

City of Myrtle Beach Request For Qualifications

RFQ 23-R0011 Benefit Consultant/Broker Services

Issue Date: October 6, 2022



First in Service

The City of Myrtle Beach will not be responsible for any errors, omissions, or misrepresentations regarding any plans or solicitation documents that are obtained from any source other than the City of Myrtle Beach. It is the Contractor's sole responsibility to verify the authenticity of all documents associated with this project. The Contractor will be liable for any losses, damages, costs, and/or expenses incurred by operating from plans or documents that are not obtained directly from the City of Myrtle Beach.

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REQUEST FOR QUALIFICATIONS	
RFQ # 23-R0011 Benefit Consultant/Broker Services	
Buyer Contact:	David Bernstein 843-918-2171 dbernstein@cityofmyrtlebeach.com
Mandatory Pre-Qualifications Conference: Attendance is required for consideration.	N/A
Question Deadline: All questions must be submitted in writing to dbernstein@cityofmyrtlebeach.com	Thursday, October 20, 2022 at 12:00 noon (local time)
Opening Date/Time & Location:	Thursday, November 3, 2022 at 2:00PM (local time) City of Myrtle Beach Purchasing Division 3231 Mr. Joe White Avenue, Myrtle Beach, SC 29577

The City of Myrtle Beach is requesting sealed qualifications from a consultant/broker of record for the City's benefits program.

All questions received by the deadline will be answered via addendum and will be posted on the City website. It is the consultant's/firm's responsibility to monitor the website for any changes to this solicitation.

All pages of the qualifications packet must be in a sealed envelope and delivered in accordance with these instructions:

- The envelope must be marked with company name, project number/name, and time/date of opening.
- Packages shall be delivered to the address listed above. No electronic submissions will be accepted. The City of Myrtle Beach is not responsible for late or misdirected mail.

If the above criteria are not met, your qualifications may be rejected. Qualifications are not subject to public reading.

Firms are advised that from the date of issue of this solicitation until date of opening, no contact with City personnel related to this solicitation is permitted. All communications/requests for clarification are to be directed to the Buyer listed above.

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SECTION I: CONDITIONS AND STIPULATIONS

The City of Myrtle Beach seeks qualifications from firms to provide broker and consulting services in the area of employee benefits. The City is seeking firms who can provide an innovative, integrated, and coordinated approach to employee benefits management. It is anticipated the contract agreement will become effective on January 1, 2023 and the City will require the selected firm to assume responsibility at that time. However, the City reserves the right to adjust timeframes and schedules as needed.

You are invited to submit your qualifications demonstrating your capabilities for brokerage, consultation, and administration of the benefits plans listed below based on the information contained in this Request for Qualifications:

- **Group Health Insurance Plan (including Health, Rx, dental, and vision)**
- **Group Life Insurance Plan**
- **Ancillary Insurance Plans (i.e., flexible benefit plans, Health Savings Accounts, etc...).**

Under the provisions of the South Carolina Freedom of Information Act, all responses, after opening, will become public information unless you specifically mark your response as Proprietary and Confidential. Unless a specific note is made to the contrary in your response or any possible subsequent contract, you will be obligated to comply fully with all of the following General Conditions and Stipulations.

General Conditions and Stipulations

The City of Myrtle Beach reserves the right to reject any or all qualifications, or any parts thereof, waive formalities, negotiate terms and conditions, and to select the consultant and service options that best meet the needs of the City of Myrtle Beach and its employees. The City of Myrtle Beach's objective is to provide quality benefits to our employees for the best value to both the City and the employees. The City wants a broker of record/consultant on board who can explore the market and suggest the best course of action for the City regarding its benefits package. The broker must ensure the welfare of the City's employees while demonstrating fiscal responsibility for the City. The City of Myrtle Beach is not obligated to award the contract based on cost alone. The City reserves the right to designate more than one consultant of record for the different coverage options.

Within thirty (30) days from when the City of Myrtle Beach approves the selected consultant of record, the consultant awarded the project shall submit to the City of Myrtle Beach an action plan and timetable for assuming responsibilities.

