



## **Request for Proposals RFP2022-003**

Employee Benefits Insurance Broker and Consulting Services

Release Date: February 22, 2022

RFP Due Date: 2:00 p.m. March 16, 2022

Please return to:

City of Burnet  
Human Resources Dept.  
1001 Buchanan Drive  
Suite 4  
Burnet Texas 78611

Phone: 512-715-3213  
Email: [ksames@cityofburnet.com](mailto:ksames@cityofburnet.com)

I. **INTRODUCTION**

A. **Purpose of RFP**

The City of Burnet (hereinafter referred to as the “City”) is requesting proposals from qualified brokers and/or consultants to provide professional services related to our fully insured employee benefit package offering. This includes, but is not limited to, services relating to: health (including prescription plans), dental, vision, group life/AD&D, long term disability, HSA, FSA, EAP programs, ancillary, and other benefits. Services to the City should include compliance, cost analysis and savings, strategic planning and any other services that may be suggested to benefit the City and the current benefit package offerings. The City is seeking a consultant and broker that is experienced in the benefits market and advising all levels of staff and management in municipalities.

B. **Background**

The City of Burnet, Texas, the county seat for Burnet County, is nestled in the heart of the Texas Hill Country surrounded by rolling hills, lakes, beautiful geological formations and historical sites. The City was incorporated in 1883 and encompasses approximately 10 square miles and serves an estimated population of 6,887. Among the many attractions in the Burnet area are the Highland Lakes, Longhorn Caverns, Inks Lake State Park, the Highland Lakes Air Museum, and Delaware Springs Golf Course.

The City of Burnet is a home rule city and operates under the council-manager form of government. The City provides a full range of services including electric, water and wastewater, police and fire protection, emergency medical services, construction and maintenance of streets, roads and other infrastructure, solid waste collection, planning and zoning, parks and recreation programming including a municipal golf course, airport facility management, and administrative services necessary to serve the citizens of the community.

140 full-time and 35 part-time employees combine for a total staff of 175. In addition, we currently offer retiree health and dental coverage to 27 eligible retirees. Dependent coverage is available for any eligible employee/retiree who elects coverage. The Human Resources department assists all employees and retirees with their benefit inquiries and the administration and maintenance of their benefit elections for themselves and their dependents.

II. **Overview of Current Benefits**

The City contributes to the total cost of the premium each month for each full-time employee electing medical (2 of the 3 plans currently offered), dental, life, and LTD. If dependent coverage is selected for the High Deductible health Plan (HDHP), the City contributes an additional amount to the Health Savings Account for the employee. For employees who elect to waive medical options, they receive an FSA annual allowance amount from the City in lieu of medical insurance (\$500 currently).

- A. **Medical/RX Insurance:** Eligible employees and retirees are offered the choice of three medical plans. (United Healthcare)
- B. **Dental Insurance:** Eligible employees and retirees are currently offered one dental plan option. (United Healthcare)

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- C. **Vision Insurance:** Eligible employees are currently offered one vision plan option. (United Healthcare)
- D. **Life Insurance and AD&D:** Eligible employees are currently provided a life insurance policy by the City for \$50,000. Additional voluntary life options are available for selection if an employee wishes to purchase more than the amount in the policy provided by the City. Spouse and children policies are available as well. (Mutual of Omaha)
- E. **Long Term Disability:** LTD is provided to eligible employees by the City. (Mutual of Omaha)
- F. **Flexible Spending Account:** Eligible employees are offered access to an FSA if they choose to participate. (Ameriflex)
- G. **Health Savings Account.** Eligible employees are offered access to an HSA if they choose to participate. (Ameriflex)
- H. **Wellness Program.** A wellness program is currently offered through the City's medical provider, United Healthcare.
- I. **Ancillary Benefits.** Accident and Critical Care Insurance are offered at the employee's expense. (Mutual of Omaha)

