



**Deschutes County
Request for Proposals (RFP)**

Benefit Plan Consulting Services

Proposals must be received no later than 3:00 pm
July 20, 2015

Deschutes County
1300 NW Wall Street, Suite 200
Bend, Oregon 97701
541-385-3215

An Equal Opportunity Employer

Deschutes County encourages persons with disabilities to participate in all programs and activities. This location is accessible to people with disabilities. If you need accommodations to make participation possible, or to request this information in an alternate format please contact Kathleen Hinman.



Deschutes County encompasses 3,055 square miles located in the central portion of Oregon. In the last several years, Deschutes County has been the fastest growing county in the state. As the population in the County has grown, the Deschutes County government has grown as well. Currently, there are more than 900 benefit eligible individuals employed by the county operating in facilities throughout the county. Employees who are regularly scheduled to work at least 20 hours per week are eligible for the health benefit program.

Deschutes County is governed by the Board of County Commissioners (BOCC). The BOCC consists of three commissioners responsible for establishing policies and setting priorities of the county. The other elected officials of the county include the District Attorney, County Assessor, County Clerk, County Treasurer, and County Sheriff. The County Administrator oversees the daily functions and activities of the various county departments.

Deschutes County consists of a variety of departments providing public services that include health & human services, public safety & emergency services, planning & zoning, community justice, public works, and solid waste. The county also has a number of internal and support services such as finance, information technology, risk management and legal services. Deschutes county workforce is comprised of both non-represented and represented members from 6 unions. Deschutes County, through its Health Benefits Trust, provides health coverage for county employees, eligible retired employees, and their eligible dependents. The County also provides a wellness program, on-site clinic and on-site pharmacy.

In addition, Central Oregon Intergovernmental Council (COIC) employees also participate in the Deschutes County health benefit program. Established in 1972, COIC is a Council of Governments (COG) serving Deschutes, Crook, Jefferson, Lake and Klamath Counties. COIC currently has 125 benefit eligible employees and is governed by a board with representatives from local jurisdictions and economic interests in the region. This organization provides an opportunity for local governments and private industry to work together to address community, economic and workforce development in Central Oregon. It offers services and programs including employment & training, youth & adult education, business loans, community & economic development, and transportation services.

For Deschutes County employees, the County offers a suite of other programs including life, long term disability and EAP insurance plans. It also makes available health and dependent care flexible spending accounts, as well as a 457 deferred compensation program.

For more information on these organizations, please visit deschutes.org and coic.org.

1-0 General Information

Deschutes County invites qualified individuals or firms to submit proposals to provide Employee Benefit Plan (Plan) consulting services as described in the **Project Scope, Section 2**, of this Request for Proposals.

The non-grandfathered Deschutes County Employee Benefit Plan (The Plan) covers medical (including alternative care), prescription, dental, and vision benefits for eligible persons and COBRA participants, including dependents. The Plan also provides the Deschutes Onsite Clinic (DOC), DOC Pharmacy and DOC Wellness, a wellness program for the same population provided by the same entity that operates the DOC.

The Plan, with an August 1 to July 31 plan year, is primarily self-funded, but also maintains specific stop-loss coverage. The Plan covers approximately 2,500 lives. Fund expenditures for FY14 totaled \$17.7 million with claims payments of approximately \$16 million. Fund expenditures through March of FY15 total \$13.7 million with claims payments of approximately \$11 million. (Note: plan year and fiscal are not on the same cycle).

Claims and operating costs are funded through the County's Health Benefits Trust fund (HBT). The reserve for the HBT is reported at \$13.7 million as of 3/31/2015. The Plan is funded through inter-fund charges to departments and an employee-paid monthly contribution. The County offers one standard PPO health plan and a non-qualified high deductible health plan. The County uses a third party administrator, EBMS, for claims processing and COBRA administration.

The Employee Benefits Advisory Committee (EBAC), consisting of representatives of labor and management, makes recommendations to the Board of County Commissioners regarding the County's benefit program.

The following materials related to the Plan and Health Benefit Trust can be found at Deschutes County's website www.deschutes.org/RFP

- The Summary Plan Description and amendments for the Deschutes County Employee Benefit Plan
- Description of services provided at the DOC Clinic
- Description of services provided at the DOC Pharmacy
- Description of services provided through DOC Wellness
- Current GASB Actuarial analysis as it relates to plan funding and reserves ending June 30, 2013
- The Segal Report for self- funding July 2011
- Duties and Responsibilities of Employee Benefits Advisory Committee Deschutes County Administrative Policy #GA-06
- Reserve Policy for the Health Benefits Trust (HBT) Fund Policy #F-13
- Deschutes County Personal Services Contract Sample

Section 1-1 Compliance with Rules

Deschutes County is committed to equal opportunity in its procurement and contracting process and this RFP has been developed in accordance with adopted County policies and guidelines.

