



San Bernardino County Employees'
Retirement Association

Request for Proposals for Employee Benefits Insurance Broker Services

Release Date: August 11, 2021

Response Date: August 31, 2021

RFP Administrator:

Stacey Barnier
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348 W. Hospitality Lane, Suite 100
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Current Situation and Goals

The San Bernardino County Employees' Retirement Association (SBCERA) is an independent, award-winning multiple-employer defined benefit plan. SBCERA administers service retirement, disability retirement, and death benefits on behalf of nearly 42,000 members and beneficiaries. SBCERA serves 17 employers throughout California and invests more than \$12 billion in assets. SBCERA was established on January 1, 1945 under the California County Employees Retirement Law of 1937 (CERL) following a vote by the people of the County on May 16, 1944. For more than 75 years, SBCERA has been providing the promised benefits to its members and beneficiaries while ensuring the plan remains solid and secure. Prior to 2010, SBCERA was a department of the County of San Bernardino.

SBCERA has 80 budgeted positions and approximately 60% are represented by SEIU Local 721. The other 40% are comprised of management and confidential employees that are not formally represented for the purpose of labor relations. All 80 positions are eligible for a variety of group insurance benefits and staff are separated into two benefit eligibility groups including the General Benefit Unit comprised of union represented employees and the Exempt Benefit Unit which is primarily management and confidential employees and two union represented employees. SBCERA currently contracts with the County of San Bernardino for medical, dental, vision and life insurances as well as flexible spending accounts (FSA) and Dependent Care Assistance Program. We hold annual open enrollment in June each year in conjunction with the County's open enrollment period. SBCERA conducts Dependent Care Assistance Program open enrollment in November each year in conjunction with the County's DCAP open enrollment period.

SBCERA contributes a Medical Premium Subsidy for each employee which is adjusted annually (indexed) each year using the percentage change in premiums. The percentage change in premiums shall be a "weighted average" based on the number of participants enrolled in each of the plans during the prior year. SBCERA contributes a Dental Premium Subsidy for each employee of \$9.46 per bi-weekly pay period or \$20.50 per month. SBCERA offers employee only coverage for vision that is 100% paid by the employer for the General Benefit Unit employees and family coverage for vision that is 100% paid by the employer for the Exempt Benefit Unit employees. The costs for both the employer and employee portions are included as Exhibit A. Additionally, SBCERA contracts with the County of San Bernardino for short-term disability, long-term disability, FMLA and leave management, through their MetLife contract. The County also administers SBCERA's COBRA benefits.

As part of continuing and ongoing due diligence in the procurement of all professional services, SBCERA seeks to review alternative insurance programs and insurance broker services within the context of a competitive process. The purpose of such process is to ensure SBCERA receives the broadest coverage and exceptional service at a cost that is reflective of current market conditions. In addition to the above, SBCERA seeks to achieve a common effective date of January 1, 2022 for all coverages.

Official RFP Notices/Addenda

To ensure that no firm is provided an advantage over another, all requirements are specified in this Request for Qualifications/Proposal (RFQ/P). Any changes to the requirements will be posted as an addendum to the RFQ/P on the SBCERA website. Firms are solely responsible for monitoring the website for and adhering to any RFQ/P addenda. SBCERA reserves the right to withdraw this RFQ/P at any time without prior notice and to reject any and all responses to this RFP. The rejection of any or all RFQ/P shall not render SBCERA liable for costs or damages.

Prohibited Communications

Except as noted below regarding questions or clarifications to the RFQ/P, from the RFQ/P release date until a contract for these services is fully executed, firms are prohibited from communicating with Board Members or staff concerning this RFQ/P or the resulting contract. Any communications could be considered as attempts to lobby or market services and are prohibited. Firms will be disqualified from contract consideration if this prohibition is not honored.

