



Insurance Broker RFP

2023

RFP Schedule

RFP distributed	06/07/2023
Responses to RFP Due	06/28/2023
Conduct interviews with Finalists	07/10/2023 – 07/14/2023
Select broker/consultant	07/17/2023

Semcac is requesting proposals from insurance brokers/consultants qualified to perform and interested in providing Employee Benefits/Human Capital brokerage and consulting services.

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Semcac, a 501(c)3 non-profit Community Action Agency, is requesting proposals from insurance brokers/consultants qualified to perform and interested in providing Employee Benefits/Human Capital brokerage and consulting services.

Please note that Semcac is not asking for, nor authorizing your soliciting quotes from insurance carriers.

Background

Semcac is a non-profit agency that was created to combat poverty in geographically designated areas. Our Community Action status is derived from an explicit designation by local and state government. Our mission is to focus available local, state, private, and federal resources to assist low-income individuals and families achieve economic self-sufficiency. We currently have 230 employees (105 full-time, 42 full-time seasonal, 83 part-time) and serve 11 counties in SE Minnesota which includes: Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha and Winona. Our programs include: Head Start, Senior Services, Family Planning, Community Development, Transportation and Emergency Services.

Scope of Service

Semcac is seeking a broker/consultant to perform the full range of services related to the design, implementation, maintenance, communication, and improvement of insurance programs. The broker /consultant assists the Administrative team in administering all group insurance plans, responding to questions from and providing information to staff, and providing other consulting services during the course of the plan year. This includes, but is not limited to:

1. Assists Semcac in complying with laws and regulations related to employee benefits.
2. Reviews claims experience, claim service, and claim administration to ensure maximum benefit.
3. Determines and recommends the most economical funding methods for the benefit programs and strike a balance between cost and comprehensiveness of the programs.
4. Develops a solicitation/negotiation strategy and leads in agreement in all negotiations with providers on all issues including those related to premiums, benefit levels, plan designs, and special terms and conditions.

5. Meets and provides reports to various Agency representatives including finance.
6. Assists with the implementation and communication of new programs or changes to existing programs, which includes attending and presenting information at open enrollment meetings.
7. Provides information and guidance on any new developments in the law and employee benefit programs on an ongoing basis.
8. Prepares bid specifications and solicits proposals from insurance markets which specialize in group insurance plans as needed. Evaluates bids and bidders, including administration, coverage, claim payment procedures, customer service, networks, reserve establishment policies, financial soundness, and identifies the most cost-beneficial package from among the various bidders.
9. Interfaces with insurance carriers as needed to assist in the resolution of problems associated with benefit programs.

Current Benefit Programs

1. Group Health PPO (Traditional and HDHP)
2. Dental
3. Basic Life Insurance (2 x earned wages based on 12 months up to \$50,000 maximum coverage)
4. Supplemental Life Insurance for employee/family (up to \$500,000)
5. Long Term Disability & Accidental Death & Dismemberment Coverage
6. Employee Assistance Program
7. Flexible Spending Account (Traditional & Limited)
8. Health Saving Account
9. 401k Retirement Plan
10. Vision Plan

General Information

All proposals and related materials become the property of Semcac and may be returned only at its option. Semcac is not obligated to accept any proposal or to negotiate on any proposal. All transactions are subject to the final approval of Semcac who reserves the right to reject any or all proposals without cause for liability. All costs directly or indirectly related to responding to this RFP (including all cost incurred in supplementary documentation, information or presentation) will be borne by the firm submitting the proposal.

Questionnaire

Section A: Firm Overview

1. Briefly provide an overview of the firm's history, including servicing location, number of clients, and average size of clients, retention rate, industries that you serve, and number of employees.
2. Provide details of the firm's financial status and stability.
3. Describe what distinguishes your firm from other competition.
4. Describe the customer support process and provide the names, contact information and responsibilities for the proposed service team.
5. Describe the on-boarding process.

