



**REQUESTS FOR PROPOSALS FOR A HEALTHCARE/BENEFITS
CONSULTANT
FLORENCE COUNTY, SOUTH CAROLINA
RFP# 33-13/14**

SUBMISSION DEADLINE IS 3:00PM EST THURSDAY, JULY 10, 2014

June 17, 2014

**REQUESTS FOR PROPOSALS FOR A HEALTHCARE/BENEFITS CONSULTANT
FLORENCE COUNTY, SOUTH CAROLINA
RFP# 33-13/14**

Florence County is accepting proposals from qualified firms or individuals to provide expert advice and comprehensive benefit consulting services related to Employee and Retiree Health Insurance Programs. The consultant will not serve as a broker and receive commission for the placement of the underlying insurance product. The successful benefits consultant must be licensed in the State of South Carolina to perform professional services.

PROPOSAL SUBMITTALS must be received no later than 3:00 p.m. EST on Thursday, July 10, 2014 to the address below in a sealed envelope. Submittals shall contain four (4) copies of the information requested. Submittals received after the deadline will not be opened. Facsimile or e-mail submittals will not be accepted. All submittals should be sent to:

MAILED TO:

Florence County Procurement
Attn: Patrick D. Fletcher
180 N. Irby Street, MSC-R
Florence, South Carolina 29501

HAND-CARRIED TO:

Florence County Procurement
Attn: Patrick D. Fletcher
180 N. Irby Street, Room B-5
Florence, South Carolina 29501

Offerors mailing proposals should allow sufficient mailing time to ensure timely receipt. The County is not responsible for proposals delayed by mail and/or delivery services of any nature. Proposals received after the set time for closing will be returned unopened.

Proposals must be made in the official name of the firm or the individual under which business is conducted (showing the official business address) and must be signed in ink by a person duly authorized to legally bind the person, partnership, company or corporation submitting the proposals. Proposals must be valid for a minimum of ninety (90) days.

Upon receipt by the County, the proposal shall become the property of the County, without compensation to the offeror, for disposition or usage by the County at its discretion. The County shall have the sole discretion in evaluating both the proposals and the qualifications of the offerors. The County reserves the right to reject any and all proposals and is not bound to accept any proposals, if the proposals acceptance is contrary to the best interest of the County. The particulars of any proposals will remain confidential until a contract is signed with the successful offeror(s).

Florence County reserves the right to engage in discussions with any or all responsible responders who submit proposals for the purpose of clarification to assure full understanding of and responsiveness to this request.

This request for proposals does not commit Florence County to award a contract, to pay any cost incurred in the preparation of proposals or to procure or contract for the articles of goods or services. Florence County reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any or all qualified offerors, or to cancel in part or in its entirety this solicitation, if it is in the best interest of the County to do so.

Any written questions should be e-mailed to pfletcher@florenceco.org

It is the intent of Florence County to enter into a contract with the successful proposer for a minimum term of one (1) year and a maximum term of five (5) years.

DEADLINE FOR WRITTEN QUESTIONS IS 5:00 P.M. FRIDAY, JUNE 27, 2014.

**REQUESTS FOR PROPOSALS FOR A HEALTHCARE/BENEFITS CONSULTANT
FLORENCE COUNTY, SOUTH CAROLINA
RFP# 33-13/14**

1. Purpose

Florence County (the “County”) requests proposals from qualified individuals and/or organizations to provide both consulting and actuarial services for our employee health, wellness and benefit programs including, but not limited to: health, dental, prevention partners (state-sponsored wellness program), vision, flexible spending accounts (MoneyPlu\$), long term disability insurance, long term care, supplemental long term disability, and other benefits as deemed appropriate; to provide consulting services, advice, and guidance on the new health care reform effects under the Patient Protection Affordable Care Act (PPACA) by assisting in the planning, drafting and evaluating of Requests for Proposals (RFPs) for the above benefits plans and offer guidance and direction on plan choices, funding and administrative services.

The assistance from the consultant shall include, but not be limited to, those requirements listed in the Scope of Work (the “Work”) and the timely reporting of information as requested by the County. The County invites any qualified Proposer to submit a proposal. Proposers responding to this request must be responsible, regularly and practically engaged in providing the services requested and possess ample resources for performing and completing the Work.