Timeline

Key dates for this solicitation are:

Phase I

August 11, 2021	Release RFQ/P
August 20, 2021	Deadline to submit questions. Please submit all questions by email to the RFP Administrator identified on the RFP cover page. Questions from all firms and SBCERA answers in response to those questions will be posted on the SBCERA website www.SBCERA.org/RFP , as per the solicitation timeline.
August 24, 2021	Submitted questions and SBCERA answers in response will be posted on the SBCERA website.

August 31, 2021	RFQ/P Response Due.
September 7, 2021	Initial Evaluation of Qualifications Completed
Phase II	
September 10, 2021	Interviews with Qualified Firms
September 13, 2021	Selected finalist brokers notified to begin marketing SBCERA's employee benefits portfolio
September 24, 2021	Provide complete marketing/negotiating of SBCERA's employee benefits portfolio and provide rate information to SBCERA team.
October 7, 2021	Board approval of new carriers, rates and professional service agreement with selected broker(s)
October 8, 2021	Execute Professional Service Agreement and Commencement of Consultant Services

Please respond to Phase I of the RFP section of this bid document by sending the indicated number of proposals to the following individuals no later than August 31, 2021:

One Email Copy to:

Stacey Barnier
San Bernardino Employees' Retirement Association
348 W. Hospitality Lane
San Bernardino, CA 92415
HR@sbcera.org

Submission of Proposals

1. All costs and expenses associated with responding to this RFQ/RFP are at the sole expense of the proposer. SBCERA is not obligated to the proposers in any manner and will not reimburse or pay any cost incurred by proposers.
2. Proposals must be submitted in 8½" x 11"-page PDF format.
3. All proposal pages must be numbered.
4. All proposals must include a cover letter recapping the highlights of the proposer's proposed program and signed by an authorized officer of the company.
5. Proposals should be concisely written and free from the insurance industry and other jargon or excessive boilerplate.

Scope of Service

SBCERA is seeking a broker/consultant to perform services related to the design, implementation, maintenance, communication, and improvement of employee benefits and insurance programs. We are particularly interested in a broker/consultant who has experience with local government and special district employers.

The selected broker shall provide services, including, but not limited to, the following:

A. Analysis and Reporting

1. Analyze existing coverage and identify or develop cost-saving alternative benefit strategies and plans.
2. Assist in the development of long-range goals and strategies, including making projections of potential savings.
3. Provide analysis and recommendations based on utilization and performance reports, statistical and/or financial reports, and plan specific data.
4. Assist SBCERA in monitoring and analyzing experience trends and providing timely alerts on changing patterns and appropriate recommendations.
5. Provide financial and/or performance reviews of self-funded and fully insured plans and programs.
6. Be available to provide various types of reports as needed, such as cost analysis for benefit changes, and other statistical, financial, forecasting, trend, labor negotiations or experience reports.
7. Regularly monitor and evaluate performance measures and guarantees for providers.
8. Maintain full and accurate records with respect to all matters and services provided on behalf of SBCERA's benefit plans and programs. Provide SBCERA staff or officials all spreadsheets, assumptions and calculations upon completion of any project performed on behalf of SBCERA's benefit plans and programs.

B. Liaison and Problem Intervention

1. Act as liaison between SBCERA and insurance providers.
2. Provide consultation on plan interpretation and problem resolution.
3. Provide timely customer service and assistance to staff regarding enrollment, issues involving provider billing, claims, vendor service issues/problems, advocacy for services, disputes, interpretation of contracts and services, changes and general troubleshooting.
4. Act as an advocate or ombudsman in appeal, arbitration or court process between SBCERA and the providers on unresolved issues if needed; provide advice when needed to enforce SBCERA, employee, or their dependents' rights.
5. Assist SBCERA in proactive mitigation of negative impacts or disruption of services to employees from benefit and/or provider network changes.

