

**REQUEST FOR PROPOSALS EMPLOYEE BENEFITS
INSURANCE BROKER AND CONSULTING SERVICES**

**Pioneers Memorial Healthcare District
207 W. Legion Road
Brawley, CA 92227**

RFP Schedule

Issued: October 30, 2020
Written Questions Due: November 13, 2020
Submittal: November 27, 2020

TABLE OF CONTENTS

| | Page |
|---|-------------|
| I. INTRODUCTION | |
| A. Purpose | 4 |
| B. Background | 4 |
| II. SCHEDULE AND SUBMITTAL | |
| A. RFP Schedule | 6 |
| B. Written Questions | 6 |
| D. Proposal Submittal | 6 |
| III. GENERAL INSTRUCTIONS | |
| A. District Contact Person | 7 |
| B. Oral Communications | 7 |
| C. Changes to RFP | 7 |
| D. Joint Offers / Subcontractors | 7 |
| E. Exceptions / Deviations | 7 |
| F. Authorization to Do Business | 7 |
| G. Pre-contractual Expenses | 8 |
| H. Withdrawal; Proposal Irrevocable for 90 Days | 8 |
| I. Disposition of Proposals | 8 |
| J. Immaterial Defects in Proposal | 8 |
| K. Standard Agreement | 8 |
| L. Term of Contract | 9 |
| M. News Releases | 9 |
| N. Use of District Employees' Names | 9 |
| O. Contractor Evaluation | 9 |

IV. PROPOSAL FORMAT AND CONTENT

| | |
|--|----|
| A. General | 10 |
| B. Cover Letter | 10 |
| C. Table of Contents | 10 |
| D. Qualifications, Related Experience and References | 10 |
| E. Staffing and Project Organization | 11 |
| F. Work Plan/Technical Approach | 12 |
| G. Fee | 12 |
| H. Exceptions/Deviations | 14 |
| I. Appendices | 14 |

V. PROPOSAL EVALUATION AND CONTRACT AWARD

| | |
|--------------------------|----|
| A. General | 15 |
| B. Evaluation Procedures | 15 |
| C. Evaluation Criteria | 15 |
| D. Contract Award | 16 |

Exhibit A Open Enrollment Materials

Exhibit B Schedule of Payments

REQUEST FOR PROPOSALS FOR EMPLOYEE BENEFITS INSURANCE BROKER AND CONSULTING SERVICES

I. INTRODUCTION

A. PURPOSE

The purpose of this Request for Proposals (RFP) is to solicit offers from qualified insurance brokers to provide brokerage and consulting services to the Pioneers Memorial Healthcare District (“PMHD” or “District”) in support of the District’s health and welfare benefits programs. Such services will include, but not be limited to: (1) reviewing and advising on appropriate insurance coverage, vendor contracts and evidence of coverage; (2) placement and management of insurance plans and services, including implementation and migration of plans; (3) Issuance of requests for proposals, as required; (4) Provide benefits customer support and employee support services; (5) participating in joint labor management benefits committee meetings; (6) coordinating with other District benefits service providers, acting as a liaison and an advocate for the District with insurance companies; and (7) developing and producing communications materials. (8) Strategize and assist with ongoing wellness program; (9) Advise the District on current and future federal, state and local mandated regulations.

The benefit programs include group medical, dental, vision and life/accidental death and dismemberment (AD&D) insurance (including basic and voluntary coverage), flexible spending accounts (FSAs), employee assistance program, long-term disability, stop loss, transplant, and long-term care.

B. BACKGROUND

Pioneers Memorial Healthcare District is a 107 bed acute care Hospital license by the California State Department of Health Services located at 207 West Legion Road in the City of Brawley, California. The two-story Hospital facility was constructed in 1950 with several building renovations and additions completed over the years. The District is governed by a Board of Directors consisting of five members elected to four year alternating terms by qualified voters within the District voting at general election held every two years.

