##### Request For Proposal

**The City of Duluth**

**Flexible spending account (fsa) Administration**

**COBRA Administration**

**Retiree Billing**

**commuter (fsa)**

For consideration all proposals must be returned to the following

CBIZ location no later than 3:00 p.m. on

**August 24, 2012**

CBIZ Benefits & Insurance Services, Inc

Attn: Ramona McCree, Account Executive

222 South Ninth Street, Suite 1000

Minneapolis MN 55402

[rmccree@cbiz.com](mailto:rmccree@cbiz.com)

Phone: 612-436-4613

Introduction

As the consultant for The City of Duluth herein referred to as “the City”, CBIZ Benefit and Insurance Services have prepared a Request for Proposal (RFP) for:

Flex Spending Account Administration

COBRA Administration

Retiree Billing

Commuter Administration

General and Background Information

Proposals should be returned to CBIZ Benefits, 222 South Ninth Street, Suite 1000 Minneapolis, MN 55402. CBIZ Benefits has been retained by The City to prepare and analyze the RFP and results. **All proposals must be received at CBIZ by 3:00 p.m. on August 24, 2012.** Any questions regarding the information contained in this proposal **must be in writing via email** to Ramona McCree, Account Executive at rmccree@cbiz.com.

1. The information contained in the RFP and any accompanying data is to be used only for the purpose of preparing your proposal and is not to be used for any other purpose.
2. The effective date of the Administrative Agreement is January 1, 2013.
3. Client: The City of Duluth and Duluth Airport Authorities(DAA) for all services; Duluth Entertainment and Convention Center(DECC) and Housing and Redevelopment Authority(HRA) for COBRA and Retiree Billing only

1. Nature of Business: City Municipality and Authorities
2. Present Administrators: Genesis currently administers the Medical, Dependent Care Flexible Spending Account Plans, and the COBRA Administration.

1. Approximate Participants: COBRA: Currently Enrolled 18

# of Annual COBRA Qualifying Events 105

Retiree Billing: Currently Enrolled 260 Medical FSA 288 Dependent Care FSA 41

Number in both medical and dependent 305

1. The information furnished by The City is correct and accurate to the best of our knowledge. Any changes or additions will be provided as necessary.

***Proposals are required by 3:00 p.m. on August 24, 2012. No Exceptions will be made.***

Proposal Requirements

* All requested information must be supplied. If you cannot respond to any part of this request, please state the reasons you cannot respond. You may provide supplemental information, if necessary, to assist us in analyzing your proposal.
* All information contained in this RFP is considered to be strictly confidential. The census data, description of coverage and plan design contained in this RFP is solely intended to allow for the preparation of the response to the RFP. This information should not be used for any other purpose.
* The effective date of the Administrative Agreement for The City will be January 1, 2013.
* The City has appointed CBIZ to prepare the RFP and analyze the responses.
* Eligible Employees:

Flex Plans:

Medical Flexible Spending Account: All full-time benefit eligible employees.

Dependent Daycare Account: All full-time benefit eligible employees.

* Throughout your proposal please clearly identify which administrative services you are responding to.

general Conditions

* All reports pertaining to the proposal shall become the property of The City upon completion or termination of the services in accordance with conditions and requirements. The successful vendor may not, for any reason, use any information or report without the express written consent of The City.
* Vendors must be licensed to do business in Minnesota.
* Contracts entered into on the basis of the submitted proposal are revocable if contrary to law. The information furnished by The City is correct and accurate to the best of our knowledge. Any changes or additions will be provided as necessary.
* The successful bidding company agrees to indemnify and hold harmless The City from and against all liability, losses, damages, costs, expenses, including attorney fees, interest, and penalties arising out of or resulting from the negligence or willful act of omissions of the successful vendor, it’s employees, agents, servants, or contractors, while engaged in performance of services under this agreement, except to the extent such acts or omissions are based on and caused by reliance on any written information supplied by The City.
* Bidding companies must write policies in such a manner as to state clearly without questions, all benefits set forth in these specifications and conditions.
* The City reserves the right to accept or reject any or all proposals and to waive any irregularities or formalities within the RFP process as determined by the employer to be in their best interest. The selection criteria used to analyze the responses are outlined further in this proposal.
* This plan is subject to MN Statue 471.61, Minnesota Continuation for Public Employees.

