

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING A
REQUEST FOR PROPOSAL DOCUMENT FOR
A BROKER OF RECORD FOR EMPLOYEE
BENEFITS

RESOLUTION NO. 90-1211

Introduced by Rena Cusma,
Executive Officer

WHEREAS, Section 2.04.033(b) of the Metro Code requires that the Council of the Metropolitan Service District approve certain proposal documents for contracts;


WHEREAS, The contract for a Broker of Record for Employee Benefits requires Council approval, and the proposal document has been filed with the Council Clerk; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District approves the Request for Proposals for a Broker of Record for Employee Benefits attached as Exhibit A hereto and authorizes that it be released for response by vendors or proposers.

ADOPTED by the Council of the Metropolitan Service District this
22nd day of February, 1990.

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Tanya Collier, Presiding Officer

REQUEST FOR PROPOSALS
BROKER OF RECORD FOR EMPLOYEE BENEFITS

I. INTRODUCTION

The Metropolitan Service District (Metro) is requesting proposals from qualified firms to act as Metro's Broker of Record for employee benefits for a period of two and one-half years (2 1/2) years. Proposals will be due by 5:00 p.m. PST _____, 1990, in Metro's business offices at 2000 S.W. First Avenue, Portland, Oregon 97201-5398. Details concerning the proposal are contained in this document.

II. BACKGROUND

General Information

Metro employs approximately 90 full-time and 25 part-time non-represented regular employees and 190 full-time and 12 part-time employees affiliated with LIU Local 483 and AFSCME. During the summer, the zoo employs 300 to 400 temporary seasonal workers.

July 1, 1990, the Metro is merging with the City of Portland's Exposition and Recreation Commission. Approximately 700 employees will be involved in the transfer. Eighty-five of those employees are eligible to participate in Metro's health, dental, vision, and life packages.

All employees contribute to and are covered by Oregon Workers Compensation and federal Social Security laws, regulations, and procedures.

LIU members receive medical, dental, vision, accidental death and dismemberment, life, dependent life, and time loss benefits through Oregon Laborers Trust.

Benefits and Carriers

Medical:	Great-West Life and Kaiser Permanente
Dental:	Great-West Life
Vision:	Great-West Life and Kaiser Permanente
Life:	Great-West Life
Long-Term Disability:	Mutual Benefit Life

III. SCOPE OF WORK

- A. Contractor to perform duties as Metro's Broker of Record and provide the following services:
1. Assist in the placement of all employee health and welfare insurance as requested by Metro's representative, hereby known as the Project Manager, including:
 - development of marketing specifications
 - evaluation of proposals
 - identification of market conditions pertinent to successful carrier negotiations.
 2. Assist in the management of employee benefit insurance requested by the Project Manager, including:
 - underwriting analyses for annual contract renewal negotiations
 - quarterly contract compliance audits
 - annual financial projections for Metro's budget decision-making process
 3. Prepare an annual benefit cost management report including:
 - summary of carrier performance evaluations
 - evaluation of proposals
 - identification of areas for additional cost savings with estimated projected savings.
 4. Provide information of existing or impending legal and tax requirements relative to Metro.
 5. Provide information on an ad hoc basis regarding:
 - alternative funding analyses (medical, dental, life, and vision)
 - cooperate with the administration in the examination of policies to determine that such policies meet the requirements of the specifications.
 6. Be available to the Executive Officer and Personnel Manager for insurance counseling.

7. Upon request by Metro, Contractor will provide a written fee estimate, with guaranteed maximum cost for any special study or project outside this Scope of Work. If approved by Metro, Contractor shall thereafter perform such special studies or projects at the written estimate price or such fee as may be negotiated by the parties.

IV. QUALIFICATIONS AND EXPERIENCE

The successful proposer must possess the following minimum qualifications and experience:

- A. Shall be licensed by the Insurance Commissioner of the State of Oregon and shall be in good standing
- B. Shall have had at least five years active experience in the insurance fields of health care coverage, accidental death and dismemberment, and life insurance. The experience should preferably include writing insurance for public agencies.
- C. Shall maintain an office in the Metro area consisting of at least two brokers licensed by the State of Oregon, together with a trained office staff including safety personnel.
- D. Shall furnish satisfactory evidence that firm carries an Error and Omissions Policy with a minimum limit of not less than \$1,000,000.
- E. Shall have an annual premium volume of over \$500,000 excluding personal lines, life, health and accident insurance.

V. CONTENTS OF PROPOSAL

A. General Information

1. Provide name, address of firm, date established and brief description of agency's historical background
2. State the number of personnel in your office and their general duties.
3. Describe the business experience and professional achievements of principals of your firm who would be assigned to work on Metro's account. Include resumes of individuals proposed for this contract.

4. List clients serviced through your office which are political subdivisions or accounts that may be similar.

B. Evidence of Insurance Agent/Broker Errors and Omissions Insurance.

State the name of the insurer, liability limit and the deductible. The successful vendor will be requested to provide a copy of the certificate of such insurance.

C. Services Provided by Agent/Broker

Briefly describe your firm's expertise in the following areas (please note those services that are directly available in the Metro area office):

1. health plan design and financing
2. employee benefit communications
3. employee benefit legislation and tax issue review and advice.

D. Affirmative Action Plan

State if your office has an Affirmative Action Plan.

E. Proposed Marketing Plan

Discuss in detail how your firm would market Metro's insurance program. Your proposed plan will be received in confidence and shall not be divulged to other brokers.

F. Other Information

Include any other information which you feel will aid Metro in evaluating the proposal from your firm.

