Telephone

 E-mail

Subscribed and sworn to before me this

_____ day of _____, 2016.

 Notary Public