2. Background

The County is served by a Council-Administrator form of government, providing various programs and related public services to its residents. The Administrator’s direct span of control includes 11 departments with the remaining departments under the direction of various Elected and Appointed Officials (see Organization Chart, Attachment 1).

The County employees approximately 780 regular, full-time employees as well as 80 part-time and temporary employees and 130 retirees, COBRA and survivors. These employees are in various levels of administrative, technical trades, public works, public safety, human services, professional and executive occupational groups.

Of the regular full-time employees, retirees, COBRA and survivors, approximately 700 participate in the health care program, 710 participate in dental, 350 participate in dental plus, 615 in optional life insurance, and 250 participate in the dependent life insurance for spouse/children. Approximately 415 participate in the vision plan; and 490 participate in the supplemental long term disability insurance.

Retiring County employees who meet the requirements of the Employee Insurance Program (EIP) and SCRS benefit eligibility are eligible to enroll in retiree health insurance benefits as permitted by these State programs. Financial assistance is a percentage of the current retiree only premium which is based on continuous years of employment service attained with Florence County as outlined herein. For any employee commencing full-time employment after June 30, 2011, the baseline financial assistance is as follows: 20 years of continuous full-time County employment

services – 50%, over 25 years of continuous full-time County employment service – 75%. All financial assistance ceases when the retiree first becomes Medicare eligible.

For any employee commencing full-time employment on or before June 30, 2011, the baseline financial assistance is as follows:

- 35 years of County employment service – 100%
- 30 years of County employment service – 90%
- 25 years of County employment service – 80%
- 20 years of County employment service – 70%
- 15 years of County employment service – 60%
- Less than 15 years of County employment – 0%

For any employee commencing full-time employment after June 30, 2010, all post-retirement health insurance assistance ceases when the retiree first becomes Medicare eligible.

Covered survivors of employees and retirees are eligible for a one-year waiver of health insurance premiums. After the one-year waiver, covered survivors may continue coverage by paying the full cost of premiums.

The current health, dental, vision, disability, life insurance, long term care, flexible spending (MoneyPlu\$) and Prevention Partner programs are offered, managed and administrated through the **Public Employee Benefit Authority (PEBA)**. The employee administrative enrollment and related duties are primarily handled by the County Human Resources Department staff with active deductions conducted by the Finance Department.

At this time, there are four (4) levels/tiers of coverage available for health, \dental and vision: Employee only, Employee/Spouse, Employee/Child and Full Family.

Benefits currently offered by the County are as follows:

A) Health Plans

Three health plans are available. The **State Health Plan** (which includes both a **Standard Plan** and a **Health Savings Plan**) operates as a Preferred Provider Organization (PPO). **BlueChoice HealthPlan** is a Health Maintenance Organizations (HMO). The benefits each plan offers are similar but not identical. All of the plans cover prescription drugs and mental health and substance abuse services, as well as care from doctors and hospitals. There are differences in provider networks, preventative services, and a subscriber's freedom to decide when to see a specialist. The costs-including deductibles, co-payments and premiums also differ. Active employees may pay premiums before taxes through MoneyPlu\$.

No matter which health plan is chosen or whether an active, retired, COBRA or survivor subscriber, there is a monthly tobacco surcharge of \$40 a month for employee only, \$60 month for employee/child, employee spouse, and full family.

The **State Health Plan (SHP)** is a comprehensive, self-insured medical plan. It offers protection from catastrophic illness or injury worldwide and easy access to medically

necessary care. The Standard Plan and the Savings Plan pay benefits for medically necessary treatments of illnesses and injuries. The Standard Plan and the Savings Plan pay benefits for medically necessary treatments of illnesses and injuries. Employees may choose from the Standard Plan, which offers this coverage with a higher premium for a lower deductible; or the Savings Plan, which offers this coverage, plus some additional preventive benefits, with a lower premium and higher deductible. Retired employees who are eligible for Medicare may choose the Medicare Supplemental Plan, which coordinates its benefits with Medicare (a Medigap policy) to pay those Medicare-approved expenses not paid by Medicare, such as Medicare's deductibles and co-insurance.

Blue Choice Health Plan is offered statewide. Most services, such as office visits, well-child care visits, routine physicals and immunizations, require only a co-payment. BlueChoice has an annual deductible, which applies to some services. Prescription drugs are available from a primary network pharmacy for a co-payment.

