

TOWN OF NEWINGTON  
REQUEST FOR PROPOSALS

The Town of Newington will accept proposals for professional services from those firms interested in serving as the Town's Employee Insurance and Benefits Consultant. All proposals must be submitted in accordance with Town requirements as set forth in the RFP documents, which are available in the Town Manager's Office and on the Town's website, [www.newingtonct.gov](http://www.newingtonct.gov) under Doing Business, Bid Opportunities. All firms wishing to be considered for this appointment shall submit fifteen copies of their concisely worded proposals. Submittals shall be clearly marked "RFP No. 3, 2011-12, Employee Insurance and Benefits Consultant" and submitted to the Town Manager's Office, Town of Newington, 131 Cedar St., Newington, CT 06111 by 4:30 PM on March 16, 2012. The Town reserves the right to reject any or all proposals.

John L. Salomone, Town Manager

RFP No. 3, 2011-12

TOWN OF NEWINGTON  
REQUEST FOR PROPOSALS

EMPLOYEE INSURANCE AND BENEFITS CONSULTANT

**I. GENERAL INFORMATION**

**1.1 Size:** The Town of Newington, Connecticut, a suburban community with a population of just over 30,000 residents, has a total combined premium for medical, dental, life and long term disability insurance programs for both the General Government and Board of Education of approximately \$13,000,000 for the 2011-12 budget year.

**1.2 Purpose:** The purpose of this RFP is to provide prospective firms with essential information to enable them to prepare and submit proposals regarding professional EMPLOYEE INSURANCE AND BENEFITS Consulting. It is the intent of the RFP to identify the party most likely to successfully represent the Town and Board of Education in its desire to minimize rate increases for all insurances, analyze current plans, and recommend future plans. The selected consultant shall identify (in a separate sealed envelope submitted with the proposal) the base cost of services as provided under the Scope of Services and identify the cost impacts of any various options/alternatives, itemized separately. Fees for additional services must be clearly stated.

**1.3 Proposals:** All proposals received by the Town in response to this RFP will be retained by the Town. In order to receive further consideration, submissions shall:

- A. Constitute a complete response to this RFP, using the Proposal Form provided in this document and Appendix A.
- B. Include an original and fourteen (14) copies. The price proposal and/or fee structure (Appendix A) **must** be submitted in a separate sealed envelope from the base proposal.
- C. Proposals must be received by:

Town Manager's Office  
Town of Newington  
131 Cedar Street  
Newington, CT 06111

no later than **4:30 P.M. on Friday, March 16, 2012**. Submittals shall be clearly marked "RFP No. 3, 2011-12, Employee Insurance and Benefits Consultant". Proposals received after this date and time will be rejected. Firms mailing proposals should allow for normal delivery time to ensure timely receipt of their proposals. Proposals may not be submitted by e-

mail or fax.

- D. Must be signed by an official authorized to bind the firm to its provisions.
- E. Must include a statement that the proposal remains valid for a period of at least ninety (90) days from the date of its submission.

**1.4 Rejection of Proposals:** The Town reserves the right to reject any and all proposals received as a result of this RFP .

**1.5 Communications Concerning RFP:** All questions relevant to the development of the proposal must be submitted by email to Ann J. Harter at [aharter@newingtonct.gov](mailto:aharter@newingtonct.gov). All questions determined to be of interest to all prospective firms will be answered in writing and provided to all firms by an addendum which will be posted on the Town of Newington web site, [www.newingtonct.gov](http://www.newingtonct.gov), under Doing Business, Bid Opportunities.

**Except as authorized by Ms. Harter, no vendor may contact any other employee or elected or appointed official of the Town of Newington or Board of Education with respect to the RFP or the submission of a bid.**

**1.6 Term:** Based upon the outcome of this process, the Town of Newington will award a six-year contract. **The successful respondent will be expected to be able to commence services as of July 1, 2012 upon award, as determined by the Town.** Any contract entered into by the Town and the successful respondent shall provide that the Town may terminate the contract upon thirty (30) days notice to the respondent. The Town's current Consultant will continue to handle the Town's present insurance and benefit packages until the new Consultant shall be appointed. The new appointment shall last through June 30, 2018.