Proposers responding to this RFP must follow the procedures and requirements stated within this RFP. Failure to comply with or complete any part of this RFP may result in rejection of a proposal.

Section 1-2 Written Questions

Bidders may submit written questions to Kathleen Hinman, Benefits Coordinator, at kathleen.hinman@deschutes.org through July 3, 2015 at 5:00 pm PDT. Answers to questions will be posted to the RFP website at www.deschutes.org/RFP. All submitted questions will be answered on the website no later than 5:00 pm PDT July 10, 2015.

Section 1-3 Timeline of Proposal Events

RFP Published	June 19, 2015
Deadline for Submission of Written Questions	July 3, 2015
Deadline for Responses to Written Questions	July 10, 2015
Proposals Due	July 20, 2015
Oral presentation of Finalist(s)	August 3-7, 2015, Final date TBD
Contract Award	August 14, 2015
Contract Finalized	August 28, 2015
Commencement of Services	September 1, 2015

Other than the proposal due date, the schedule is approximate and subject to change.

Section 1-4 Official Contacts

Questions regarding this Request for Proposal must be directed to:

Kathleen Hinman
Benefits Coordinator
Phone: 541-385-3215
kathleen.hinman@deschutes.org

Section 1-5 Proposal Due Date

Complete proposals must be received via e-mail in a Microsoft word or .pdf document addressed to kathleen.hinman@deschutes.org by 3:00 pm PST on July 20, 2015 as recorded by the Deschutes County e-mail system time stamp. Proposal documents must be no larger than 10MB in size. Deschutes County reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether the proposal is selected.

Proposal Deadline	July 20, 2015 at 3:00 pm PDT
Electronic Submission (only)	One signed copy, no larger than 10MB in size. Must be sent via email to: kathleen.hinman@deschutes.org

No proposals received after the deadline will be accepted. Deschutes County will verify official receipt of proposals via an e-mail to the address specified by the proposer. Deschutes County is not liable for any costs incurred by vendors for the preparation and presentation of their proposal. This includes any costs in the submission of a proposal or in making the necessary studies or designs as part of the presentation.

Section 1-6 Proposal Withdrawal

Any proposal may be withdrawn at any time before the proposal due date and time by providing a written request for the withdrawal of the proposal to the issuing office. A duly authorized

representative of the proposing firm shall execute the request. Withdrawal of a proposal will not prevent the right of the proposer to file a new proposal.

Section 1-7 Proposal Format

All proposals shall be valid for 90 days after the RFP closing date. The selected vendor will be expected to enter into a contract with Deschutes County. A copy of the Deschutes County Personal Services Contract is listed on the County's RFP website www.deschutes.org/RFP. Proposers' legal counsel or equivalent should review the contract language in advance to help avoid delays in the contract approval process.

Proposals shall include the information listed in Section 2.

Section 2 Project Scope

Deschutes County has developed the following scope:

1. Actuarial and underwriting services for self-insured health plans and fully insured fringe benefit plans, including but not limited to:
 - a. Develop annual rate projections and trend analysis;
 - b. Recommend funding mechanisms per member for Plan sustainability on a composite and tier rate structure (must be completed within 3 months of contract);
 - c. Provide information on medical trend analysis techniques and factors and weighting used in methodology;
 - d. Provide information on rate projection methodology and alternative methodology options;
 - a. Prepare quarterly experience reports, annual IBNR, annual Stewardship Report, and other self-insured plan financial reports and be onsite to present the report at least twice per year or as needed;
 - b. The consultant shall work with the County's third party administrators (TPA) to define and obtain all required analytical/statistical data; and
 - c. Provide actuarial analysis and reporting consistent with the state of Oregon requirements for self-funding governmental plans.
2. Assistance in benefit plan design, pricing and evaluation, including but not limited to:
 - a. Provide information on innovation and best practices for plan design to reduce trend, promote health and wellness, and compliance with Affordable Care Act (ACA);
 - b. Provide survey and market data on comparative trends;
 - c. Provide a strategic plan for addressing the County's plan design in regards to the upcoming Health Coverage Excise Tax provision of the ACA;
 - d. Complete analysis and costing of proposed plan changes; and
 - e. Work with the County in assessing and establishing a five year strategic plan for employee benefits in the areas of:
 - i. Benefits offered
 - ii. Premiums charged
 - iii. Premium cost share amounts charged to employees
 - iv. Premium cost share amounts charged to departments
 - v. Level of reserve fund determined
 - vi. Cost containment strategies
3. Provide technical expertise in the placement, negotiation and management of insurance contracts, ASO and TPA services, including but not limited to:
 - a. Assistance with negotiation of annual contract agreements and renewals;
 - b. Development and evaluation of specifications for new contracts and/or services;
 - c. Underwriting analysis, actuarial services, rate projections, and advice;