III. **Scope of Services**

The City is seeking to name a Broker of Record for the City's employee insurance benefits. The City is interested in a broker who can offer programs that contain or reduce costs with effective approaches and a proven history of success. The broker selected will be expected to perform a range of benefit program services in all aspects of the City's benefit program including research, implementation, maintenance, and communication. The City expects the broker to perform all of the following functions, **including, but not limited to:**

**A. Analysis and Reporting**

1. Analyze existing benefit package and develop a cost-saving strategy or plan that offers similar options of coverage.
2. Identify long-range goals with projections of potential savings.
3. Analyze plan utilization through plan data and statistical or financial reports and provide recommendations for improvement.
4. Perform an analysis on similar sized entities to ensure competitiveness relating to the City's benefit plan offerings and cost.
5. Identify and inform the City of any trends or changing patterns relating to employee benefits and provide appropriate recommendations.
6. Prepare, provide and present various reports as requested, including cost analysis and other financial reports, forecasting, or trend and experience reports.
7. Provide monthly, quarterly, and annual claim reports for review.
8. Assist with data collection and informational requests for GASB 45 valuations and provide strategic recommendations to mitigate liability.
9. Provide assistance with COBRA Administration. The City currently uses Ameriflex as the vendor for COBRA, FSA, and HSA administration.
10. Provide assistance with preparation of yearly ACA reports and complete impact analysis with strategic recommendations relating to PPACA.
11. Maintain full and accurate records with respect to all matters and services provided on behalf of the City benefit plans and programs. All project documents including spreadsheets, assumptions and calculations should be provided upon completion of any projects relating to the City's benefit plans and programs.

**B. Communication and Problem Solving**

1. Regularly monitor and evaluate performance measures and guarantees of providers.
2. Act as a liaison between the City and insurance providers.
3. Provide day-to-day consultation and timely response on plan interpretation and problem resolution.
4. Provide timely communication and assistance to all staff and retirees with issues relating to any aspect of the City's employee benefit program including, but not limited to, billing, claims, vendor service issues, disputes, election or eligibility changes, general troubleshooting.
5. Assist Human Resources and other applicable staff in any appeal, arbitration or court processes between the City and the providers on unresolved issues if needed. Provide advice to enforce City, employee, retiree or dependents rights.

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6. Attend City staff meetings as needed or other benefit related meetings for employees and/or retirees for assistance in benefit program maintenance.

**C. Compliance**

1. Assist with ongoing plan administration and ensure programs comply with all applicable State and Federal laws, updating staff accordingly with on-site training as requested.
2. Conduct compliance audit of City's applicable policies and procedures relating to the employee benefit program.
3. Assist in creation of communication materials to educate employees on necessary changes and to conduct dependent verification audits.
4. Assist staff as necessary with annual audit to ensure compliance in reporting or posting/notice requirements for benefit plans.

**D. Strategy and Renewal**

1. Establish both long-term (3-5 years) and short-term (annually) strategies for the City's benefit program, including any multi-year plan rates, etc.
2. Bid the City's benefit program for employee and retiree options on an as needed basis and assist in the collection of proposals and any negotiations on various topics including, but not limited to, pricing, service modifications, renewals, contractual terms, premiums, performance measures, communication materials and quality assurance standards.
3. Review and prepare analysis of proposals and provide recommendations for cost savings, plan design, plan quality, premiums, modifications and any other topics relevant to the benefit program.
4. Conduct thorough market research and provide annual estimates of renewal rates and cost trends to assist in budget preparation.
5. Provide communication materials and support for the annual enrollment period including information on any changes and production of an annual open enrollment booklet, forms, and video.
6. Assist in any open enrollment meetings and coordinate any provider representation to communicate changes, etc.

**E. Other Services Requested**

1. Monitor and make recommendations to both the employee wellness program and Employee Assistance Plan (EAP) to improve health and reduce costs both long and short term.
2. Recommend and provide enhancements to marketing and communication materials of any form including both paper and online notifications for benefit, health or compliance related information.
3. Prepare benefit surveys or provide published benefit-related survey information as requested.
4. Create and present information in meetings with City Council or City staff as needed.
5. Assist staff in the development of satisfaction surveys.