The broker must provide professional advice pertaining to group health, dental, life, and any ancillary plans (i.e., flexible benefit plans, health savings accounts, etc...). The broker will develop different approaches to dealing with any problems that may arise with the City's benefit package. A servicing representative must be available to the City of Myrtle Beach on an on-going basis to address benefit questions. Representative(s) must be available, if requested with notice, at all open enrollment meetings during the contract period to explain the plan and enroll the City of Myrtle Beach employees in the benefits programs. Representative(s) must also be available for all plan design and cost containment planning meetings. The broker must aid the City to ensure compliance with all federal and state laws that pertain to the City's benefit program.

Any consultant selected must be recognized as a consultant or apply to be a consultant for the Benefit Carriers used by the City of Myrtle Beach.

SECTION II: BACKGROUND INFORMATION

The City of Myrtle Beach is a residential community and vacation destination at the heart of the Grand Strand, a 60-mile stretch of natural beauty on South Carolina's northeastern coast. The City has 35,000+ residents and many visitors. The City of Myrtle Beach has approximately 1090 employees, 880 full time employees, and 210 part-time employees who are eligible for benefits.

City of Myrtle Beach Health Insurance Basics

The City of Myrtle Beach is self-insured; we contract with an insurance provider for specified healthcare options and the city pays for the coverage /expense. The City provides insurance coverage to employees at no cost to the employees. Employees may pay monthly premiums for spouse and children at actual rates. The city provides a free healthcare clinic as a wellness measure, reducing the overall cost of healthcare and prescriptions at no cost.

Employees (hired before July 1, 2019) who retire with 20-plus years of service have access to a \$100,000 RHRA (Retirement Health Reimbursement Account); those who retire with 15-plus years of service has access to a \$50,000 RHRA. These RHRA funds may be spent by the retiree on federally authorized healthcare expenses. The RHRA funds granted to qualifying Pre-65 and Post-65 Retirees will not expire and will not be taken away. The RHRA accounts were established in 2009 as a better way of funding “other post-employment benefits.”

Post-65 Retirees utilize Medicare for their coverage. They do not have the option of continuing on the City’s health insurance plan at any cost. Post-65 Retirees do not have access to the City’s healthcare clinic. Approximately 13 pre-2009 retirees who were pre-65 at retirement have access to City healthcare coverage. *However*, they retired before the RHRA accounts. Retirees are eligible to retire from the South Carolina Retirement System (SCRS) or the Police Officers Retirement System (PORS).

Plan Year and Open Enrollment- the plan year for all plans is July 1 through June 30. Open enrollment begins mid - May with and effective day of July 1.

Present Benefit Plans

The benefit plans currently offered are in Attachments 1 and 2. Consultants must review all benefits provided and are free to propose other benefits or alternatives that are not part of the current plan.

SECTION III: SCOPE OF SERVICES

This scope of work provides a general outline of services that are expected to be offered as part of providing broker and consulting services in the area of employee benefits.

1. Explain how your firm would advise and assist the City of Myrtle Beach in evaluating and selecting among coverage alternatives based on such criteria as plan design, plan coverage, deductibles, co-payments, cost effective provider networks, out of pocket payments, etc.
2. Explore and advise the City of Myrtle Beach on creative solutions to benefits management issues and benefits alternatives. Examples may include, but are not limited to, Consumer Driven Health Care, Health Savings Accounts, Flexible Spending Accounts, Health Reimbursement Accounts, etc.
3. Review claims and utilization experience. Advise and consult on methods for improving cost containment and claims administration. Where applicable, provide cost analysis of possible impacts on plan. Assist in the modification and pricing of any current or newly considered programs.
4. Provide recommendations as to new plans and plan design for overall value, cost management, and flexibility. Evaluate plan funding and provide cost projections for various plan designs, contribution strategies, and financial budgeting.
5. If needed, assist in finding, selecting, and negotiating with vendors for benefit coverage.
6. Assist the City of Myrtle Beach in review of plan documents for accuracy, ease of understanding, and compliance with regulations.
7. Advise the City of Myrtle Beach on potential gaps and/or overlaps in coverage.
8. Conduct cost analysis of employer/employee contributions for program components and pricing. Negotiate pricing of benefits with the City's insurance carrier(s).
9. Review actuarial statements on the City's OPEB liability under GASB45. Advise and consult on methods for improving cost containment, managing the Unfunded Actuarially Accrued Liability (UAAL) and limiting the Annually Required Contribution (ARC). Propose innovative options and evaluate their impacts upon benefit plan cost structures.
10. Provide recommendations and review for actuarial accuracy as to Employee and COBRA contributions.
11. Assist in annual employee benefit review meetings.
12. Provide other benefit consulting services on a project basis, as needed.