C. Compliance

1. Assist with ongoing plan administration and ensure that programs are in compliance with State and Federal legislation including by not limited to the establishment of SBCERA's own Section 125 plan.
2. Provide training to SBCERA staff, as needed, regarding regulatory updates and/or best practice seminars for the effective administration of benefits plan.
3. Review and disseminate information to staff on new or revised State and Federal legislation that impacts benefits programs.
4. Assist SBCERA staff with annual audit to ensure compliance with all mandated reporting and posting/notice requirements for benefit plans.
5. Develop and/or assist in developing communication materials and tools for conducting dependent verification audits.

D. Annual Renewal Process and Evaluation

1. Establish an annual strategy for benefits. Consider trends, union negotiations, prospective legislations, new delivery systems and geographic health-care practices.
2. Review and make cost-saving recommendations regarding the modification of plan design, benefit levels, premiums, communications and quality of current employee benefit plans.
3. Recommend appropriate premium rates and reserves to maintain the viability of the plans to ensure that quality and cost-effective benefits are provided by the plans.
4. Annual estimates of renewal rates and cost trends and assist SBCERA staff in preparation of budget and negotiation figures.

5. Conduct thorough and applicable market research in preparation for contract renewals.
6. Representation in all negotiations with providers on various topics, including, but not limited to, premiums, benefit levels and plan design, performance measures and guarantees, contractual terms and conditions, and quality assurance standards.
7. Make recommendations for items of negotiation with providers, including, but not limited to, benefit levels and plan design, premiums, quality of service, performance measures and guarantees, and return on investment, where applicable.
8. Prepare specifications and compile data, obtain quotes and proposals for all SBCERA benefits, negotiate rates and analyze and compare proposals.
9. Review rate proposals to ensure underlying assumptions are appropriate and accurate to SBCERA.
10. Provide communication development and support for the annual open enrollment period, new benefit offerings and/or changes to the existing benefits offerings.
11. Attendance at and assistance with coordination of the annual Benefits Fair (1-day event) and Health Benefits meetings (up to 2-3 meetings during the renewal period).
12. Provide quotes and proposals for each type of plan by September 24, 2021 for the 2022 plan year.

E. Other Service Requirements

1. Recommend and help develop enhancements and improvements for communications specific to the needs of SBCERA's employees including, but not limited to, brochures, pamphlets, matrices, comparison charts, summaries, electronic communications, forms, employee handbooks and employee orientation.
2. Provide timely research and responses to technical questions posed by SBCERA staff.
3. Provide regular and timely communications needed for the effective administration of benefit plans.
4. Provide guidance and recommendations on items such as, but not limited to, trends in benefits plans, methods for improving cost containment, financial arrangements and administration.
5. Provide access to published benefit-related survey information.
6. Recommend that SBCERA staff attend particular broker-sponsored seminars, benefit events and educational forums that would be beneficial to SBCERA.
7. Develop and/or assist in developing and evaluating employee needs and satisfaction surveys.
8. Work collaboratively with other consultants and SBCERA staff.
9. Manage plan transitions as necessary.
10. Review and evaluate current administrative processes related to enrollment and billing. Recommend and assist with implementation of administrative process enhancements.
11. Be available for assistance during normal business hours defined as Monday through Friday from 8:00 am – 5:00 pm excluding national holidays.
12. Assist in the development and implementation of SBCERA's Wellness Program by providing health information including, but not limited to, brochures, pamphlets, electronic correspondence, webinars and forums that SBCERA can make available to employees.