B) Prevention Partners (Wellness Initiatives)

Prevention Partners provides activities, programs and services designed to educate covered employees, retiree and their covered dependents on leading healthier lives. This unit's focus is on disease prevention, early detection of disease and disease management. From Preventive Worksite Screenings to Chronic Disease Workshops to weight management and beyond, Prevention Partners coordinates a variety of resources for health at the workplace.

C) Dental Insurance

Benefits are divided into four classes. The State Dental Plan covers Class IV (orthodontics), but Dental Plus does not. The maximum yearly benefit for each covered person is \$1,000 for those covered under the State dental Plan and \$2,000 for those covered under both plans. Active employees can pay premiums before taxes through Money Plus. The State Dental Plan is free to active employees only. COBRA, survivors, and dependents pay the full dental premium. Retiree only premiums are based on continuous year of employment service attained with Florence County. Eligible dependents may be added by paying a premium. Subscribers do not have to be enrolled in a health plan to enroll in the Dental Plan. To enroll in Dental Plus, a subscriber must also be enrolled in the State Dental Plan, cover the same family members under both plans and pay an additional premium. In classes I-III, Dental Plus covers the same services, but the allowed amount (the maximum amount paid for a service) is higher.

D) Vision Care

The **State Vision Plan** is open to active and retired employees, survivors and COBRA subscribers, as well as to their eligible dependents. It offers benefits for a comprehensive vision exam every year, eyeglass lenses or contact lenses every year and frames every two years. The **Vision Care Discount Program** is offered at no cost to full-time and part-time employees, retirees, survivors and COBRA subscribers and their dependents. Participating providers offer a routine eye examination for \$60. Providers

also give a 20% discount on all eyewear, except disposable contact lenses. These discounts can vary yearly.

E) Life Insurance

Basic Life Insurance (for active employees only) is Term Life and Accidental Death and Dismemberment (AD&D) insurance which are provided free to employees enrolled in a health plan. All employees younger than 70 receive \$3,000 in life insurance and those 70 and older receive \$1,500. **Optional Life Insurance** – Employees can enroll in this coverage, in \$10,000 increments, up to three times, the amount of basic annual salary, rounded down to the nearest \$10,000 (\$500,000 maximum), without providing medical evidence of good health. An employee can purchase more insurance, in \$10,000 increments up to a maximum of \$500,000, by providing medical evidence of good health. Coverage starts on the first day of the month in which the employee starts work, if the employee is actively at work as a full-time employee on that date. If the employee is not actively at work as a full-time employee on that date, coverage starts on the first day of the month after the date the employee began work. Coverage that requires medical evidence starts on the first day of the month after approval. **Dependent Life Spouse Insurance** – Within 31 days of the date the employee begins employment or marries an employee, the employee can enroll a spouse for \$10,000 or \$20,000 in life insurance without providing medical evidence of good health. The employee does not have to be enrolled in Optional Life. Medical evidence is required for coverage of more than \$20,000 and for late entry. An employee enrolled in Optional Life may cover the spouse, in increments of \$10,000, up to 50 percent of the Optional Life coverage, or \$10,000 whichever is less. A premium for Dependent Life- Spouse coverage is based on the employee's age, and the employee is the beneficiary. **Dependent Life Child** – Eligible dependent children may be covered for \$15,000 without medical evidence. The premium is \$1.24 a month, not matter how many children are covered.

F) Long Term Disability Insurance

Basic Long Term Disability (BLTD) – BLTD is provided free to active employees who are enrolled in a health plan offered through PEBA. It pays a benefit of 62.5 percent of the employee's gross monthly salary, reduced by other sources of income, up to a maximum of \$800 a month. There is no minimum benefit. BLTD has a 90-day benefit waiting period, the time the employee must be disabled before benefits are payable. **Supplemental Long Term Disability (SLTD)** – The SLTD premium is paid by the employee. The benefit is 65 percent of the employee's gross monthly salary, reduced by other source of income, up to a maximum of \$8,000 a month. There is a minimum benefit of \$100 a month. The employee may choose a 90-day or a 180-day benefit waiting period. Premiums are based on the employee's age and salary. If the employee does not enroll within 31 days of the date of hire, the employee can enroll year round by providing medical evidence of good health. The employee may also reduce the benefit waiting period from 180 to 90 days providing medical evidence.