Timetable

Proposals should be returned to CBIZ Benefits, 222 South Ninth Street, Suite 1000, Minneapolis MN 55402. CBIZ is the consultant for The City. **All proposals must be received at CBIZ by 3:00 p.m. on August 24, 2012.**  ***Any questions regarding the information contained in this proposal must be in writing via email to Ramona McCree, Account Executive at rmccree@cbiz.com.***

*Tentative RFP Timetable*

*Release of RFP.........................................................................…………………August 14, 2012*

*Questions regarding RFP due to CBIZ from Market…………………………………August 17, 2012*

*RFP Due date........................................................................................……August 24, 2012 Review and analysis by CBIZ.................................………..……………….. Week of August 27th*

*Finalist presentation meetings................................…………………….…………September 2012*

*Recommendation to JPE………………...........................................................September 2012*

*Carrier transition and education meetings....................................October-December 2012*

*Effective date of coverage...........................................................................January 1, 2013*

*\*\* This timetable may be adjusted as determined necessary by The City.*

Selection Process

The RFP will be submitted to the marketplace to all requested bidders. Potential finalists will be limited to administrators recommended by The City that provide the most competitive responses and comply with the bid specifications. CBIZ reserves the right to negotiate on behalf of The City with the administrators directly.

Selection Criteria

The criteria to be used for selection of the carrier include:

|  |  |
| --- | --- |
| * Service and flexibility | * Financial reliability |
| * Administrative fees | * Local service capabilities and convenience |
| * Adherence with specifications | * Performance guarantees |
| * Education Program for Employees | * Experience with District Accounts and similar governmental entities |

The award of the contract to one or more bidders does not mean that the other proposals lacked merit, but that with all factors considered, the proposal of the selected bidder was deemed to provide the best overall value to The City.

Performance Guarantees

The City expects the winning bidder to provide excellent customer service to their employees and staff, as well as prompt claims processing. The Performance Guarantee should address the areas of customer service, claims processing, investment options and technology capabilities. Finalists will be expected to provide performance guarantees.

Questionnaire

**General Information**

1. Please provide a brief history of your organization as it pertains to Flex administration, COBRA administration and Retiree billing.
2. Provide the name of the representative(s), title and address who will be assigned as the Account Manager for each program.
3. In order to ensure an accurate comparison of vendors we have attached a proposal analysis form. All vendors bidding on this proposal must complete this form.Please provide a complete outline of the fees your organization charges for administration of these plans. All fees must be disclosed.
4. Please disclose all fees, overrides and commissions that the vendor receives associated with your proposal.

**Claims Administration – Medical, Dependent Care, and Commuter (FSA)**

1. Who performs the claims processing for the FSA plans?
2. Where are the claims processing operations located?
3. What procedure must a participant follow for FSA claims reimbursements?
4. Do employees have an 800 number and Website access for claims information? If so, please describe.
5. Please describe the timeline for claims reimbursement in detail, how long will it take for a participant to receive reimbursement?
6. How often are reimbursement’s issued each month? Is there a set schedule?
7. Do you have a Stored Value or Debit Card available for reimbursements? If so, what is the additional cost? Please describe how the Debit cards works. Who is responsible for determining that appropriate purchases are made?
8. Describe your claims processing operation procedures including the frequency of audits. Please provide a copy of the most recent audit results.
9. Describe your claim denial process. Please include specific details on the process for debit card transaction claims that are denied post-payment.