SECTION IV: QUALIFICATIONS

1. The firm must possess intimate knowledge and expertise about the Governmental Accounting Standards Board's Statement Number (GASB 45) and its valuation and reporting requirements.
2. The firm must also demonstrate an ability to take innovative approaches to facilitate the continuation of a high-quality benefits program that includes OPEB as that term is defined in GASB 45, while successfully limiting the City's UAAL, minimizing the ARC and optimizing health care costs.
3. Additionally, the proponent must demonstrate:
 - a. A minimum of five (5) years prior experience with governmental entities as clients.
 - b. Prior experience within last two (2) years with client organizations no fewer than 1,000 employees and dependents combined.
 - c. Experience in working with or converting to consumer-oriented approaches to benefit planning and health insurance coverage.
 - d. Understanding of, and experience with, Coastal South Carolina demographic area health care delivery concerns.
 - e. Experience working with cafeteria-style programs, including Section 125 Flexible Spending Plan Arrangements.
 - f. Experience in costing services accurately, evaluating benefit program designs, negotiating the pricing of services, and making recommendations for program improvements and/or restructuring in conformance with the City's objectives.
 - g. Extensive experience in providing compliance assistance as it applies to governmental regulations concerning employer's benefits.

SECTION V: REQUIRED BACKGROUND INFORMATION

1. Describe your firm, its history and size, the location in which it operates, and the number of employees. Tell us the location of the office from which services will be provided.
2. Provide information on the principal consultant who would be responsible for the City of Myrtle Beach's account. What is his or her professional background and experience? Identify the team that would assist the principal consultant and the client.
3. Tell us how your firm, and especially the team you have identified in Item 2 above, is uniquely qualified to advise the City in areas concerning GASB 45 and OPEB.
4. How many clients does the principal consultant provide ongoing services? List five (5) largest clients this person works with on an ongoing basis for reference purposes. Provide name of client, contact name, address and telephone number.
5. What is your firm's philosophy in the approach to benefits consulting?
6. What is your firm's experience in dealing with Coastal South Carolina demographic area health care issues?

7. What is your experience in developing, evaluating, and maintaining Section 125 plans?
8. What is your experience about bid proposals and negotiating for health insurance coverage and other companies?
9. Describe any pending litigation against your firm.
10. Describe any problems you foresee in your ability to conduct the services described in this Request for Qualifications.

SECTION VI: SUBMITTAL REQUIREMENTS

Submit six (6) signed hard copies and one (1) electronic copy on a thumb drive of your entire qualifications package in a sealed envelope.

The qualifications package should consist of the following sections:

1. Letter of Intent
2. Narrative addressing the items in the Scope of Work in the order presented.
3. Answers to the Required Background Information in the order presented.

SECTION VII: EVALUATION/SELECTION PROCESS

The City intends to “short-list” firms responding to this RFQ and may interview one or more firms to better assess their qualifications. The City will evaluate based on qualifications, experience and performance with similar projects, references, ability to provide timely services, awareness of project issues, as well as opportunities and constraints. Each firm must be able to meet all municipal, state and federal affirmative action and equal employment opportunity practices and guidelines.

The responses received will be evaluated by a review team comprised of the Budget Director, Director of Insurance and Risk Services, and Director of Human Resources, who will work together to arrive at a final ranking of all submittals. The team will then make a recommendation to the Chief Financial Officer and the City Manager. The City Manager will make final decisions. The City would then negotiate with the number one ranked search firm to determine if it is possible to come or enter into or agree to an acceptable contract. The City must approve any contract. If the City determines that it is unable to come to an acceptable contract, or if the City refuses to approve a contract with the number one firm, then the City shall negotiate with the number two firm. This process shall be followed until the City approves a contract.