The District provides a wide range of services including routine nursing care, intensive care, obstetrical, nursery , neonatal intensive care, radiology, nuclear medicine, MRI, CT scanning, renal dialysis, laboratory, operation and recovery rooms, pharmacy, physical therapy, respiratory therapy, emergency room, wound care and outpatient infusion services along with other related diagnostic services. The District also operates several hospital based physician clinics offering primary and specialized physician care. Lastly the District operates three certified Rural Healthcare centers located in Calexico California and Brawley California.

The District averages 5,000 acute care admissions and approximately 45,000 to 50,000

Emergency room visits on an annual basis. Surgical cases average 5,000 and Newborn deliveries average 1,600 per year. The District operates a NICU for newborns that require intermediate neonatal services.

The District employs approximately 800 to 850 employees and contracts with independent physicians for Emergency services, Pathology, Radiology and Primary Care. The District is accredited by the DNV.

You may also refer to our website for additional information at pmhd.org.

For additional information on the District's health and welfare benefit programs for the selected broker/consultant, please see attached open enrollment materials for plan year, July 1, 2019 to June 30, 2020 attached as Exhibit A of this RFP.

II. SCHEDULE AND SUBMITTAL

A. RFP SCHEDULE

Issued: October 30, 2020

Written Questions Due: November 13, 2020

Submittal: November 27, 2020

B. WRITTEN QUESTIONS

Questions or comments regarding this RFP (except to inquire about the number of addenda issued) must be put in writing and received by PMHD no later than 4:00 p.m., November 13, 2015. Written questions are to be: (1) mailed to Human Resources at the address shown for proposal submittal, or (2) e-mailed to snguyen@pmhd.org with the email subject reading Request for Proposal for Employee Benefit Insurance Services or (3) faxed to (760) 351-3142.

The District shall not be obligated to answer any questions received after the above-specified deadline or any questions submitted in a manner other than as instructed above.

C. PROPOSAL SUBMITTAL

1. General

Proposals must be received by **4:00 p.m. November 27, 2020**. Any proposal received after this date and time, may, at the sole discretion of the District, be returned or set aside without consideration. It is the practice of the District not to consider late offers unless it is determined that a selection cannot be made from among the proposals received on time.

Delivery of proposals by the specified deadline is the sole responsibility of the Proposer. PMHD shall not be responsible for, nor accept as a valid excuse for late proposal receipt, any delay in mail service or other method of delivery used by the Proposer except where

it can be established that the District was the sole cause of the late receipt.

The District intends that all proposals, regardless of method of submittal, remain unopened until after the deadline has passed for receipt of proposals. However, the District shall not be liable for damages alleged to arise from, nor accept as the basis for protest of a contract award, the circumstance where the District inadvertently opens a proposal prior to the deadline.

2. Method of Submittal

The proposal may be submitted in paper form in a sealed envelope marked “Proposal—Employee Benefits Insurance Broker and Consultation Services” and delivered to: Pioneers Memorial Healthcare District, 207 W. Legion Road, Brawley, CA 92227. Attn: Human Resources

Proposals may be mailed, sent by private carrier or delivered in person during normal business hours, which are 7:00 a.m. to 4:00 p.m., Monday through Friday. Faxed copies will not be accepted. The Proposer shall include one original and six (6) copies.

III. GENERAL INSTRUCTIONS

A. DISTRICT CONTACT PERSON

Sally T. Nguyen
General Counsel
Pioneers Memorial Healthcare District
207 W. Legion Road
Brawley, CA 92227
(760) 351-3353

B. ORAL COMMUNICATIONS

Any oral communications by the District’s Contact Person(s) or designee concerning this RFP is not binding and shall in no way modify the RFP or the obligations of the District, Proposer or Contractor.