Section B: Benefit Plan Design and Implementation

1. How does the firm assist with developing and implementing a formal benefit philosophy/strategy that aligns with overall organizational objectives?
2. How does the firm determine and recommend the most effective funding and financing methods for the benefit programs to maximize total benefits?
3. How does the firm assist in developing employee communication and related tools (including technology resources)? Provide sample copies of benefit communication pieces directed to employees. Does the firm have the ability to create and distribute customized benefit enrollment kits? Provide an example.
4. How does the firm evaluate the value proposition of emerging trends in benefits (e.g. private and public exchanges, captives, etc.)?
5. How does the firm proactively recommend alternative benefit designs, ancillary benefit program(s), voluntary benefit programs, or delivery systems as dictated by emerging costs or benefit practices and trends? Describe the process.
6. How does the firm support an ongoing account service? Describe the day-to-day service process and include a brief description of the renewal process.

Section C: Vendor Negotiation

1. What are the capabilities to represent the Agency in all negotiations with providers and vendors on all issues, including those related to premiums, benefit levels, plan design, special terms and conditions and disputes?
2. How does the firm assist in the development of proposals as needed for new benefit plans?
3. How does the firm interface with health and welfare insurance companies, administrators, and/ or vendors, as needed to assist in the resolution of problems associated with the benefit programs?

Section D: Compliance and Healthcare Reform

1. How does the firm assist in complying with state and federal laws and regulations (PPACA, HIPAA, COBRA, ERISA, FMLA, etc.) related to employee benefits, by providing pro-active resources, communications, expertise, and engagement with the company's benefits and human resources staff? Please describe.
2. What methods does the firm use to disseminate information about current trends and legislation? Provide examples.
3. Does the firm have in-house ERISA and Compliance lawyers who provide counsel to clients? Is their service included in the proposal pricing?
4. How does the firm assist in evaluating the financial impact of plan design changes as they relate to healthcare reform?

Section E: Disease Management and Wellbeing

1. What is the firm's strategy with regard to integrating wellness into the organization and its part in helping to bend the trend of the increase cost of healthcare?
2. Does the wellness strategy include a review of Semcac claim trends? How does the firm identify appropriate and cost effective wellness strategies to reduce health and welfare claim costs?
3. What is the firm's level of expertise in delivering wellness programs (e.g. staff, vendor management, consulting practice/approach, etc.)?

Section F: Unique Value Proposition / Breadth of Services

1. What is the firm's local, national and international market leverage within the employee benefits marketplace?
2. What are two major challenges that companies Semcac's size face in the market and how will the firm help meet these challenges?
3. What type of HR consulting services does the firm offer (i.e. processes, compliance, compensation, etc.)?
4. How does the firm help make sure Semcac remains competitive with the competition? What types of tools are offered to assist with benchmarking? What is the process?
5. What, if any, services are offered around employee focus groups and/or employee surveys?

Section G: Compensation and References

1. Based on the information provided and the services requested, what is the proposed fee and preferred method of receiving compensation? Please make certain to identify any services mentioned in the response that are not included in the proposed fee (services that would be an additional expense).
2. What is the firm's philosophy on accepting contingency/override compensation from insurers relative to the placement of our programs?
3. Describe the right to terminate a contract. Is there a minimum contract period?
4. Provide at least three references of current clients that are similar to Semcac with respect to size and complexity. For each reference include: (1) number of employees, (2) number/type of plan covered, (3) length of servicing relationship with your firm and (4) contact name, title, phone number, and e-mail.

Payment Schedule

The payment schedule will be negotiated as part of the contract for services. Upon award of a contract, requests for payment shall be accepted and processed upon the receipt of invoices or negotiated payment method.

Selection Process

The applications submitted in response to this request will be evaluated by Semcac administrative members. It is anticipated that the selection will be completed by _____

1. Qualifications including experience of key personnel assigned to the project in performing work of a similar nature. (15 points)
2. The capacity of firm to perform work as described for the size of the Agency. (25 points)
3. Ability to successfully implement and manage benefit programs. (40 points)
4. Cost (20 points)

Submission Procedure

All proposals must be submitted electronically to jeff.rogness@semcac.org by close of business on June 28, 2023, with a hard copy to follow within five business days.

All hard copies should be sent to the following address:

Semcac
Attn: Jeff Rogness
204 South Elm Street
Rushford, MN 55971

Questions regarding this RFP can be directed to Jeff Rogness, Director of Human Resources at 1-507-864-8210.