The City reserves the right to waive technicalities or irregularities, accept the qualifications and award a contract, to postpone acceptance and award of the contract, to reject any and all qualifications received and re-advertise the project, to negotiate for a partial scope of work, or to negotiate separately with any source whatsoever in any manner necessary to serve the best interests of the City.

The City of Myrtle Beach does not expressly state or imply any obligation to reimburse responding firms for any expenses incurred in preparing submissions in response to this request.

ATTACHMENT 1

Voluntary Benefits Provided by the City of Myrtle Beach

City of Myrtle Beach - Colonial Information

VOLUNTARY CANCER PLAN

BENEFITS	Option 1 (low level 2)	Option 2 (high level 4)
Cancer Screening/Wellness Benefit	\$100 per Covered Person per Calendar Year	\$100 per Covered Person per Calendar Year
Initial Diagnosis	One Time Benefit of \$1,000 per Covered Person	One Time Benefit of \$5,000 per Covered Person
Surgery	Up to \$1,500 per Surgery	Up to \$4,500 per Surgery
Second Surgical Opinion	\$300 per Malignant Condition	\$300 per Malignant Condition
Hospital Confinement	\$100 per Day/first 30 Days, \$200 per Day/after 30 Days	\$300 per Day/first 30 Days, \$600 per Day/after 30 Days
Intensive Care	\$200 per Day/180 day Maximum \$150 a day	\$600 per Day/180 day Maximum \$300 a day
Radiation /Chemotherapy	\$5,000 Calendar Year Maximum	\$10,000 Calendar Year Maximum

VOLUNTARY ACCIDENT INSURANCE

Wellness Benefit/Health Screening	\$50 per year per covered person
Accident Emergency Treatment	\$125 per Accident
Ambulance	\$200
Hospital Admissions	\$1000
Hospital Confinement	\$200 per Day
Dislocations	\$150 - \$6,000
Burns	\$1,000 - \$12,000
Broken Bones	\$150 - \$7,500
Accidental Death	\$25,000

VOLUNTARY CRITICAL ILLNESS COVERAGE

\$20,000 EMPLOYEE BENEFIT

SPOUSE AND DEPENDENT CHILD(REN) BENEFIT IS 50% OF THE EMPLOYEE BENEFIT.

Wellness Benefit of \$50 per year per covered person included. Your Critical Illness Plan helps you pay for the direct (deductibles/coinsurance) and indirect costs (loss of wages, home healthcare, rehabilitation, and basic living expenses) associated with Critical Illnesses, such as Heart Attack (myocardial infarction), Stroke, End Stage Renal Failure, Major Organ Failure, Coma, Permanent Paralysis, Blindness, Occupational Infectious HIV or Occupational Infectious Hepatitis B, C, or D, and Coronary Artery Bypass Graft Surgery/Disease.

VOLUNTARY GROUP HOSPITAL CONFINEMENT INDEMNITY INSURANCE (GROUP MEDICAL BRIDGE)

Hospital Confinement Benefit	\$1000. Max 1 benefit per covered person per calendar year
Emergency Room Visit Benefit	\$150. Max 1 visit per covered person per calendar year
Diagnostic Procedure Benefit	\$250. Max 1 procedure per covered person per calendar year
Outpatient Surgical Procedure	\$500 Tier 1 procedure \$1000 Tier 2 procedure Maximum of \$1500 per covered person per year for Tiers 1 and 2 combined.

This is a brief non-legal summary of the benefits offered. All benefits are subject to the definitions, limitations and exclusions set forth in the contracts. The City of Myrtle Beach has a right to change, amend or eliminate benefits at any time. Any such changes will be communicated to participants before the effective date of the implemented changes.