C. CHANGES TO RFP

If it is necessary to make material changes to the RFP, the District will mail, fax or e-mail written RFP addenda to all recipients of record of the original RFP and/or post such addenda on the District’s Website. Recipients of record are those parties that obtained a copy of the RFP directly from the District. It shall be the responsibility of the Proposer to inquire of the District as to any addenda issued. This may be done by calling the District Contact Person prior to the proposal-submittal deadline. All addenda issued shall become part of the RFP.

D. EXCEPTIONS / DEVIATIONS

Any exceptions to or deviations from the requirements set forth in this RFP, including the terms and conditions contained in the Standard Agreement, must be declared in the proposal submitted by the Proposer. Such exceptions or deviations must be segregated as a separate element of the proposal under the heading "Exceptions and Deviations," as instructed below in section IV.

E. AUTHORIZATION TO DO BUSINESS

The Proposer must be authorized to do business in the State of California and, if applicable, in the local jurisdiction in which it is located or where the work will be performed. If a Proposer is a sole proprietorship or partnership, the Proposer should furnish with its proposal a copy of a current business license issued in California. If the Proposer is a corporation, it must be approved by the California Secretary of State to do business in California and should furnish with its proposal the corporate number issued by the Secretary of State.

F. PRE-CONTRACTUAL EXPENSES

The District shall not be liable for pre-contractual expenses incurred by the Proposer in the preparation of its proposal and Proposers shall not include any such expenses in their offers. Pre-contractual expenses are defined as expenses incurred by the Proposer to: (1) prepare and submit its offer to the District; (2) negotiate with the District on any matters related to this RFP; and (3) any other expenses incurred by the Proposer prior to the date of award, if any.

Issuance of this RFP and receipt of proposals does not commit the District to award a contract. PMHD reserves the right to postpone the award for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one Proposer simultaneously, or to cancel all or part of this RFP.

G. WITHDRAWAL; PROPOSAL IRREVOCABLE FOR 90 DAYS

A Proposer may withdraw its proposal at any time prior to the submittal deadline by sending the District a request in writing from the same person who signed the submitted proposal. As of the deadline for submittal, any proposal received by the District and not withdrawn becomes an irrevocable offer available for acceptance by the District immediately and for ninety (90) days thereafter. The Proposer is responsible for the accuracy of the proposal submitted, and no allowance will be made for errors or price increases that the Proposer later alleges are retroactively applicable.

H. DISPOSITION OF PROPOSALS

All materials submitted in response to this RFP become the property of the District and become public records after the award of contract, except for information identified by the Proposer as being proprietary (subject to the limitations in section IV) and which is eligible for nondisclosure under the California Public Records Act.

I. IMMATERIAL DEFECTS IN PROPOSAL

The District may waive any immaterial deviation or defect in a proposal. The District's waiver shall in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP if awarded the contract.

J. TERM OF CONTRACT

If a contract is awarded through this RFP, it will be effective upon full execution of the agreement for an initial term commencing January 1, 2020 and ending December 31, 2021, unless terminated earlier in accordance with the provisions specified in the contract. Thereafter, the District reserves the right, at its sole option, to renew the contract up to a maximum of three (3) additional one-year terms extending through December 31, 2024. The marketing/cost containment options for each subsequent fiscal year, if requested, will occur in the spring prior to January 1st effective date. The District's open enrollment period begins on April 19, 2020. All rate changes are reflected in open enrollment materials completed by February 1st of each year. No agreement with the District shall be in effect until a contract has been approved by the Board of Directors for PMHD, or designee, and has been signed by both parties.

K. NEWS RELEASES

News releases pertaining to any award resulting from this RFP may not be issued without the prior written approval of the District.

L. USE OF DISTRICT EMPLOYEES' NAMES

The successful Proposer must agree not to use the names or addresses of District employees for any purpose not directly related to this RFP.

M. CONTRACTOR EVALUATION

At the conclusion of the contract, the District may evaluate the contractor's performance. The results of this evaluation may be considered by the District in evaluating future proposals from the contractor and may be shared with other parties considering engaging the contractor.