G) MoneyPlus

This program enables an active employee to save money on eligible medical and dependent care costs by paying these expenses with money deducted from the employee's salary before taxes. **Pretax Premiums** – The Pretax Group Insurance Premium Feature permits an employee to pay health, vision, dental and Optional life premiums (for coverage up to \$50,000) before taxes are taken from the employee's paycheck. **Flexible Spending Accounts** – The program offers these Flexible Spending Accounts: a Medical Spending Account; a limited-use Medical Spending Account, which can accompany a Health Savings Account; and a Dependent Care Spending Account. A person with medical and dependent care expenses can open both accounts. An employee authorizes deposits to the account every pay periods. As eligible expenses occur, a request for tax-free reimbursements from the account may be filed. **Health Savings Accounts (HSA)** - A Health Savings Account is available to employees enrolled in a high-deductible health plan, such as the Savings Plan. Funds in a HSA do not have to be spent the year they are deposited. Money in the account is tax-free and can be used for eligible medical expenses even if an employee changes jobs.

3. Scope of Work

The successful Proposer must be able to provide the following services:

- a) The successful Proposer shall have experience working with a local government and the ability to work with Human Resources staff, County Administrator's office, Elected and Appointed Officials, County Council and County employee input groups. The successful Proposer will have the capability and experience to assess existing and future health, dental, vision and other programs in concern with the Patient Protection Affordable Care Act (PPACA).
- b) The successful Proposer will provide consultant services to assist in planning and evaluation of existing health care, dental, vision, and other programs and offer guidance and advice on other health care plans available to the County. An existing analysis of the current health care and other benefit plans offered to the County by the State of South Carolina will be reviewed by the successful vendor. Recommendations will be provided after a review of the current health benefit plan is analyzed as to whether or not a change to the existing provider should be made. Evaluation/analysis of existing health care program should conclude with recommendations in a timely manner in order to notify the current provider, PEBA, of a change if recommended.
- c) The successful Proposer will assist Human Resources, Procurement and other County officials in development of RFPs to procure both health insurance that is fully insured and self-insured. With the self-insured structure, include plans with bundled and unbundled services (components). The successful Proposer will participate in the process of evaluating RFPs.
- d) The successful Proposer shall have within its resources staffing to provide actuarial services and the ability to provide such services throughout the proposal process and periodically for cost analysis and rate setting purposes. Staffing is defined as in-house employees (full-time employees of the successful Proposer) or sub-consultants experienced in the provision of services as defined in this RFP and who shall be identified in the successful Proposer's response.
- e) The successful Proposer should be able to assess the financial risks (advantages and disadvantages) associated with remaining with the State of South Carolina's Program or leaving the Program once RFPs have been fully assessed.

- f) On an “as-needed” basis, consultative services may be requested by the County on a retainer basis over a period of five years. This would be negotiated after the initial scope of work is completed by both parties.

4. Proposal Requirements:

- a) Provide information on your firm’s approach, specific working experience with public entities, and projects of this size and nature.
- b) Provide information concerning how long your organization has been in business.
- c) Provide the names and specific experience of the individuals to be working on the project including managed care knowledge and technical evaluation expertise.
- d) Provide three (3) references from local government health plan clients of similar size.
- e) Describe your firm’s local office and/or office that would handle the County’s plans.
- f) Identify the person most likely to be the project manager.
- g) Describe the tools and capabilities your company uses in the evaluation of health care organization.
- h) Include a list of services your firm can provide. The list should include all the services requested as well as any other additional services that may be offered to support this initiative.
- i) Include a proposed fee for consulting services.
- j) A description of any litigation within the last 10 years to which the proposer has been a party.
- k) Evidence that you are an actuary, licensed consultant, or broker in South Carolina. Confirm that you serve as an actuary, consultant or licensed broker independently, and are not affiliated with any insurance company, third party administrative agency or provider network.