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6. Assist in development of risk management and/or control programs or provide recommendations to any current City programs.
7. Manage any transitions between vendors as necessary.
8. Recommend any educational opportunities including seminars, webinars or other options that would be beneficial to the City.

**IV. Calendar of Events**

<u>Day/Time</u>	<u>Event</u>	<u>Location</u>
By February 22, 2022	RFPs sent out to potential consultants	City Hall 1001 Buchanan Ste 4 Burnet, TX 78611
March 16, 2022 3:00 PM	RFP Return Deadline	City Hall
March 17, 2022 – March 30, 2022	Submitted proposal review with City staff	City Hall
April 12/26, 2022	City Council Meeting for award of contract	City Hall - Council Chambers

**V. Proposal Submission Instructions and Information**

**A. Accepted Submissions**

The City desires a long-term relationship with the broker/consultant selected assuming all benefit program related services listed above meet expected requirements and pricing remains competitive during the term. The City will be accepting proposal submissions from brokers/consultants licensed in the State of Texas. Submissions must be delivered in person or by U.S. Postal Service, FedEx, UPS, etc. RFPs submitted via telephone, fax, email, etc. will not be accepted. The City is not responsible for missing, lost, or late RFPs. Any RFPs received after the set deadline will not be accepted. All submissions will receive a time stamp upon delivery to ensure accuracy of receipt. Submissions are due at 2:00 p.m. on March 16, 2022.

**B. Submission Formatting**

The proposer shall include two (2) copies of their completed written or typed proposal enclosed in an envelope labeled with the relative contact information necessary for proper delivery. **The envelope should also be marked with the RFP number to correctly identify the document.** Additionally, one digital copy should be included on a USB drive.

**C. Questions and Correspondence**

Any questions, comments, inquiries or correspondence must be submitted in writing no later than Tuesday March 14, 2022, to Kelli Sames, Human Resources Director. Written documents can be in the form of mail, email, or fax and written response will be returned by the City promptly. Any documents, comments, or inquiries received after the time previously listed will not receive a response. Any changes to this RFP arising out of submitted questions or other correspondence shall be addressed with an issued addendum.

**D. Withdrawal of Proposals**

Submitted proposals may only be withdrawn prior to the expiration of the submission deadline. Request for withdrawals must be submitted in writing and signed by the proposal via mail, email or fax to Kelli Sames, Human Resources Director.

**E. Rights of the City**

Until and unless any proposal is accepted by the City, this RFP is not in any way to be construed as an agreement, obligation or other contract between the City and any person or firm submitting a proposal, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. Proposals submitted in response to this request become property of the City and are subject to provisions of the Texas Public Information Act once an award announcement has been made. The proposer should designate and label as "CONFIDENTIAL" any and all information in the RFP which the firm claims to be confidential, however, information may still be subject to the Public Information Act. The contract award will be made at the sole discretion of the City after careful evaluation of provided information determines who is the most qualified to complete the scope of services requested by the City.

The City reserves the right to the following:

1. Further investigate qualifications or proposers under consideration by requesting confirmation of or further information related to the provided information in the RFP to clarify responses.
2. Reject any or all proposals and issue subsequent requests for proposals.
3. Cancel RFP either partially or in entirety without explanation.
4. Approve or disapprove use of particular subcontractors or vendors.
5. Negotiate with any, all or none of the proposers.
6. Solicit best and final offers from all or some proposers
7. Accept other than the lowest cost proposal, based on which provides the best value to the City.
8. Waive informalities and irregularities in proposals.

**F. Legal**

All vendors submitting RFPs are expected to comply with federal, state and local laws and regulations when preparing the RFP's and the services to be provided. Applicable laws include but are not limited to; American with Disabilities Act (ADA), Affordable Care Act, Texas Local Government Code, Texas Insurance Code, and other Federal and State confidentiality laws. Additionally, by submitting a proposal, each proposer represents and warrants that its proposal is genuine and not a sham or collusive to secure or provide an improper advantage to themselves or another vendor.

