



**REQUEST FOR PROPOSALS**  
**For**  
**HEALTH INSURANCE AGENT/BROKER SERVICES**

For The Town of Vernon, Connecticut and the Vernon Board of Education  
collectively

**Contract # 1062 – 05/13/2015**

**TO SELECT AN AGENT OF RECORD AND BROKER FOR HEALTH  
INSURANCE AND RELATED ANCILLARY PRODUCTS**

**(1) INTENT**

The Town of Vernon and the Board of Education are requesting proposals for a broker and agent of record to coordinate its health insurance and ancillary products from reputable insurance carriers, finding the desired products at the most competitive prices. The Town of Vernon and the Board of Education currently offer health insurance, insurance to their employees. (250 Town and 700 Board of Education). The Town and the Board of Education also provide prescription coverage and dental insurance, for which it is self-funded.

**(2) GENERAL INFORMATION**

The Town of Vernon, Connecticut and the Vernon Board of Education (herein referred to as the “Town”), a community with a population of approximately 30,000, is seeking an appropriate and qualified expert professional Agent/Broker firm (“Firm”) to provide for the following professional services, beginning December 15, 2015; (a) annual marketing of Town’s health insurance, dental insurance and prescription programs; (b) responding to the daily services needs of the Town in the areas of health insurance servicing.

**(3) SCOPE OF SERVICES**

The purpose of this Request for Proposals (“RFP”) is to select a Firm qualified to represent the insurance interests of the Town. As this is an Agent/Broker RFP, insurance/risk management consultants and carriers will not be considered. The selected Firm is expected to provide qualified and expert professional services, including but not limited to:

- a. Periodic review (no less than annual) of the Town's health insurance programs, specific coverage(s), loss data, and risk management measures; and making recommendations to the Town with respect to the need for ancillary insurance services, additional coverage and modifications, updating or upgrading of existing coverage (s). Annual recommendations concerning changes in terms, conditions and limits of coverage; based on best industry practices.
- b. Upon approval by the Town, annual marketing of Town's health insurance program, including, a negotiation of carrier contract extension or change (s). This service will include comprehensive assistance and guidance in completing the insurance application process in a timely fashion.
- c. Solicitation of proposals from qualified insurance carriers on an annual or as needed basis who are experienced and familiar with writing Connecticut municipalities (Town and Board of Education).
- d. Development of bid specifications to be submitted to the municipal marketplace for which proposals are sought.
- e. Evaluation of proposals submitted by insurance carriers relative to compliance with insurance specifications, cost and ability of each carrier to perform as required including relative solvency.
- f. Detailed report of solicited policy renewal options available to the Town.
- g. Examination and approval of issued policies and bonds for conformance with the Town's specifications and the carrier's proposal.
- h. Provision of an annual stewardship report, including insurance schedule, policy summaries, review of past year's activities and outlook for coming year's market conditions.
- i. Assistance to the Town in drafting insurance specifications for contracts and agreements as requested.
- j. Provision of insurance certificates, as needed, to others pertaining to the Town's coverage.
- k. Advice to the Town on new developments in the field of insurance.
- l. The selected broker/consultant will be expected to work in partnership with Town of Vernon staff to perform the following services:

- i. Provide recommendation for the proposed benefit components, specifically in the area of design, funding, cost and administration.
- ii. Conduct renewal negotiations with the carrier(s) and vendors and prepare a complete and detailed accounting of all claim costs, provider access fees, administrative expenses, risk charges, etc.
- iii. Provide general problem-solving throughout the plan year.
- iv. Any other duties critical to the proper formation of a health insurance plan and its optimal operation and participation.

#### **(4) SUBMISSION AND INFORMATION REQUIREMENTS**

- a. Three (03) copies of all proposals, unbound, as well as one electronic copy (Adobe Acrobat format saved onto a PC readable medium), should be submitted in a sealed envelope with “**Contract # 1062-05/13/2015**” **BID DO NOT OPEN** clearly marked on the outside of the envelope, to: Dawn Maselek, Assistant Town Administrator, Town of Vernon, Memorial Building, 14 Park Place, Third Floor, Vernon, Connecticut 06066 by 12:00 Noon, Wednesday, May 13, 2015 at which time proposals shall be opened and read aloud publicly.
- b. Proposals will be evaluated based on what is deemed to be in the best interests of the Town, including such factors as the bidder’s experience and expertise in providing Insurance Advisory and Brokerage services for municipalities (Board of Education and Town), a clarity and creativity of the proposal, recommendations of entities for which the bidder has previously provided services, the persons to be assigned to the project by the bidder, and total cost. Cost will not be the sole factor in evaluating bids.
- c. Responding Firms must be capable of performing Agent of Record duties in full compliance with all federal and state statutes and regulations. Responding Firms will provide the following information:
- d. Confirm that you are an actuary, licensed consultant or broker in Connecticut and provide documentation.
- e. The Town may accept those proposal(s), which will, in its opinion, most completely meet the requirement of the RFP. The Town solely determines which proposer best meets the specifications and is in the best interest of the Town of Vernon.
- f. Confirm that you serve as a consultant or broker, independently, and are not affiliated with any insurance company, third party administrative agency or provider network. Are there any existing or potential relationships between your firm and insurance carriers and/or vendors who may be considered by the cooperative that could lessen your independence and objectivity because of a perceived or actual conflict of interest?

