

LORAIN COUNTY COMMUNITY ACTION AGENCY
REQUEST FOR PROPOSAL
Health Insurance Brokerage Services
March 21, 2013

Lorain County Community Action
P.O. Box 245
506 Broadway Avenue
Lorain, Ohio 44052-0245
Phone: (440) 245-2009
Fax: (440) 245-3085
www.lccaa.net

RFP Closing Date/Time: April 30, 2013 at 3:30p.m. EST
Contract Administrator: Chakakhan Abston
Telephone: (440) 204-3123
E-Mail Address: cabston@lccaa.net
Location: Lorain County, Ohio

LORAIN COUNTY COMMUNITY ACTION AGENCY REQUEST FOR PROPOSAL

SECTION I - INTRODUCTION

Description of Lorain County Community Action Agency

Lorain County Community Action Agency (LCCAA) is a private, non-profit corporation structured to administer federal, state and private grants to provide services to low-income families. Incorporated in 1966, LCCAA has been determined to be exempt from federal income tax under section 501 (c) (3) of the Internal Revenue Code. Currently, the Agency has 156 employees. Annual funding as of August 2012 was \$11,552,068. LCCAA is governed by a 15-member, Volunteer Board of Directors. The Administrative Office is located at 506 Broadway Avenue, Lorain, Ohio.

Purpose of the RFP

The purpose of this Request for Proposals ("RFP") is to obtain statements of qualifications and proposals ("Proposals") from qualified companies to be the health insurance broker/consultant for LCCAA in its health insurance policies and needs.

There is no expressed or implied obligation for LCCAA to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Submission of Proposal

Proposals will be accepted by Chakakhan Abston, LCCAA Human Resources Director, until 3:30 p.m. local time, on April 30, 2013. All proposals must be received by the time and date shown above. Please provide three hard copies. All proposals must be submitted in writing in a sealed envelope marked in the lower left hand corner "HEALTH INSURANCE BROKERAGE SERVICES PROPOSAL". Late submissions will not be considered.

ADDRESS MAILED PROPOSALS TO:

Chakakhan Abston, LCCAA Director of Human Resources, P.O. Box 245, 506 Broadway Avenue, Lorain, Ohio 44052-0245

HAND DELIVERIES MADE AT:

Lorain County Community Action Agency Administrative Offices, 506 Broadway Avenue, 2nd Floor Reception
Lorain, Ohio 44052-0245

During the evaluation process, LCCAA reserves the right to request additional information or clarification from firms, or to allow corrections of errors or omissions. Proposals are valid for 90 days after the acknowledgment date.

LCCAA has final authority over the decision process which is scheduled to complete on or before May 31, 2013 (subject to Board approval). LCCAA reserves the right to make an award without further discussion of the proposals submitted; therefore, proposals should be initially submitted on the most favorable term which the Bidder can propose. LCCAA may, at its discretion, request meetings with any or all bidders to clarify or negotiate modifications to the Bidders' proposals.

Anticipated Timeline for RFP and Proposals

Release RFP	March 21, 2013
Notice of Intent to Submit Due Date	April 5, 2013
End of Question and Answer Period	April 19, 2013
Proposal Due Date/Time	April 30, 2013 at 3:30 p.m.
Notification of Award	On or before May 31, 2013 (subject to Board approval)

Terms of Engagement

The Bidder selected shall be asked to enter into a contract or services agreement with LCCAA. It is anticipated that the selected broker will be selected for a period of one year, with a LCCAA option to exercise up to two additional one-year options, for a total of three years. Any contract or services agreement will not be transferable without the prior written approval of LCCAA.

SECTION II - INSTRUCTIONS FOR NOTICE, QUESTIONS AND RESPONSE

Notice of Intent to Submit

Interested companies should submit a Notice of Intent to Submit a Proposal. Once you have received and reviewed the proposal, please send an email to cabston@lcaa.net indicating your intent to submit a proposal, use subject "NOTICE OF INTENT". By submitting a notice of intent you will receive any updates or clarifications to the RFP during this process.

Questions concerning Request for Proposal/ Responding to Questions

All questions should be submitted via email to cabston@lcaa.net on or before Friday, April 19, 2013. Please include in the subject line "RFP QUESTIONS". Response to questions will be provided to those that submitted a Notice of Intent to Submit Proposal. Responses will be provided as a blind copy to protect the identities of all interested companies.