**1.7 Additional Information:**

- A. **Revisions or addenda to the RFP:** In the event it becomes necessary to revise or supplement any part of the RFP, the revision or supplement will be posted on the Town of Newington web site at [www.newingtonct.gov](http://www.newingtonct.gov), under Doing Business, Bid Opportunities.
- B. **Experience:** Firms with experience in Employee Insurance and Benefits consulting services for public sector organizations are encouraged to submit proposals. Firms must demonstrate their knowledge of both Town and Board of Education organizations as well as the mandates and laws that affect such organizations in the State of Connecticut.
- C. **Incurring Costs:** The Town will not be liable for any costs incurred by a firm in the preparation or submission of a proposal.
- D. **Civil Rights Compliance:** Where applicable, firms must comply with the

Civil Rights Act of 1964, the Equal Employment Act, and the Connecticut Fair Employment Practices Act.

- E. **News Releases:** News releases pertaining to this RFP or the services, study or project to which it relates will not be made without prior approval, and then only in coordination with the Town.
- F. **Acceptance of Proposal Content:** The contents of the successful proposal may, at the Town's option, become part of the contract entered into by the successful firm and the Town.

## II. CONTENT OF PROPOSALS

### 2.1 Scope of Services:

The Town of Newington and the Newington Board of Education (BOE) have periodically utilized an Employee Insurance and Benefits consultant in its on-going dealings with health insurance companies. Medical insurance for active employees and retirees under 65 is currently provided through a self-insured plan with Anthem. All employees have a Century Preferred Plan through Anthem. Teachers can choose either the Century Preferred Plan or BlueCare plan through Anthem. There are approximately 180 Town contracts and 580 BOE contracts in the self-insured plans. All employees have life insurance with Standard Insurance Company. All employees have dental plans with Anthem or CIGNA.

Carriers may or may not charge customers a commission fee, whether or not a broker or agent is utilized. Therefore, it is the intent of the Request for Proposals, to identify the party most likely to successfully represent the Town and Board of Education in its desire to minimize rate increases for all insurances. The selected Employee Insurance and Benefits Consultant shall identify base cost of services as provided under the Scope of Services and identify the cost impacts of any various options/alternatives itemized separately. Fees for additional services shall be clearly stated. The contract award will be on a fee basis and no commission may be accepted by the consultant in the performance of their services on behalf of the Town of Newington.

In accordance with the local ordinance governing Agent of Record services for employee benefits, it shall be a function of the Employee Insurance and Benefits Agent of Record or Consultant to solicit and negotiate with at least four (4) insurance companies for a program to provide the specific insurance coverage for the Town of Newington, based upon specifications prepared by the Employee Insurance and Pension Benefits Committee (EIPBC).

- a. The coverage for health, life, disability and dental shall be considered individual units to be proposed by each line of insurance.
- b. All other coverage may be proposed separately.

To periodically review Town employee insurance and benefits coverage and loss data and make recommendations to the Town Manager and the EIPBC with respect to the need for ancillary insurance services, additional insurance coverage and modifications, and updating or upgrading of existing coverage.

In addition to the above services, the Town is seeking services including, but not limited to:

- A.** Market all insurances to include, but not be limited to, preparation of bid specifications, evaluation of proposals received, and make recommendations on contract award and on contracts to be signed.
- B.** Coordinate and review necessary demographic data for marketing.
- C.** Should the Town and/or Board of Education elect to change carriers following the marketing process, manage and review the SPD development ensuring that the selected vendor provides benefits that are equivalent to or better than those currently in effect.
- D.** Provide a disruption analysis relative to the provider, pharmacy, hospital and other appropriate vendor networks. Attend various employee, committee, BOE and Town meetings as necessary.
- E.** Review all contracts and booklets. Prepare, provide advice as appropriate, and file any Internal Revenue Service required forms.
- F.** Review current plans' experience, claims, and market trends, and negotiate cost savings & renewal premiums with all insurance providers on an as needed basis.
- G.** Periodically review the health insurance plans, claims, and fees and provide a reasonability analysis in comparison with industry norms.
- H.** Ensure accurate follow through and completion on all negotiated contractual arrangements made between the Town of Newington and Board of Education and its health insurance carrier(s).
- I.** Ensure that any self-funding arrangements with third party administrators are appropriately managed.
- J.** Monitor the third party administrator's actuarial assumptions under self-insured programs, if applicable.
- K.** Intervene, and resolve with providers, on problems that may arise regarding claims, proper coverage, routine administration and day-to-day account service.
- L.** Cause the Town and Board of Education to be provided with accurate management reports/utilization, and review and comment on information from all carriers on a continuing basis. Meet with Town representatives and BOE as required.
- M.** Provide the Town and Board of Education with information and recommendations on new health insurance programs, more cost-effective products, funding options, future trends in employee benefit plans and plan designs.