IV. PROPOSAL FORMAT AND CONTENT

A. GENERAL

Proposals are to be submitted in 8½" x 11" size, typed and, if submitted in paper form, bound with a simple method of fastening. Lengthy narrative is discouraged; presentations should be brief and concise and not include extraneous or unnecessarily elaborate promotional material. The proposal should not exceed 50 pages in length, excluding appendices, if any. Proposers should use the following outline in organizing the contents of their proposals.

B. COVER LETTER

The letter of transmittal shall, at a minimum, contain the following:

- Identification of the Proposer, including business name, address and telephone number;
- Name, title, address, telephone number, fax number, and e-mail address of a contact person during the period of proposal evaluation;
- Acknowledgement of RFP addenda received, if any;
- A statement that the proposal shall remain valid for a period of not fewer than ninety (90) days from the due date for proposals;
- Identification of any information contained in the proposal which the Proposer deems to be, and establishes as, confidential or proprietary and wishes to be withheld from disclosure to others under the California Public Records Act or US Freedom of Information Act (a blanket statement that all contents of the proposal are confidential or proprietary will not be honored by the District); and
- Signature of a person authorized to bind the offering firm to the terms of the proposal.

C. TABLE OF CONTENTS

Immediately following the introduction and cover letter, insert a complete table of contents for material included in the proposal, including page numbers.

D. QUALIFICATIONS, RELATED EXPERIENCE AND REFERENCES

1. Overview: This section should establish the ability of the Proposer (and its subcontractors, if any) to satisfactorily perform the required work by reasons of: demonstrated competence in the services to be provided; the nature and relevance of similar work currently being performed or recently completed; record of meeting schedules and deadlines of other clients; competitive advantages over other firms in the same industry; strength and stability as a business concern; and supportive client references. Information should be furnished for both the Proposer and any subcontractors included in the offer.

2. Furnish background information about your firm, including date of founding, legal form (i.e., sole proprietorship, partnership, LLC, corporation/state of incorporation), number and location of offices, principal lines of business, number of employees, days/hours of operation and other pertinent data. Disclose any conditions (e.g., bankruptcy or other financial problems, pending litigation, planned office closures, impending merger) that may affect the Proposer's ability to perform contractually. Certify that the firm is not debarred, suspended or otherwise declared ineligible to contract by any federal, state or local public agency.

3. Describe your firm's most noteworthy qualifications for providing the required services to the District. Specifically highlight those qualifications that distinguish you from your competitors.

4. List all California Hospital Districts and other public agencies to which your firm has

provided employee benefits insurance broker and consulting services. Identify those at which are self-insured.

5. Identify at least four (4) current clients PMHD may contact as references and who can independently evaluate the Proposer's expertise in this area. Describe the work performed and include the name, job title, address and telephone number of a contact person for each reference.

6. Identify all lost or terminated accounts within the past three years. For each account, identify the account's line of business, describe the services your firm provided, and state the reasons for the end of your working relationship.

7. Describe other lines of business in which your firm is engaged.

8. If your organization is a subsidiary or division of a parent firm, provide similar background information on the parent company and identify any other affiliated companies.

9. Describe your firm's policy on accepting contingent commissions, or any other sources of income, revenue, consideration, compensation or overrides, in connection with services provided to your clients. Describe your firm's disclosure policy.

10. Disclose any existing or potential conflicts of interest between the scope of work required by the District and your firm's other business activities.

11. Furnish certificates of insurance showing the types and amounts of insurance carried by your firm.

E. STAFFING AND PROJECT ORGANIZATION

1. Overview: This section should discuss the staff who would be assigned to service the District's account, their projected levels of work, and their reporting relationships.

2. Identify the key personnel from your firm who would be assigned to this project. Include a brief description of their qualifications, current job functions (including other accounts to which they are committed), proposed roles on the PMHD account team, and office location(s). Designate a principal of the firm who would be ultimately responsible for the relationship and an Account Manager who would provide day-to-day direction of the required work. Furnish brief resumes (not more than two pages long) for all key personnel; include these as an appendix, not in the body of the proposal.