Request for Proposals Requirements

Your proposal should be formatted as follows:

- A. Table of Contents
- B. Cover Letter. Please include a cover letter introducing your company, summarizing your company's qualifications and detailing any exception to this RFP. This letter should also provide principal contact information for this RFP, including address, telephone number, fax number, email and website (if applicable).
- C. Executive Summary of Proposed Services
- D. Proposal Components/Services Narrative

I. Company Information

The following questions relate to general information about your firm:

1. Provide the address and telephone number of your home office and any other office locations.
2. Provide the address and telephone number of the branch office that will provide services to SBCERA.
3. What is the form of the firm's organization (corporation, partnership, sole proprietorship)?
4. List the principal owners, partners or officers, and include their business address and telephone numbers.
5. How long have you been in business?
6. How many employee benefits brokerage/consulting clients do you have? Distinguish between the company as a whole, and the office that will handle SBCERA's account.
7. What percentage of your employee benefits brokerage/consulting clients are public agencies?
8. What percentage of your revenue is derived from employee benefits brokerage/consulting services? Describe the revenue from any other lines of business.
9. How many new clients purchased employee benefits brokerage/consulting services from you during calendar years 2018, 2019 and 2020?
10. How many clients discontinued employee benefits brokerage/consulting services from you during calendar years 2018, 2019 and 2020? Provide names of the companies/agencies, and the names, titles and telephone numbers of the contacts.
11. Is there any pending litigation against your firm? If so, please provide details.
12. Does your firm anticipate selling or merging with any other firms in the next three years? If yes, provide details.

II. Organization and Personnel

1. Provide an organization chart for the location where this account will be handled.
2. Provide resumes of professional staff who would be assigned to work on SBCERA's account. Resumes should include the length of time employed by your firm and the accounts they have handled. Please try to limit resume length to one page if possible.
3. Describe the responsibilities of each individual assigned to SBCERA's account.
4. Describe the experience that assigned personnel has had in the following areas:
 - A. Meeting with employee groups and labor associations.
 - B. Pooled health plans (Non-CalPERS).
 - C. Alternative funding mechanisms for group insurance.

- D. Online benefits administration technology.
 - E. Open enrollment meetings.
 - F. Preparing Benefits Handbooks.
 - G. Conducting employee satisfaction surveys.
5. Include a statement that no staff member will be removed or replaced from SBCERA's account without prior written agreement from SBCERA.
 6. How many other accounts would the personnel on SBCERA's account handle?
 7. How will work be handled when assigned personnel are absent (vacation, sick leave, etc.)?
 8. What was the turnover ratio of personnel during calendar years 2018 through 2020, in the location that will be assigned to handle SBCERA's account?
 9. What hours will professional and support staff work? Include details of any modified work week or flex time.

III. Summary Reports

Provide samples of monthly and annual summary reports.

IV. Insurance

Provide the names of the insurance carriers, limits of liability, and deductibles for the following coverages:

1. Workers' Compensation and Employer's Liability
2. General Liability
3. Automobile Liability
4. Professional Liability/Errors and Omissions

V. Scope of Work

A restatement of the scope of work to be performed, including your understanding of the tasks required by SBCERA and any additional services that would be provided.

VI. Other Documents/Information

The following documents/information should be included in your proposal package:

1. Client references including:
 - A. Company/Agency name
 - B. Contact person, title, address and telephone number
 - C. Employee benefit programs (types of insurance) administered and scope of service provided
 - D. Size of group (number of employees/members)

- E. Number of years of service with client
- F. Date of contract renewal

VII. Sample Contract

Provide a sample contract.

VIII. Fees

SBCERA is interested in exploring different fee arrangements. Designate how you would be compensated under the following structures: 1) flat fee, 2) commission, or 3) commission not to exceed a certain amount. Include the estimated cost for your services. **All fees** for service, and how they are derived, must be clearly identified in the response to this proposal.

IX. Authorized Signature

The proposal must be signed and dated by the person authorized to bind your firm and should state the number of days your offer will remain firm after date of signature, and the person to be appointed as SBCERA's representative.

Other

Service Agreement Upon Award: Upon final selection and prior to appointment, the successful broker shall enter into a written broker services agreement with SBCERA. The final form of such broker services agreement shall be acceptable to SBCERA and incorporate services and terms no less broad than those identified in this RFQ/RFP and its attachments.