**Retiree Billing**

1. Please describe your retiree billing procedure.
2. How are participants notified of their premium and what options do participants have for submitting payment? (e.g. credit card, ACH withdrawal, check, etc.)
3. What reports will The City have access to and how frequently will they be received?
4. What type of personal participant information is included in the reports? Will the reports include data such as the full SSN and phone numbers?
5. Please describe the online administrative capabilities that The City will have.
6. Is the online website updated real time or how frequently is it updated? For example, if a retiree has elected to continue the benefits will The City be able to see this reflected in the website in real time?
7. Can enrollment and communication materials be customized to specifically meet the needs of The City?
8. Can you provide a sample packet that a retiree would receive?

**COBRA Administration**

1. How is your COBRA billing handled?
2. Do you handle initial notification requirements?
3. Do you reinstate and terminate with insurance carriers and TPA’s or send notification to the employer?
4. Do you administer state continuation requirements, and is there an additional fee?
5. Describe premium payment options for participants.
6. What reports will The City have access to and how frequently will they be received?
7. What type of personal information is included in the COBRA reports? Will the reports include data such as the full SSN and phone numbers?
8. Please describe the online administrative capabilities that The City will have.
9. Is the online website updated real time or how frequently is it updated? For example, if a qualified beneficiary has elected to continue the benefits will The City be able to see this reflected in the website in real time?
10. Can enrollment and communication materials be customized to specifically meet the needs of The City?
11. Can you provide a sample COBRA packet that a qualified beneficiary would receive?

**Customer Service**

1. How do you support participant inquiries? Web, voice response, live operators?
2. What are the customer service hours?
3. Is there a dedicated customer service representative for participants or a call center environment?
4. Describe regularly occurring correspondence issued to participants including but not limited to account balance statements, reimbursement notifications, regulatory changes, etc.

**Plan Installation**

1. Will you consult regarding legal issues and regulatory compliance of plan provisions at your quoted fees? If not, what are the fees?
2. Will you draft all required trust and plan documents at your quoted fees? If not, what are the fees?
3. What documents are included?
4. Do you provide non-discrimination testing services as part of your proposed fees?
5. Will you provide comprehensive Employer and Employee Administration Kits for current and future participants? If so, please provide a copy of both.
6. What Plan Sponsor reports will you provide and how frequently?
7. Please provide a sample of your Employee Communication material used in the plan installation process.

**Miscellaneous**

1. Describe your hold-harmless and indemnification provisions regarding your administration of the program.
2. What procedures do you follow to make certain that documents remain current with applicable legislative and regulatory provisions?
3. Describe any other information that you feel would be important in our decision making process.
4. Are the reporting features web-based and easy to extract?
5. Are the reports standardized or built to a client’s needs?If a different report or variation is needed for The City, is there an additional cost?
6. What is the timeline to create new reports or change existing ones?

Confirmation of Proposal and Signature Page

Please confirm the following:

1. All questions from the Questionnaire Section were answered in the order asked.
2. The proposal analysis form has been completed.
3. There are no additional fees other than those included within your proposal.
4. You are responsible for any cost in preparing or submitting this proposal.
5. Any information submitted with the RFP will become the property of CBIZ Benefits and The City and will not be returned to the submitting carrier.
6. You may be requested to sign a confidentiality statement to ensure that the confidentiality of employee information is maintained.
7. Any deviations or exceptions to the requirements of the RFP are separately stated in your proposal. Otherwise, all items offered will be considered to be in strict compliance with the RFP.
8. The person signing the proposal must be a legal representative of the firm authorized to bind the firm to a contract in the event of award.
9. Any bidder who declines to submit a proposal is requested to forward a formal “Declination to Propose” by August 24, 2012.

**Proposal Submission:** Submission of this proposal is your certification that your company can provide the services as outlined within this proposal and that you confirm and agree with the statements listed above.

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| --- | --- | --- | --- |
| Vendor Name: |  | Authorized Signature: |  |
| Address: |  | Print Name: |  |
| City: |  | Title: |  |
| State: Zip: |  | Phone#/Fax# |  |