3. If more than two people will be assigned to PMHD's project, include a simple organization chart that clearly delineates communication and reporting relationships

among the project staff.

4. Estimate the number of hours to be devoted to the PMHD account by each key personnel member.

F. WORK PLAN / TECHNICAL APPROACH

1. Overview: This section should establish the Proposer’s understanding of the District’s objectives and requirements, demonstrate the Proposer’s ability to meet those requirements and outline clearly and concisely the plan for accomplishing the specified work.
2. Describe succinctly how your firm would accomplish the work and satisfy the District’s objectives described in this RFP. If appropriate, divide the work into segments or tasks to represent milestones for measuring progress.
3. Attach as an appendix a sample insurance renewal proposal your firm prepared for a client of the size and complexity of the District. You may de-identify the client and otherwise exclude information deemed proprietary to the client.
4. List all the names of the insurance companies that underwrite 30% or more of your firm’s book of business. Project whether you would approach the same markets on behalf of the District’s account or source other markets.

G. FEE

1. Overview: This section should disclose all charges to be assessed the District for the Scope of Work. Follow the format presented in Exhibit B (“Schedule of Payments”) of this RFP.
2. Quote an annual total fixed flat fee for completing all requirements outlined in the Scope of Work.
3. The Chart below estimates the average hours per month the District anticipates for select services. Please show your annual hours for each category.

| Cope of Work | Average Expected Annual Hours |
|--------------|-------------------------------|
|--------------|-------------------------------|

| | |
|--|-----|
| <p>Strategic Planning, Plan Fiscal Risk Mgmt: Includes managing renewal, vendor selection, implementation, funding alternatives and plan designs, utilization analysis and internal underwriting. Vendor marketing and selection could include Health, Dental, Vision, Third Party Billing and EAP services. Participating in joint labor management benefits committee meetings</p> | 540 |
| <p>Client Management & Ongoing Admin Services: Develop and maintain annual service calendar with key dates and actions items, including preparation of open enrollment package, vendor management and issue resolution, review contracts for accuracy, develop and maintain annual service calendar with key dates and action items, notify of material changes to carrier plans, network or financial position. The District pays directly for the copying of open enrollment packages and announcements</p> | 276 |
| <p>Communication Planning/Education Communication objective setting and strategy development, custom and branded materials and campaigns for open enrollment and other needs</p> | 48 |
| <p>Benefits Customer Support/EE Support Services Employee help desk, facilitate resolution of enrollment/eligibility issues, benefit and claims questions, tracking and reporting of employee, provider, benefit and claims issues</p> | 48 |
| <p>Wellness Program Strategize and assist with ongoing wellness program</p> | 60 |
| <p>Compliance/Legislation Advisory Services Advise on current and future federal, state and local mandated regulations, Affordable Care Act, (ACA), Section 125, COBRA , HIPAA, etc.,</p> | 18 |
| <p>Total Hours</p> | 990 |

4. For all hours requested above, quote an annual flat fee for each the two year term, and for each of the potential three (3) option years that may follow. The annual total fixed fees shall be inclusive of all expenses and costs, including direct labor, indirect costs and profit.

5 The estimated hours may be transferred within categories as approved by the District to ensure District needs are met and based on actual scope of services required. State your

preference for how payments should be made (e.g., monthly, quarterly, semi- annually). All invoices will require tracking of services provided in accordance with the above schedule.

6. The broker/consultant's only permitted source of income, revenue or compensation earned or received in connection with the District's account is the annual total fixed flat fee paid by the District. Any other source of income, revenue, consideration, or compensation, including, but not limited to, commissions and overrides received by the broker/consultant in connection with the District's account, must be disclosed and either remitted to the District or subtracted from the fee receivable from the District.