**G. Duration of the Quote**

Proposers agree that the terms and costs provided in the response to this RFP will remain active and valid for a period of up to sixty (60) days past the final due date of March 16, 2022.

VI. **Minimum Qualifications for Proposers**

- A. Proposer shall have at least eight (8) years of experience providing brokerage and consulting services in Texas. Proposers with municipal experience of similar size is preferred.
- B. The proposer's staff assigned to the City must have at least five years of experience in benefits administration and client management. The staff must be available for high volumes of communication with the City, employees, retirees and approved vendors.
- C. The proposer and team assigned to the City must be knowledgeable of applicable laws, regulations and codes and be familiar with trends relating to benefit programs in Texas municipalities.
- D. Proposer's office or branch must be located in reasonable commuting distance and provide assurance of reasonable staffing continuity over contract period.
- E. Proposer must be properly licensed and insured to provide services listed in this RFP and in the State of Texas. The successful proposer must maintain insurance coverage appropriate for the fulfillment of any agreement resulting from this RFP. Additionally in the event its employees, agents, or subcontractors enter premises occupied by or under City control, the successful proposer shall maintain public liability and property damage insurance in reasonable limits covering all obligations to the City and shall maintain Worker's Compensation coverage covering all employees performing on premises occupied or under City control. Additionally, the proposer shall maintain Professional Liability insurance for the duration of any agreement resulting from this RFP and up to at least three (3) years after completion of agreement. Copies of certificates of coverage shall be provided upon the City's request.

VII. **Required Proposal Content**

- A. **Cover Letter:** Signed cover letter from the firm's principal expressing interest in the project and certifying that sufficient resources of personnel, equipment and time are available and committed to this project.
- B. **Consultant Questionnaire:** Proposers must complete the Consultant Questionnaire (Attachment "D") and provide with proposal submission.
- C. **Table of Contents:** Include clear identification of material by section and by page number.
- D. **General Information:** Proposers must complete the general information page provided. This is Attachment "A" and must be signed by the person duly authorized to bind the proposer and identify the proposed account team.
- E. **Profile of the Firm:** This section shall include the firm name, date established and address of the office that would be assigned to the City. Please include a brief description of the firm's history, including any changes in ownership either anticipated or occurring within last three (3) years. Also include details on the firm's size, growth, philosophy and culture, and specific experience with public sector entities (preferably municipalities). Additionally, this section shall include a listing of any lawsuit or litigation and result of action resulting from: (a) any project undertaken by the proposer or its subcontractors or affiliates where litigation is still pending or has occurred within the last ten (10) years; or (b) any type of project where claims or settlements were paid by the proposer or its insurers within the last ten (10) years.



- F. **Qualifications of the Firm and Team:** This section shall include a brief description of the proposer's and any sub-consultant's qualifications and a summary of previous experience on similar or related projects. Provide a list of personnel that would be handling our account including the account manager and a brief summary of each listed individual's education, qualifications, responsibility with our account and a description of any previous or current projects with similar responsibilities. Formatting is provided in attachment "B". Additionally, proposer shall include an organizational chart with a description of workflow and provide the total number of accounts or clients with a breakdown of how many of the total each individual is responsible for.
- G. **References:** Proposer shall provide a client list, preferably municipality or other public sector clients that are either active or became inactive within the last five (5) years. Client list shall include the entity name, date firm began providing services to the client, date firm ceased providing services (if applicable), description of pertinent insurance programs negotiated and/or provided, number of covered individuals (employees/retirees), total cost of the project, brief statement on adherence to schedule and budget for each project. Proposer shall provide account contacts for listed clients who may be contacted by the City. Format of references is provided in attachment "C" and must have all information requested provided.
- H. **Services**  
Provide the following:
1. Complete description of services to be provided, including both the services outlined in this request and any additional recommended services. Provide a description of any and all unique brokerage or consulting services the firm will offer the City, please specify if the services are provided by the firm's staff or by an affiliate of the firm.
  2. A description of the group, medical, dental, vision, life, accidental death and dismemberment, short- and long-term disability, EAP premium volume handled by the firm and by the specific office to which the City's account would be assigned.
  3. List of principal insurance markets utilized by the firm in the order of premium volume placed with each market. The listing should be categorized by line of coverage (all items listed above in 2).
  4. Description of technical or professional support available at no extra cost through the firm, such as legal counsel, communications, technology support or others.
  5. Sample work plan for insurance renewal and negotiations.
  6. Description of proposal to maintain open and prompt communication with all those involved in the benefit program including; vendors, employees, retirees, City staff, and dependents as necessary for any issues, troubleshooting, questions, concerns, etc.
  7. Recommendations on administration and retention of records related to services provided and any associated costs for storage of records.
  8. Description of project timeline outlining the transitioning process. Please include a time breakdown for each step in the process (data collection, online system set up, etc.)