- N. Analyze annual renewals for all self-insured and insured plans and periodically solicit coverage proposals from alternative providers.
- O. Develop strategies for presentation and implementation of any new benefit program to employees, unions, other employee groups and Town Boards.
- P. Serve in an advisory capacity during negotiations with collective bargaining units. This includes costing & analyzing benefit proposals, providing counsel to negotiators, and testifying at negotiation, mediation, and arbitration sessions as needed.
- Q. Coordinate employee communications and conduct employee informational meetings for current benefit plans and as new programs are implemented.
- R. Provide expert advice and/or testimony in disputes that may arise between the Town and Board of Education and their labor unions, as they pertain to the health insurance benefit plans.
- S. Inform the Town and Board of Education and Administration of changing legislation and legal decisions affecting employee benefits. Recommend and discuss methods to comply with these changes.
- T. Perform a feasibility study, to include interested regional municipalities, of pooling benefit plans for potential cost savings and to spread out individual municipality's exposure to risk. Make any necessary presentations of the study's findings to appropriate representatives of these municipalities.

## **2.2 Other Requirements**

Proposals should also include the following:

- A. Brief statement as to the firm's particular abilities and qualifications related to this project.
- B. List of municipalities in Connecticut for which the firm has provided similar services in the last three years. Connecticut public schools or municipal references are preferred. Please also include the name and contact information for these references. Provide a list of cases where you testified on behalf of your clients in arbitration forums where you have made presentation and labor negotiations.
- C. Resumes of key personnel who would be assigned to this project. Include number of underwriters and actuaries on staff and available to work on account. The successful respondent shall not employ any subcontractor to fulfill any of the duties herein specified without express, prior written approval of the Town of Newington or its designated agent.
- D. Additional information or documentation that may be useful and applicable to this project. Provide samples of innovative changes made to plans of

current clients that have resulted in savings.

- E.** Rates for any additional work that the consultant recommends beyond the original scope of services contained in this RFP should be submitted as a formal proposal. The proposal should detail the requirements and the deliverables, as well as a capped cost.
- F.** Prior to contract, the successful respondent will be required to show evidence of insurance coverage of a kind and in an amount satisfactory to the Town. The Town's insurance requirements are attached to this RFP in Appendix B.
- G.** Information concerning any suits filed, judgments entered or claims made against the firm during the last five years with respect to employee assistance program services provided by the firm (b) or any declaration of default or termination for cause against the firm with respect to such services. In addition, state whether during the past five years the firm has been suspended from bidding or entering into any government contract.
- H.** Utilization report format.
- I.** Vendor should describe their confidentiality policy.
- J.** INDEMNIFICATION

The Consultant, its agents and assigns shall indemnify and hold harmless the Town of Newington and the Newington Board of Education, including but not limited to, its elected officials, its officers, and agents, ("the Town") from any and all claims made against the Town, including but not limited to, damages, awards, costs and reasonable attorneys fees, to the extent any such claim directly and proximately results from the wrongful, willful or negligent performance of services by the Consultant during the Consultant's performance of this Agreement or any other Agreements of the Consultant entered into by reason thereof. The Town agrees to give the Consultant prompt notice of any such claim and absent a conflict of interest, an opportunity to control the defense thereof.

**K.** NON-DISCRIMINATION

The respondent agrees and warrants that in the performance of the contract pursuant to this solicitation it will not discriminate or permit discrimination against any person or group of persons on the grounds of sex, race, color, religion, age, marital status, ancestry, national origin, past history of mental disorder, mental retardation or physical disability or other basis in any manner prohibited by the laws of the United States, the State of Connecticut or the Town of Newington.