ATTACHMENT 2

Current Group Medical, Dental, Vision, Life Benefits

Group Number: 782		Group Name: City of Myrtle Beach	
<p>ALL BENEFITS SUBJECT TO THE FEE SCHEDULE & BENEFIT YEAR DEDUCTIBLE UNLESS OTHERWISE INDICATED. MAIL CLAIMS TO APPROPRIATE LOCATION STATED ON ID CARD. PRE-CERTIFICATION IS REQUIRED FOR ALL HOSPITAL ADMISSIONS. PLEASE REFER TO ID CARD.</p>			
BENEFIT YEAR (BY) DEDUCTIBLE:	Per Participant:	\$1000 (PPO)	\$1500 (NON-PPO)
	Per Family:	\$2000 (PPO)	\$3000 (Non-PPO)
OUT-OF-POCKET:	Per Participant:	\$3500 (PPO)	\$4500 (NON-PPO)
	Per Family:	\$7000 (PPO)	\$9000 (NON-PPO)
PER CONFINEMENT CO-PAYMENT:	PPO:	\$0	NON-PPO: \$0
ANNUAL MAXIMUM:	N/A		
BENEFITS			
		PPO	NON-PPO
Room/Board (semi-private room rate):		80%	70%
Skilled Nursing Facility (60 days/ BYR):		80%	70%
Physical Rehabilitation:		80%	70%
ICU, CCU, Burn Unit:		80%	70%
Nursery Charge:		80%	70%
Newborn Care:		80%	70%
IP Mental Nervous & /Substance Abuse (Preauthorization Required):		80%	70%
OP Mental Nervous & Substance Abuse (Preauthorization Required):		80%	70%
Office visits Mental Nervous & Substance Abuse		\$35 co-pay/100%*	70%
OP Surgery, Services, Supplies:		80%	70%
OP Diagnostic X-Ray/Lab:		100%*	70%
ER Services:		80%	80%
Pre-Admission Testing:		80%	70%
Physical Therapy (40 visits/BY):		80%	70%
Speech Therapy (40 visits/BY):		80%	70%
Cardiac and Pulmonary Therapy (40 visits/BY):		80%	70%
Occupational Therapy (40 visits/BY):		80%	70%
Office Visit for Accident or Illness:	Primary Care:	\$50 co-pay/100%*	70%
	Pediatricians/OB-GYN:	\$35 co-pay/100%*	70%
	Specialist:	\$45 co-pay/100%*	70%
		80%*	70%
Injections in Office:		100%*	70%
Pathology/Radiology:		80%	70%
Anesthesia, Inpatient & Outpatient:		80%	70%
Physician Fees For Inpatient/Outpatient:		80%	70%
Second Surgical Opinion (not mandatory):	Primary Care:	\$50 co-pay/100%*	70%
	Pediatricians/OB-GYN:	\$35 co-pay/100%*	70%
	Specialist:	\$45 co-pay/100%*	70%
		80%	70%
DME (Pre-Cert require for OON over \$1K):		80%	70%
Home Health Care (100 visits/BY & pre-cert required for OON only):		80%	70%
Hospice Care (360 days/LT & pre-cert required OON only):		80%	70%
Ambulance:		80%	80%
Organ & Tissue Transplant Procedures:		80%	70%
Urgent Care:		\$50 copay/100%*	70%
Chiropractic Care (24 visits/BYR):		80%	70%
Wig w/chemo (\$300/BY):		80%	70%
Orthotics (\$300/BY):		100%	70%
Diagnostic Colonoscopy:		100%*	100%*
Diagnostic Mammogram:		100%*	100%*
MRI, Cat Scan, Pet Scan:		80%	70%
Vision Care:			
One eye exam, including refractions (1 per BY):		100%* Up to \$75	
Lenses and contacts (1 per BY):		100%* Up to \$150	
Frames (1 every 2 years):		100%* Up to \$150	
WELLNESS SERVICES:			
Well Child Care Exam:		100%*	70%
Annual Physical Exam:		100%*	70%

Gynecological Exam	100%*	70%
Pap smear screening	100%*	70%
Annual Prostate Exam	100%*	70%
Routine Colonoscopy:	100%*	100%*
Routine Mammogram	100%*	100%*

PRESCRIPTION DRUGS (SAV-RX PRESCRIPTION SERVICES):

Retail (31 day supply): Member pays the lesser of 40% (plan pays 60%) or a \$250 copay of Rx up to \$2,500 individual, \$5000 family out of pocket maximum then Rx's are covered at 100%.
 Mail order (90 day supply): Member pays 15% (plan pays 85%) of Rx up to \$2,500 individual, \$5000 family out of pocket maximum then Rx's are covered at 100%.
 Note – Rx OOP is separate from medical OOP.

*Deductible not applied.