**I. Cost and Pricing Information**

Provider must include the following information:

1. Comprehensive, specific description indicating how the firm would price the City's account and any estimated annual costs of service. It shall be clearly identified if pricing is determined by annual fee, fee for service, commission or combination of the two. Any and all rates of commissions and fees in comparison to consultant rates that the firm would expect to receive from the existing programs for services requested herein, as well as recommended services must be included. The City reserves the right to review and or audit anyof its account related records of the selected broker related to commission, fees,etc.
2. Proposals that do not reflect a reasonable relationship between costs and proposed services may be viewed as failing to comprehend the requirements of the scope of work and result in a rejected proposal.

**J. Conflict of Interest**

Proposers must disclose any affiliations or business relationships with any employee, officer, contractor, or official of the City to ensure there are no conflicts of interest.

**VIII. Evaluation and Selection**

**A. Evaluation Criteria**

Criteria	Points
<b>Scope of Services:</b> Reputation and ability to reach a wide array of insurance markets and provide innovative services; ability to handle employee claim issues, depth of and commitment to services offered, assessment of references, plan of action; project organization, evidence of ability to provide service in a prompt, thorough, innovative and professional manner.	<b>30%</b>
<b>Cost Savings:</b> Demonstrates ability to produce successful cost savings strategies.	<b>25%</b>
<b>Qualification of the Firm:</b> Technical and cost saving method experience both show success; experience with municipalities, work is completed on schedule and within budget; qualifications of staff and key personnel; client references; strength and stability of firm and vendors used by the firm.	<b>20%</b>
<b>Cost and Price:</b> Total cost is reasonable and competitive with other offers received; adequate support data provided; individual task budgets are reasonable; basis on which price is quoted.	<b>15%</b>
<b>Project Requirements:</b> Demonstrated understanding of project requirements and any problem areas; project approach; work plan; and quality assurance program.	<b>10%</b>
<b>TOTAL</b>	<b>100%</b>

**B. Evaluation Procedure**

1. City staff will review all submitted proposals following the final submission deadline as provided in the "Calendar of Events" section. A list of finalists will be determined based on the criteria given above. The City may require each finalist to present a proposal of services, provide supplemental information and provide the City the opportunity to meet and assess the proposed account team. Finalist evaluation may be scheduled at the discretion of the City. An award of contract may be made without discussion with proposers after responses are received.
2. The City reserves the right to select the firm that, in the City's opinion, will provide the most responsive and responsible services and highest value, even if that bid is not the lowest submitted. All recommendations are anticipated to be completed and provided to City Council at either the April 12 or 22, 2022 meeting.