SECTION III - PROPOSAL REQUIREMENTS

INSTRUCTIONS FOR PREPARING AND SUBMITTING PROPOSALS

Sealed proposals shall be submitted to LCCAA not later than 3:30 p.m. on April 30, 2013 at LCCAA's Administrative Offices, P. O. Box 245, 506 Broadway Avenue, Lorain, Ohio 44052-0245. Bidders must submit three hard copies of the proposal.

All firms interested in providing insurance brokerage services to LCCAA must provide detailed information for each of the following questions listed below. Be sure to indicate next to your response which question is being answered. If the answer is contained within any attached marketing material, please state specifically where the response to each question is located.

1. **Title Page**
2. **Table of Contents**
3. **Letter of Transmittal**

The proposal should be accompanied by a letter of transmittal (no more than 3 pages) which summarized the key points of the proposal and which is signed by an officer of the firm who is responsible for committing the firm's resources.

The letter of transmittal must also stipulate:

- The Bidder is not debarred from receiving federal funds. For more information on the Excluded Parties List System please visit: <http://www.epa.gov/ogd/sdd/espl.htm>. All LCCAA vendors are checked against the Excluded Parties List System; ineligible Bidders will be removed from consideration.
- Whether the company qualifies as a Historically Underutilized Business, including women's enterprises, minority-owned businesses, and/or small businesses.

4. Firm, Service Office Qualifications

- a. Provide information regarding the history and organization of your firm. Include your main businesses, number of employees, number of offices, locations, and financial information.
- b. Describe the office that will be designated to service the LCCAA's program. Explain the services available at that office. If your firm intends to utilize other offices, please describe the services they would provide on this account.
- c. Name the principal and other key personnel who will be fully responsible for the account. Provide a resume or professional qualifications and the related educational background of the personnel assigned to the account. Be sure to list each person's title and area of expertise.
- d. Disclose any existing or potential conflicts of interest, professional and/or personal relationships or financial interests, which would lead a reasonable person to question whether the impartiality of a decision was compromised. Any disclosure is subject to review and recusal, as appropriate.

5. Insurance Services

- a. List the major insurance companies your firm has a strong relationship with related to Employee Group Medical Insurance Coverage.

- b. Submit information regarding 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"; the important point is for the firm to be able to demonstrate that it knows how to or can obtain such technical assistance when it is required.

6. Service to the Account

The awarded Contractor will be expected to aid in the identification and acquisition of the most comprehensive and cost-efficient group health Insurance available.

- a. Indicate your willingness to prepare an Annual Report for LCCAA, which would include among other things, the complete accounting of fees or commissions earned on the account, a cumulative project year premium and loss record, observations on relevant changes in the insurance market, and insurance policy summaries. If available, please attach a copy of an Annual Report previously prepared by your firm.
- b. Describe your willingness to participate in quarterly meetings with LCCAA employees, LCCAA management, and annual meetings with the major insurance carriers.
- c. Describe the range of the claims management services provided by the servicing office and your firm.
- d. Explain your approach to providing or maintaining LCCAA's loss information.

Desired services include, but are not limited to, the items listed below. Indicate your willingness to provide the following:

- Identify a cost-efficient, comprehensive insurance plan for LCCAA
- Develop and issue RFPs for group health insurance coverage
- Ensure online management of benefit enrollment (including COBRA)
- Provide renewal evaluation & negotiation
- Support human resources (claims, problem resolution, etc.)
- Develop and maintain employee benefits website
- Conduct annual enrollment meeting
- Coordinate annual employee health fair and/or wellness services
- Provide educational workshops related to administering employee benefits
- Provide expertise and updates regarding Patient Protection and Affordable Care Act
- Provide account representation for elective benefits such as AFLAC, dental and vision.

7. Reference List

- a. Provide evidence of the firm's experience in providing service for others insured with coverage or programs comparable to LCCAA's.
- b. List a representation of other accounts the firm has served. Indicate which accounts, if any, LCCAA may contact and provide a contact person.
- c. List the non-profits or comparable entities your firm has served.