5. Criteria for Evaluation of Proposals:

- a) Demonstrated experience and qualifications of the staff assigned to perform the work identified in this proposal. (25%)
- b) Demonstrated experience and qualifications of the Proposer in dealing with similar projects involving local governments of similar size. (25%)
- c) Demonstrated understanding of the project and abilities of the Proposer to successfully complete the expected scope of work. (20%)
- d) Examination of how the Proposer will accomplish the project objectives. (15%)
- e) Proposed lump sum fee for analysis of current program and assistance with development of RFP if necessary. (15%)

6. Professional Insurance Requirements And Indemnification

- a) The successful firm(s) shall procure and maintain insurance for protection from claims under workers' compensations acts; claims for damages because of bodily injury including personal injury, sickness or disease, or death of any and all employees or of any person other than such employees; claims for damages because of injury to or destruction of property, including loss of

use resulting therefrom; claims caused by professional errors, acts, or omission; and any other insurance prescribed by law. The successful firm shall name Florence County, South Carolina, its elected and appointed officials, officers, and employees "Additional Insured" as their interests may appear but only with respect to services performed or provided by successful firm on behalf of the County under Consultant's commercial general liability insurance policy. The successful firm shall, within 10 calendar days of the full execution of any contract resulting from this RFQ, provide the County's Procurement Officer with a certificate(s) of insurance evidencing the coverage required above and containing an endorsement to the effect that any cancellation or non-renewal shall not be until 10 calendar days after the insurer or the selected firm gives written notice to the County.

- b) Without limiting the provisions of paragraph above, the selected firm shall during the term of any contract resulting from this purchase and maintain insurance with limits not less than those set forth below:
- c) The successful firm(s) shall take out and maintain, during the life of the contract agreement, workers' compensation and employer's liability insurance for all employees to be engaged in services on this project under this agreement in an amount not less than \$1,000,000.00, and in case any such services are sublet, the firm(s) shall require all subcontractor(s) also to provide workers' compensation and employer's liability insurance in an amount not less than \$1,000,000.00 for all of the subcontractor's employees to be engaged in such.
- d) Employer's Liability Insurance - \$1,000,000 each accident, \$1,000,000 disease policy limit, \$1,000,000 disease each employee
- e) Commercial General Liability Insurance - \$1,000,000 per occurrence (bodily injury and property damage) / \$1,000,000 general aggregate.
- f) Automobile Liability Insurance - \$1,000,000 combined single limit (bodily injury and property damage), each accident
- g) Professional Liability Insurance - \$1,000,000 per claim / \$1,000,000 general aggregate
- h) *Professional Services:* The selected firm(s) shall indemnify and hold Florence County, South Carolina, its elected and appointed officials, officers, and employees, harmless from and against judgments, liabilities, damages, losses, costs, and expenses (including, but not limited to, reasonable attorneys' fees and costs but only to the extent otherwise authorized by law) to the extent caused by any negligent act, error, or omission in the performance and furnishing of the selected firm's professional services under any contract resulting from this RFQ, including any negligent act, error or omission of any individual or entity directly or indirectly employed by the selected firm(s) to perform any of the work or anyone for whose acts, errors, or omissions the

selected firm(s) may be liable, regardless of whether or not caused in part by a party indemnified hereunder.

- i) *Other Than Professional Services:* With respect to all acts or omissions of the selected firm(s), or any individual or entity directly or indirectly employed by the selected firm(s) to perform any of the work or anyone for whose acts, errors, or omissions the selected firm(s) may be liable, which do not arise out of or result from the performance of professional services, and which may be covered by employer's liability insurance, commercial general liability insurance, automobile liability insurance, or other general liability insurance, the selected firm(s) shall indemnify and hold the Florence County, South Carolina, its elected and appointed officials, officers, and employees,, harmless from and against judgments, liabilities, damages, losses, costs, and expenses (including, but not limited to, reasonable attorneys' fees and costs but only to the extent otherwise authorized by law) to the extent caused by or arising out of the selected firm's negligent acts of commission or omission (or those of or any individual or entity directly or indirectly employed by the selected firm to perform any of the work or anyone for whose actions or failure to act the selected firm may be liable) during the performance of this Agreement.
- j) The selected firm shall require any subconsultants (if any) to purchase and maintain insurance with limits not less than those required above to be purchased and maintained by the selected firm. In addition, the selected firm shall require any subconsultants (if any) to assume the selected firm's indemnification obligations under any contract resulting from this RFQ to the extent they relate to the subconsultant's obligations under any contract with the selected firm.