**C. Award**

1. Once the City has completed proposal analysis, negotiations may be conducted for the extent of services to be rendered and for the method of compensation. The City is not required to complete negotiations so the proposal submitted shall include the proposer's most favorable terms and conditions.
2. Any award will be contingent upon completion of a satisfactory contractual arrangement between the selected firm and the City. Inability to agree on contract terms will result in selection of an alternate firm. Unsuccessful candidates will be notified once a contract selection has been finalized by the City and City Council.
3. In performance of the terms of any agreement resulting from this RFP, contractor or vendor agrees that they will not engage in, nor permit, such subcontractors, where applicable, as they may employ, from engaging in discrimination in employment or persons because of race, color, religion, national origin, or ancestry, age, sex, familial status, sexual orientation, or disability of such persons.
4. No assignment by a selected broker of a resultant agreement, or any part thereof, or of funds to be received there from, will be recognized by the City unless such assignment has had prior written approval and consent of the City. The City will be contracting for the services of the individuals in the firm making the proposal and the qualifications of those individuals a material inducement for the award of the contract.

**IX. Certification Statement**

The undersigned does hereby declare that they have read the specifications and with full knowledge for the requirements, do hereby agree to furnish the coverage in full accordance with the specifications and requirements, for the following plans:

Employee Benefits Insurance Broker and Consulting Services

I certify that \_\_\_\_\_ and it's  
Firm's Name  
response comply with these specifications. Also, as an officer of this organization, or per the attached letter of authorization, am duly authorized to certify this information provided herein are accurate and true as of the date.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

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Attachment A  
General Information Page

\_\_\_\_\_  
Legal Name of the Firm Telephone Number

\_\_\_\_\_  
Street Address City State Zip Code

\_\_\_\_\_  
Fax Number Tax ID Number

\_\_\_\_\_  
Type of Organization (Corporation, Sole Proprietorship/Partnership)

\_\_\_\_\_  
Website Address

\_\_\_\_\_  
Project Manager Name Project Manager Title

Is this the person that regular correspondence should be directed to?  
 Yes  No If no, please provide contact information for appropriate contact.

\_\_\_\_\_  
Name, Title Email Phone Number

List of Major Subcontractors Proposed, Responsibility, and Phone Number:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Person Completing Form Date

\_\_\_\_\_  
Print Name of Person Completing Form

\*\*Please provide documentation that you are a State of Texas actuary licensed consultant or broker\*\*

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Attachment B  
Firm and Assigned Team Qualifications

Name and Title	Education, Experience and Qualifications	Description of Area of Responsibility with City Account and Similar Experience	# of other current accounts

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Attachment C  
Client References

Please provide at least three current and two past clients, preferably Texas municipalities.  
Copy this form as necessary.

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Client Entity Name

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Client Contact Name

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Client Contact Title

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Client Contact Email

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Client Contact Phone Number

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Client Street Address

City

State

Zip Code

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Please provide a brief description of the work performed for this client below:



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Attachment D - Proposer Questionnaire

Requested Information		Responses (if more room is required, complete on an additional sheet titled as "Responses to Attachment D")	
1.	How long has your organization been in business?	1.	
2.	Where is your firm's headquarters?	2.	
3.	Does your firm have any conflict of interest relating to the City of Burnet? If yes, please explain.	3.	
4.	Has your firm established any limitation on the number of clients you intend to accept?	4.	
5.	What is your firm's policy/standard for returning phone calls, e-mails or other forms of communication?	5.	
6.	Provide examples of when you have provided services that have gone beyond the expectations in the contract.	6.	
7.	What is your firm's highest value when servicing their clients?	7.	
8.	How many of your clients have between 100 and 200 benefit eligible employees?	8.	
9.	Does your firm use any sub-consultants? If so, provide firm's name, contact name, relevant experience and authority of decision making for our account on your behalf?	9.	
10.	How does your firm track and communicate legislative and industry trend updates relative to the City?	10.	
11.	Describe how you monitor performance of providers.	11.	
12.	Do you provide assistance with wellness plan creation, implementation, and maintenance with incentives?	12.	
13.	How do you determine if changes need to be made to a plan for higher effectiveness?	13.	
14.	What is your experience in assisting clients with Medicare programs?	14.	
15.	What is your firm's experience with telemedicine? If you offer it as an option, please describe the system and vendors you have used in the past.	15.	