- g. Please describe your vision of the relationship with TOWN OF VERNON (Board and Town) in being an agent of record and broker for TOWN OF VERNON.
- h. Detail the scope of services your company would offer and how your firm would accomplish the work described.
- i. Outline your ability to provide expertise and experience in the areas of health benefit plan analysis and design. Detail your ability to advise municipal government on health care cost containment strategies. Give examples of your work with other companies, similar in size to TOWN OF VERNON, and the end result of that effort.
- j. List three current clients for whom you provide coordinated services related to health plan and ancillary benefits, analysis and design. For each client, the list must specify the type of work performed by your company, the size of the client's group and the period of time retained as a client. For each client, include the name, title, address, fax number, and phone number of a contact person who TOWN OF VERNON may contact as a reference.
- k. Please describe your working relationship with health insurance carriers. Please indicate any other services, capabilities, designations or experience that differentiates your organization from competition.
- l. Please explain your companies training strategy to ensure that the latest and most accurate information is conveyed to your customers.
- m. Please describe to what extent are willing to be involved in resolving problems with claims, etc, between an insured and the insurance carrier.
- n. Name of firm and parent company, if any.
- o. Number of employees of the firm, servicing office(s), and their respective addresses.
- p. Number of Connecticut public entity clients and their total annual health insurance premium.
- q. Principal public entity markets utilized and premium volume written with them.
- r. Description of the insurance marketing expertise of the servicing office with regard to Connecticut towns and school districts and a sample marketing plan.
- s. A list of all personnel who would be involved with this account including: Name, Job Title, Responsibilities, Type of Work Performed, Municipal Experience and credentials.

- t. Description of the willingness of the account team to attend town meetings, which members are available to attend, and examples of the types of meetings they have previously attended and the value they provided.
- u. Details description of any special, in-house, services or systems available to the Town.
- v. Description of Firm's performance monitoring and measurement of insurance carriers, negotiation of policy provision interpretations and possible intervention in claims processing.
- w. Description of the Firm's involvement with municipal and education associations in Connecticut.
- x. Description of issues faced by Connecticut towns relative to health insurance.
- y. Name, address and telephone numbers of persons to receive notifications and reply to Town's inquiries.
- z. The Firm shall maintain in good standing all the necessary licenses and certifications as required by Connecticut General Statutes and regulations for insurance agents and/or brokers and shall provide copies of the same to the Town.
- aa. AM Best Rating of –A or better highly preferred.
- bb. Three (3) copies of the proposal shall be submitted with the name and telephone number of the principal person provided.
- cc. Interpretations, changes, modifications or additions to the Request for Proposal resulting from any inquiries shall be published by addenda to all those receiving the original proposal package. All material submitted becomes the property of TOWN OF VERNON and will not be returned.
- dd. Broker finalists selected for final evaluation prior to final selection may be required to make an oral presentation of their proposal to TOWN OF VERNON and/or its health insurance staff/board committee. Such presentations provide an opportunity for the potential broker/consultant to clarify the proposal to ensure mutual understanding.
- ee. Broker requiring any interpretations or clarifications regarding the Request for the Proposal shall direct such questions to Dawn Maselek, Assistant Town Administrator.
- ff. The Town shall be the sole judge as to whether any proposal complies with these instructions and specifications, and such a decision shall be final and conclusive. Proposers shall state any exceptions taken to the RFP specifications.

gg. Each proposer must submit qualifications and price proposals. The price proposal (Appendix A) must only include a fee for service amount. The proposer must agree to forgo any sales commissions or other type of funding that maybe provided by vendors in the form of after award compensation for the health insurance. Please outline and detail how the broker will be compensated, now and in the future. PLEASE note that TOWN OF VERNON will require *complete* disclosure of any and all fees / commissions / contingent commissions / overrides / bonuses your organization receives each year as a result of your organization's work on its behalf.

hh. Please describe how TOWN OF VERNON's account would be managed by your company. If different people/department would manage different aspects, please explain.