- d. Act as liaison, monitor, and enforce carrier compliance and performance during the term of the contract or agreement;
 - e. Establishing performance criteria and performing contract compliance audits and reviews;
 - f. Review, analysis and costing of proposed plan changes;
 - g. Settlement of difficult or disputed claim issues;
 - h. Procuring rate quotes for proposed benefits modifications;
 - i. Preparing documentation and making presentation as requested for employees, meetings or explanations; and
 - j. Survey specified comparator entities regarding benefit packages and present data to Deschutes County.
4. Provision of specific information and advice regarding legal compliance and tax requirements, including but not limited to:
- a. Interpretation, application, and assistance with implementing of federal and state regulations, including compliance with the ACA;
 - b. Recommendations with regard to pending legislation and potential consequence or impact on County benefits and financial impact of any such legislation; and
 - c. Provide a technical review of each benefit plan and related documents to ensure compliance with current laws and regulations.
5. Conduct special studies or projects as requested. Examples might include drafting a major employee communication document, developing proposals for integration of benefits and wellness programs, or assisting in developing policies. Please note that a written fee estimate, with a guaranteed maximum cost will be required prior to the commencement of work for each special study or project.

The work product of the vendor selected for this RFP should assist the County in attaining the goals listed in this section.

Section 2-1 Description of Proposal

In order to standardize the review process, proposals must be presented in the following format and include the designated information described in each Area. The following information must be included in the proposal:

Area A

Organization and Financial Stability

1. Cover letter- The proposal must include an introductory letter attesting to the accuracy of the proposal and signed by an individual authorized to execute binding legal documents on behalf of the proposer. The letter should present the proposer's understanding of the services requested in the RFP, a brief summary of the approach to be taken in performing the services, and highlights of the proposer's expertise and history.
2. Contact person- provide a contact person for this RFP process, including name, title, mailing address, telephone number, and e-mail address.
3. General information- List the vendor name, address, Tax-ID number, evidence of business license(s) held, fax number, phone number, e-mail and the name and title of the authorized representative.
4. Company description, including the following:
 - a. Brief company history

- b. Indicate whether the company qualifies as a Minority-owned Business Enterprise (MBE) or Woman-owned Business Enterprise (WBE). If so, list the certifying agency.
 - c. List the name and address of any subcontractors that will be used on this project, state which services they will provide, and whether they are certified as an MBE or WBE.
5. References- include references for a minimum of three clients for which your company has performed a similar service. The list must include each reference's business name, address, contact person, length of the relationship, number of employees and a description of the services provided.

Area B Qualifications and Experience

1. Describe your company's experience reviewing employee benefit plans, onsite clinics, onsite pharmacies, and reserve accounts for both the public and private sector entities.
2. Describe your prior experience with governmental entities as clients and organizations with at least 800 employees.
3. Describe your firm's philosophy in the approach to benefits consulting.
4. Demonstrate how your company has acquired the expertise and experience to provide analysis, alternatives, and recommendations associated with the project. Specifically note experience with government public sector entities.
5. Describe your approach in managing the scope and providing account support.
6. Provide information on the location of the office from which consulting services would be provided and the employee turnover rate among consultants/staff personnel for the past two years.
7. Summarize staff credentials, expertise and significant employment history for personnel assigned to the County, include a designation of a project leader.
8. Include sample reports your company has completed for projects similar in scope. Although not required, proposals may include recommendations made during similar projects that may be pertinent.

Area C Proposal approach, work plan and workload

1. Provide a proposed staffing plan for the project. The staffing plan should address key contacts, any potential workload issues, and plan to provide back-up to the team, identified in Area B-7 above, during vacations, illness and or other absence.
2. Describe your company's specific approach in the form of a work plan to address the elements listed in Section 2, Project Scope.
3. Provide a sample work plan for the project.
4. Give three examples that demonstrate your firm being proactive in finding opportunities to enhance benefits and services.

Area D Costs

Proposals must provide information detailing the total cost for the vendor to perform the work product. The County reserves the right under the terms of this RFP to request duties unrelated to this defined set of services. The Scope of these services and

related costs will be agreed to prior to the consultant performing any work.