G. COMPENSATION

Contractor will be compensated by receiving commissions directly from the insurance companies providing employee benefit insurance to Metro. Metro shall not be directly obligated for payment to Contractor.

State what service will be provided for through commission compensation paid by insurance carriers and what part, if any, described in the Scope of Work that would not be performed for commission compensation.

Metro's estimated annual premium for health, vision, dental and life insurance coverage for FY 1990-91 is \$726,500.

VI. PROPOSAL INSTRUCTIONS

A. Deadline and Submission of Proposals

Three copies of the proposal shall be furnished to Metro addressed to:

Sarah Keele
Benefits Analyst
Metropolitan Service District
2000 S.W. First Avenue
Portland, OR 97201-5398

Proposals will not be considered if received after 5:00 p.m., _____, 1990. Postmarks are not acceptable.

B. Basis for Proposals

This RFP represents the most definitive statement Metro will make concerning the information upon which proposals are to be based. Any verbal information which is not contained in this RFP will not be considered by Metro in evaluating the proposals. All questions relating to the RFP should be addressed to Sarah Keele, Benefits Analyst. Any questions which in the opinion of Metro warrant a written reply or RFP amendment will be furnished to all parties receiving a copy of this RFP.

VII. GENERAL PROPOSAL AND CONTRACT CONDITIONS

- A. Limitation and Award - This Request for Proposals does not commit Metro to the award of a contract, nor to pay any costs incurred in the preparation and submission of proposals in anticipation of a contract. Metro reserves the right to accept any or all proposals received as the result of this request, to negotiate with all qualified sources, or to cancel all or part of this RFP.

- B. Contract Type - Metro intends to award a personal services contract with the selected firm for this project. A copy of the standard contract form which the successful consultant will be required to execute is attached.
- C. Validity Period and Authority - The proposal shall be considered valid for a period of at least ninety (90) days and shall contain a statement to that effect. The proposal shall contain the name, title, address and telephone number of an individual or individuals with authority to bind any company contacted during the period in which Metro is evaluating the proposal.

VIII. EVALUATION OF PROPOSALS

- A. Proposals received that conform to the proposal instructions will be evaluated. The evaluation will take place using the evaluation criteria identified in the following section. The evaluation process will result in Metro developing a short list of the firms who, in its opinion, are most qualified. Interviews with these firms will be requested prior to final selection of one firm.
- B. Firms responding to the Request for Proposals will be evaluated on the basis of the following:
 - 1. General (20 points)
 - a. Organization of proposal
 - b. Responsiveness to the purpose and scope of services.
 - 2. Personnel (40 points)
 - a. Experience and qualifications of principals assigned to this project
 - b. Availability of personnel assigned
 - c. Additional professional resources available
 - 3. Organization, Experience and Services of Firm (40 points)
 - a. Previous history and experience with similar type of government agencies and/or special districts.
 - b. Previous history and experience in the appropriate insurance fields

- c. Structure of services provided and appropriateness to Metro's needs
- d. Structure of working relationship
- e. Favorable references from previous clients for whom you have provided similar services.

All firms submitting proposals will be notified when a consultant has been selected. Metro reserves the right to reject any or all proposals, to waive irregularities and technicalities and to accept the proposal deemed most advantageous to the District.

sk:insur:rfpbroker
10/25/89

STAFF REPORT

RESOLUTION NO. 90-1211, FOR THE PURPOSE OF APPROVING
A REQUEST FOR PROPOSAL DOCUMENT FOR A BROKER OF RECORD
FOR EMPLOYEE BENEFITS

Date: January 24, 1990

Presented By: John Leahy

FACTUAL BACKGROUND

Metro contracts with a Broker of Record for employee benefit insurance programs. Metro's current broker of Record is Mercer-Meidinger-Hansen whose contract with Metro expires May 31, 1990.

The agency's Broker of Record for employee benefits will be required to provide: health and welfare insurance placement; benefit insurance management; cost control reports; and information of existing or impending legal or tax requirements effecting Metro's employee benefits.

The Broker of Record will be selected from respondents to the Request for Proposals and selected in accordance with Metro contract rules for personal services. Proposals will be evaluated on the basis of organization and experience of the firm, the qualification and availability of personnel assigned, and the cost.

The firm selected will be appointed for a period of two and one-half years beginning June 1, 1990.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 90-1211.

FINANCE COMMITTEE REPORT

RESOLUTION NO. 90-1211 APPROVING AN RFP FOR BROKER OF
RECORD FOR EMPLOYEE BENEFITS

Date: February 22, 1990 Presented by: Councilor Van Bergen

COMMITTEE RECOMMENDATIONS: At its February 20, 1990 meeting, the Committee voted unanimously to recommend that the Council adopt Resolution No. 90-1221. Voting on the motion were Councilors Collier, Devlin, Wyers and Van Bergen. Councilor Gardner was excused.

COMMITTEE DISCUSSION/ISSUES: At the February 1, 1990 meeting, John Leahy, Personnel Officer, presented the staff report. He indicated that the contract with the current Broker of Record (Mercer, Meidinger and Hansen) expires on May 31, 1990. The proposed RFP scope of work includes the following services to be provided: health and welfare insurance placement; benefit insurance management; cost control reports; and information on existing or impending legal or tax requirements affecting the District's employee benefits.

Mr. Leahy was asked to investigate the use of the State of Oregon Employee Benefit Board model for these activities and the Committee deferred action on the matter to its next meeting.

At the February 20, 1990 meeting, Mr. Leahy reported that the State Benefit Board could not handle local governments, but that before the next procurement takes place for this work the use of the SEBB model should be further explored.

DEC:aeb