The selected Firm must meet all municipal, state and federal AA and EEO practices and requirement. The Town reserves the right to reject any or all proposals in whole or part, to award any one service or group of services or all services, to negotiate with any or all companies submitting proposals, and to enter into an agreement with any company for any services mentioned in this RFP; if it is deemed to be in the best interest of the Town.

The contents of the successful proposal may, at the Town's option, become part of the contract entered into by selected Firm and the Town. Selection as the preferred proposal does not provide any contract rights to that Firm. Any such rights shall accrue only if and when the Town and the Firm execute a binding contract. The Town reserves the right to negotiate with the successful Firm in any manner necessary to best serve the interests of the Town. If the Town fails to reach an agreement with the successful bidder, the Town may commence negotiations with an alternative bidder or reject all bids and reinstitute the RFP process.

## 5) EVALUATION

The most promising responses will be evaluated in detail. Additional information may be sought from Firm (s).

Firm (s) may be asked to present and explain their proposals. If interviews are held, they will be 30-45 minutes long. Initial presentations will be limited to 15 minutes. The final 15-30 minutes will be reserved for questions from the Selection Committee and subsequent discussion. The key person to be assigned to this project must be present at this interview. The Town reserves the right to waive non-material deficiencies in any proposal.

Proposals will be evaluated by TOWN OF VERNON, who reserves the right to reject any or all proposals received. The following will serve as the basic criteria for the selection of the consultant eventually selected.

- a. Understanding of the work required by the project manager as evidenced by the proposal and the ability of the contractor to commence work in a timely manner. Completeness of proposal will be critical.
- b. The qualifications of the company.

- c. The scope of the services offered.
- d. Ability to work with and relationship with and access to major health insurance carriers.
- e. Completeness and responsiveness to the requirements of the RFP.
- f. Experience, qualifications and competency in providing insurance agency /Brokerage and consulting services to municipalities (Town and Board of Education) in the State of Connecticut.
- g. Experience of the individual and/or team that will be assigned to the Town.
- h. Experience in evaluating operations and making recommendations that are feasible.
- i. Understanding of the project's objectives and scope as evidenced by the quality of the proposal submitted.
- j. Good service and good value shall weigh heavily in the selection process.

Addendums to RFP: In the event it becomes necessary to revise any part of the RFP, an addendum will be provided to all prospective firms submitting proposals.

Incurring Costs: The Town is not liable for any cost incurred by the Firms prior to the issuance of a contract and purchase order.

Ownership of Proposals: All proposals in response to the RFP are to be the sole property of the Town.

Proposals may not be withdrawn for sixty (60) days from the proposal due date.  
TOWN OF VERNON reserves the right to reject any or all proposals.

TOWN OF VERNON also reserves the right to exercise its discretion and be the sole judge of the proposal.

TOWN OF VERNON is not liable for any costs incurred by Broker/Consultants prior to the issuance of a contract and receipt of all necessary approvals. All information and material returned with proposals shall become part of any contract, which results from this proposal. Any proprietary information submitted for review should be submitted in a separate sealed envelope plainly marked as proprietary information. The TOWN OF VERNON will disclose this information only to those involved in the selection process.

If the Town's governing body fails to appropriate sufficient funds in any fiscal year for services to the Firm, and if no other funds are available for such payments, then a "non-Appropriation" shall be deemed to have occurred. In the event of "non-appropriation", the /any agreement with the Firm shall terminate and the Town shall not be obligated to pay any amounts due under such an agreement.

While the stated appointment term is three (3) years, as follows December 15, 2015 – June 30, 2016; July 1, 2016 – June 30, 2017 and July 1, 2017 – June 30, 2018 , the Town may terminate the Firm, if, in the opinion of the Town, the Firms fails to perform the functions and duties as outlined in this RFP.

The Town reserves the sole right to extend the contract annually for up to two (2) additional years.

All questions about the proposals should be directed to Dawn Maselek, Assistant Town Administrator, by email at [dmaselek@vernon-ct.gov](mailto:dmaselek@vernon-ct.gov); no later than 5:00 PM, Monday, May 4, 2015. Answers to all so received questions will be posted on the Town's website at <http://www.vernon-ct.gov/legal-notices> with the **Contract # 1062 -05/13/2015** by 5:00 PM Thursday, May 7, 2015.

Town of Vernon, Connecticut

**Contract #1062 05/13/2015**

**Request for Proposal**

**HEALTH INSURANCE AGENT/BROKER SERVICES**

APPENDIX A

**FEE PROPOSAL**