8. Work Plan / Technical Approach

- a. Overview: This section should establish the Bidder understands LCCAA's objectives and requirements, demonstrate the Bidder's ability to meet those requirements and outline clearly and concisely the plan for accomplishing the specified work.
- b. Describe succinctly how your firm would accomplish the work and satisfy the LCCAA's objectives described in this RFP. If appropriate, divide the work into segments or tasks to represent milestones

- for measuring progress.
- c. List the names of the insurance companies that underwrite 30% or more of your firm's book of business. Project whether you would approach the same markets on behalf of LCCAA's account and/or source other markets.

9. Exceptions / Deviations

Please state any exceptions to or deviations from the requirements of this RFP. If you wish to present alternative approaches to meet the LCCAA's work requirements, these should be thoroughly explained.

SECTION IV – COMPENSATION

1. Indicate your firm's willingness to disclose and negotiate any commission income derived from the LCCAA and whether your firm would allow an outside auditing firm to verify commission income earned.
2. Please provide fees for any additional services your firm provides that may be of interest to LCCAA.

SECTION V – SCOPE OF WORK

1. Serve as designated insurance broker of record for Health Insurance Group Coverage.
2. Negotiate and place employee benefit plan options as directed by the LCCAA.
3. Analyze insurance proposals and present the results of such analysis to the appropriate parties.
4. Negotiate all health insurance renewals, including meeting directly with insurance company underwriters and place insurance as directed.
5. Analyze claim experience/financial development for all insurance coverage.
6. Prepare annual reports, in any reasonable annual format requested in advance by LCCAA, analyzing financial developments, network utilization, insurer cost structures, etc., and make recommendations regarding changes, modifications and/or benefit changes.
7. In accordance with parameters and criteria established by LCCAA, make recommendations regarding various benefit and insurance plans, insurance carriers, health maintenance organizations, administrators and benefit service providers.
8. Review all insurance, benefit and administrative service documents for accuracy and adherence to prior agreements (but not perform a legal review).
9. Provide open enrollment support, including, but not limited to, developing timeline, assisting with the development of open enrollment materials and the determination of attendees, and coordinating and participating in open enrollment meetings as reasonably requested.
10. Review contracts with providers for accuracy in rates, benefits, eligibility, and coverage definitions.
11. Review evidences of coverage (EOC) for accuracy, make recommendations regarding changes, modifications and/or benefit enhancements, and negotiate changes with carriers.
12. Assist with LCCAA/Employee claims and billing issues as requested.
13. Act as a liaison and an advocate for the LCCAA and employees with insurance companies.
14. Assist with the implementation/transitioning of carriers/administrators.
15. Alert LCCAA of legislative mandates and assist with compliance.
16. When appropriate, provide concise, timely and effective reports as needed, with the ability of electronic transfer of reports to LCCAA staff, as needed.
17. Perform detailed analytical review of third party administration, prescription drug and utilization review firms providing health care services to the LCCAA's existing or future health care plan.
18. Inform LCCAA staff of major national or regional health care trends.
19. As needed, provide seminars and educational sessions to employees.

SECTION VI – PROPOSAL EVALUATION AND CONTRACT AWARD

GENERAL

All proposals received in accordance with these RFP instructions will be evaluated to determine if they are complete and meet the requirements specified in this RFP. An award will be made to the Bidder whose offer is judged to be the most advantageous to LCCAA. LCCAA expressly reserves the right to reject all proposals and make no award under this RFP.

EVALUATION PROCEDURES

All proposals received in accordance with these RFP instructions will be reviewed, analyzed, and evaluated by committee in accordance with the criteria described below. If needed, additional information may be requested from one or more Bidders. Interviews and contract negotiations may be conducted with one or more of the Bidders. The committee will then select a Bidder to recommend to the Finance Committee. If the Finance Committee is in agreement, the recommendation will be forwarded to the full LCCAA Board of Directors for award consideration.

EVALUATION CRITERIA

Proposals will be evaluated by LCCAA against the following factors:

- Qualifications, experience, references of Bidders, and ability to carry out the Scope of Work;
- Staffing, Project Organization;
- Work Plan / Technical Approach;
- Rate of Commission and/or Fees;
- Miscellaneous (exceptions/deviations, completeness of proposal, adherence to RFP instructions, other relevant factors not considered elsewhere).

The LCCAA reserves the right to reject any or all proposals, to waive any irregularities or informalities in the offers received and to change the evaluation process described above if circumstances dictate this or it is otherwise in the best interest of the LCCAA to do so.

CONTRACT AWARD

It is the intent of the LCCAA to award a single contract as the result of this RFP.