H. EXCEPTIONS / DEVIATIONS

State any exceptions to or deviations from the requirements of this RFP, including the Standard Agreement presented in Exhibit B. If you wish to present alternative approaches to meet the District's work requirements, these should be thoroughly explained.

I. APPENDICES

1. Furnish as appendices those supporting documents (e.g., staff resumes) requested in the preceding instructions.

2. Include any additional information you deem essential to a proper evaluation of your proposal and which is not solicited in any of the preceding sections. Proposers are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous material; appendices should be relevant and brief.

V. PROPOSAL EVALUATION AND CONTRACT AWARD

A. GENERAL

All proposals received in accordance with these RFP instructions will be evaluated to determine if they are complete and meet the requirements specified in this RFP. An award will be made to the Proposer whose offer is judged to be the most advantageous to the District. The District expressly reserves the right to reject all proposals and make no award under this RFP.

B. EVALUATION PROCEDURES

1. Process

All proposals received in accordance with these RFP instructions will be reviewed, analyzed, evaluated and scored in accordance with the criteria described below. If needed, additional information may be requested from one or more Proposers. Interviews and contract negotiations may be conducted with one or more Proposers. The evaluators will then select a Proposer for award. Any selection and contract award is subject to review by the District's Superintendent and authorization by the District's Board of

Trustees.

2. Request for Additional Information

During the evaluation the District may require supplemental information in order to fairly evaluate a Proposer's offer. For this purpose, the District may request such information, including a best and final offer, from the Proposer after the initial submittal. If such information is required, the Proposer will be notified in writing (or by e-mail) and will be permitted a reasonable period of time to submit the information.

C. EVALUATION CRITERIA

By use of numerical and narrative scoring techniques, proposals will be evaluated by PMHD against the factors specified below. The relative weights of the criteria—based on a 100-point scale—are shown in parentheses. Within each evaluation criterion listed, the sub criteria to be considered are those described in the "Proposal Format and Content" section of this RFP.

- Qualifications, experience, references of Proposer, and ability to carry out the Scope of Work (35 points);
- Work Plan including client relations/Technical Approach (35 points);
- Fee (20 points)
- Miscellaneous (10 points) {exceptions/deviations, completeness of proposal, adherence to RFP instructions, other relevant factors not considered elsewhere}

The District reserves the right to reject any or all proposals, to waive any irregularities or informalities in the offers received and to change the evaluation process described above if circumstances dictate this or it is otherwise in the best interest of the District to do so. In the event a proposal(s) is rejected or otherwise does not result in a contract award, the District shall not be liable for any costs incurred by the Proposer in connection with the preparation and submittal of the proposal.

D. CONTRACT AWARD

It is the intent of PMHD to award a single contract as the result of this RFP. However, the District reserves the right to apportion the requirements of this RFP among multiple contractors if this is determined to be in its best interests. Depending on the dollar amount of the award(s) and other factors, the contract(s) resulting from this RFP may require authorization by the District's Board of Directors.

EXHIBIT A

2019-2020 OPEN ENROLLMENT

EXHIBIT B

SCHEDULE OF PAYMENTS

TOTAL FEES: Service Fees RFP Fees Communications Fees

January 1, 2016 to December 31, 2016 \$ \$ \$

January 1, 2017 to December 31, 2017 \$ \$ \$

January 1, 2018 to December 31, 2018 \$ \$ \$

January 1, 2019 to December 31, 2019 \$ \$ \$

January 1, 2020 to December 31, 2020 \$ \$ \$

Total fees broken down in payment installments (e.g. monthly, quarterly, semi-annually):

\$ \$ \$

\$ \$ \$

\$ \$ \$

\$ \$ \$

The Contractor's only source of income, revenue or compensation earned or received by the Contractor in connection to the District's account is the annual total fixed flat fee paid to the Contractor by the District. Any other source of income, revenue, consideration, or compensation, including, but not limited to, commissions and overrides received by the Contractor in connection to the District's account, must be disclosed and reimbursed back to the District.