### III. SELECTION PROCESS

**3.1 Review Process:** All proposals will be reviewed by Employee Insurance and Pension Benefits Committee.

The Town reserves the right to waive non-material deficiencies in any proposal.

Proposals will be evaluated based on what is deemed to be in the best interests of the Town, including such factors as:

1. The respondent's experience and expertise in providing Insurance Advisory and Brokerage services for municipalities,
2. Clarity and creativity of the proposal,
3. Recommendations of entities for which the respondent has previously provided services,
4. Evidence of prior success in evaluating and implementing plan design and financing alternatives for clients in a collective bargaining environment,
5. The specific persons to be assigned to the project by the respondent,
6. Total cost. Cost will not be the sole factor in evaluating proposals.

A short list of finalists will be developed and firms may be interviewed by the Committee after the proposals are received. Specific information required for the interviews will be provided to finalists at the time of notification.

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 Committee and subsequent discussion. The key person to be assigned to this project must be present at this interview.

The Committee expects to recommend a firm to the Newington Town Council for approval.

The Town expects to complete its review of all proposals and select the successful respondent within two weeks after the receipt of proposals. If necessary, the Town may extend that review period.

Selection as the successful respondent 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 respondent, the Town may commence negotiations with an alternative respondent or reject all responses and reinstitute the RFP process.

**TOWN OF NEWINGTON**

**REQUEST FOR PROPOSALS NO. 3, 2011-12**

**PROPOSAL FOR EMPLOYEE INSURANCE AND BENEFITS CONSULTANT**

The undersigned has read, understands, and agrees to comply with the requirements contained in the Request for Proposals for Employee Insurance and Benefits Consultant. The undersigned submits this proposal in good faith and without collusion with any other person, individual or firm.

The proposal consists of this cover page and the attachments that follow, including Appendix A.

Name and Address of Firm:

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Name, Title and Contact Information (phone, fax, email) of Authorized Representative:

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Signature of Authorized Representative:

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(Attach additional sheets as necessary)

**TOWN OF NEWINGTON**  
**EMPLOYEE INSURANCE AND BENEFITS CONSULTANT**  
**APPENDIX A**  
**FEE PROPOSAL**

My proposal to provide Employee Insurance and Benefits Consulting is as follows:

Cost/Year One:	_____
Cost/Year Two:	_____
Cost/Year Three:	_____
Cost/Year Four:	_____
Cost/Year Five:	_____
Cost/Year Six:	_____
<b>Total Cost:</b>	_____

## APPENDIX B

### INSURANCE REQUIREMENTS

Consultant shall agree to maintain in force at all times during which services are to be performed professional liability insurance with limits of no less than \$1,000,000. If such coverage is on a claims-made basis, consultant must agree to maintain, either through a claims-made contract or the use of an extended discovery provision, coverage for three years after the conclusion of all services performed under the agreement.

Consultant shall agree to maintain in force at all times during which services are to be performed the following coverage placed with company(ies) licensed by the State of Connecticut which have at least an “A-” VIII policyholders’ rating according to BEST Publication’s latest edition Key Rating Guide:

Commercial General Liability:	General Aggregate	\$2,000,000
	Products/Completed Operations	
	Aggregate	\$2,000,000
	Personal and Advertising	
	Injury	\$1,000,000
	Per Occurrence	\$1,000,000
Automobile Liability:	Liability Limit	\$1,000,000
	Combined single limit	
	Owned, non-owned and hired vehicles	
Workers’ Compensation	In accordance with State statutes	
Employer’s Liability:	\$100,000 each accident	
	\$500,000 disease policy limit	
	\$100,000 disease accident limit	

“The Town of Newington and Board of Education” are to be named as “Additional Insured”. Original, completed certificate of insurance must be presented to the Director of Administrative Services prior to purchase order/contract issuance. Any non-standard exclusions shall be noted on the certificate of insurance.

**The above insurance requirements are the Town’s general requirements. Insurance requirements with the awarded respondent are subject to final negotiations.**