Overall Scoring Criteria

Some of the criteria used to evaluate the proposals are listed below:

1. Level of service to be provided to SBCERA and its employees.
2. Availability of staff members to respond to requests and questions.
3. Understanding the needs and requirements of SBCERA.
4. Ability to communicate findings and recommendations to SBCERA and resolve problems.
5. Experience of the firm, and particularly of staff members assigned to SBCERA.
6. Demonstrated competence in the services to be provided.
7. Ability to reach viable insurance markets and negotiate favorably on SBCERA's behalf.
8. Demonstrated knowledge of public agencies, and particularly special districts.
9. Quality of references.
10. Fees charged and other contract requirements.
11. The content and form of the written proposal.

Recommendation

Responsive proposals to this RFQ/P will be ranked in each of the criteria above and scored according to the rank. SBCERA may engage outside individuals to compose an evaluation panel.

SBCERA reserves the right to conduct investigations as SBCERA considers appropriate with respect to the qualifications of each firm or responsive firm and any information contained in its Proposal.

Response to this RFQ/P will be evaluated primarily using the criteria listed above and the ranking of any review panel will serve as a basis to formulate staff recommendations, setting forth the reasons for recommendation to the SBCERA Board.

Right to Reject Proposals and to Waive Informalities

SBCERA reserves the right to reject any and all firms and to waive any informality in the bid or proposal when doing so would be to the advantage of SBCERA. SBCERA may also reject any firm who has previously failed to timely and satisfactorily perform any contract with SBCERA.

Notice to Proposers Regarding the Public Records Act

The California Public Records Act, Government Code Sections 6250, et seq., provides that access to information concerning the conduct of the people's business is a fundamental and necessary right of every person in the state. Public records are defined as any writing relating to the conduct of the public's business and are open to inspection during normal business hours.

Responses to this RFP become the exclusive property of SBCERA. At such time as the evaluation committee recommends a proposer to the Board, and such recommendation appears on a public agenda, all proposals submitted shall be regarded as public records, subject to disclosure upon request. Exceptions will be those elements in each proposal, which are defined by law as business or trade secrets and otherwise exempt from disclosure under the Public Records Act, and are so reasonably and conspicuously marked as "TRADE SECRETS", "CONFIDENTIAL", or "PROPRIETARY" in red ink within the proposal. SBCERA shall not in any way be liable or responsible for the disclosure of any such records including, without limitations, those so marked, if disclosure is deemed to be required by law or by an order of a court of competent jurisdiction. The proposer shall indemnify SBCERA for any and all attorney's fees awarded against SBCERA based on SBCERA's refusal to disclose those elements of the proposal marked by the proposer with a restrictive legend. Proposers shall not mark their entire proposal as confidential. Such an attempted designation is not valid and will not be honored, and will instead result in the entire proposal being treated as a nonconfidential public record.

Submission by a vendor constitutes a complete waive of any claims whatsoever against SBCERA, and/or its agents, officers, or employees, that SBCERA has violated a vendor's right to privacy, disclosed trade secrets, or caused any damage by allowing the proposal to be inspected.

Appendix: Benefit Summaries and Other Related Plan Documents

Document Name
<u>Employee Benefits Guide 2021-22 Plan Year (Including Benefit Plan Rates)</u>
<u>KP Traditional HMO Benefit Summary 2021-22 Plan Year</u>
<u>KP Choice HMO Benefit Summary 2021-22 Plan Year</u>
<u>Shield Access+ HMO Benefit Summary 2021-22 Plan Year</u>
<u>Blue Shield PPO Benefit Summary 2021-22 Plan Year</u>
<u>Blue Shield Signature HMO Benefit Summary 2020-21 Plan Year</u>
<u>DeltaCare USA DHMO Benefit Summary 2021-22 Plan Year</u>
<u>Delta Dental DPPO Benefit Summary 2021-22 Plan Year</u>