Cost will not be the primary factor in the selection of a vendor. Proposed costs shall be all inclusive of the requested scope, including necessary travel expenses. The County reserves the right to contact vendors on price and scope clarification at any time throughout the selection and negotiation process. Contract term is a one year term with the option to renew annually for two years based on a mutually agreed upon amendment of services.

Proposals shall be accepted on a fee only basis. The County will not consider a commission-based proposal. The County welcomes proposals which include one or more pricing options for example: (1) a flat, fully-burdened, blended hourly rate for consulting services, and written fee estimates with guaranteed maximum cost for special projects; (2) a flat, fully-burdened, hourly rate for consulting services priced for each resource level, and written fee estimates with guaranteed maximum cost for special projects; and/or (3) any other pricing option.

- a) List rate proposal and structure, disclosing all costs and fees. If more than one pricing option is proposed, each option must be clearly segregated and labeled. Each pricing option will be reviewed separately.
- b) Explain routine billing increments and/or structure. You may provide a copy of a sample bill in an appendix.
- c) Attach a brief description of two special projects or studies performed by your office for other clients. Include the following in your description:
 - 1) Client's objectives;
 - 2) Detail of cost to client in billable hours;
 - 3) Methodology used;
 - 4) Problem or obstacles that impacted cost; and
 - 5) Conclusion.

The County recognizes that at times various projects and services may develop that are not part of the proposed scope. State the current hourly billing rate for each level of employee performing the additional work.

The County may require the proposer to provide two in-person presentations of final work product. One presentation will be made to EBAC; the other will be made to the County Administration.

Section 3 Additional requirements

Section 3-1 Contract consideration and litigation warranty

Deschutes County will negotiate a contract with the successful proposer. The County may elect to negotiate general contract terms and conditions, services, pricing, implementation schedules, and such other terms as the County determines are in the County's best interest. The vendor,

by proposing, warrants that it is not currently involved in any litigation or arbitration concerning the materials and services or vendor's performance in supplying the same or similar materials and services, unless such fact is disclosed in the proposal. Disclosure will not automatically disqualify the vendor. Deschutes County reserves the right to evaluate the proposal with consideration for any litigation or arbitration by the vendor.

Section 3-2 Addenda

The County may modify the RFP at any time prior to the RFP due date by issuance of a written addendum to all proposers who are participating in the process at the time of the addendum is issued. Addenda will be numbered consecutively. Verbal modifications to the RFP specifications shall not be binding upon the County.

Section 3-3 Cancellation, delay or suspension; rejection of proposals

The County may cancel, delay, or suspend this solicitation if it is in the best interest of the County as determined by the County. The County may reject any or all proposals, in whole or in part, if in the best interest of the County as determined by the County.

Section 3-4 Irregularities

The County reserves the right to waive any non-material irregularities or information in the RFP or in any proposal.

Section 3-5 Incurred costs

The County is not liable for any costs incurred by a proposer in the preparation and/or presentation of a proposal.

Section 3-6 Ownership of Documents

Any material submitted by the proposer shall become the property of the County. Materials submitted after a contract is signed will be subject to the ownership provision of the executed contract. The County reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether the proposal is selected. Deschutes County reserves the right to implement any idea included in any submitted proposal.

Section 3-7 Confidentiality of Information

All information submitted to Deschutes County is public record. Information submitted that the proposer believes should be exempt from the public disclosure must be identified during time of submission. If a proposer's RFP includes any information, not required by law to be furnished, that the proposer considers proprietary, and the proposer requests in advance that this information be held in confidence, the County will take reasonable efforts to maintain the confidentiality to the extent allowable under Oregon law, including whether the public interest would suffer by disclosure.

Section 4 Selection of Proposal

In an effort to reach the best solution possible for Deschutes County, a three step selection process has been developed.

1. Submission and evaluation of initial proposals from vendors. The highest scoring vendors from the evaluation of proposals will be selected to advance to the next step of the process.

Proposals will be scored by a committee based on the following criteria and points:

Criteria	Maximum points
Quality and responsiveness of the proposal	10 points
Organization and financial stability	10 points
Qualifications and experience	30 points
Proposal approach, Work plan and Workload	20 points
Fees and Costs for services	30 points
Total	100 points

2. Presentations and interviews with the review committee. A finalist will be identified and move into the final step of the process.
3. Final negotiation of a contract.

If a satisfactory agreement on the final negotiation cannot be reached, the County may go back to review the proposals in order to choose another finalist. Once negotiations have been successfully conducted, a recommendation to authorize the signing of a contract shall be presented to Deschutes County's Board of County Commissioners for approval.