



GENERAL INFORMATION

CITY OF ALLEN, TEXAS

PROPOSALS WILL BE ACCEPTED IN THE OFFICE OF THE PURCHASING MANAGER

REQUEST FOR PROPOSAL # 2010-9-267

**ANNUAL CONTRACT
FOR
CITY OF ALLEN
STOP LOSS INSURANCE**

BID PACKAGES ARE DUE TO THE
PURCHASING DIVISION PRIOR TO:

THURSDAY, OCTOBER 14, 2010 @ 2:00 P.M.

NO LATE BIDS WILL BE ACCEPTED

***SUBMIT ORIGINAL RFP AND THREE COPIES
ALONG WITH CURRENT INSURANCE CERTIFICATE***

**BID PACKAGES
MAY BE DELIVERED OR MAILED TO:**

**CITY OF ALLEN PURCHASING DIVISION
305 CENTURY PARKWAY
ALLEN, TX 75013**

FOR ADDITIONAL INFORMATION CONCERNING THIS BID PLEASE CONTACT:

Debra Morris, CPPO, Purchasing Manager, 214-509-4630

ANNUAL CONTRACT FOR STOP LOSS INSURANCE
RFP NO. 2010-9-267

VENDOR MUST SUBMIT ONE ORIGINAL RFP PACKET PLUS “THREE COPIES” TO FACILITATE EVALUATION. IF “COPIES” ARE NOT SUBMITTED WITH THE ORIGINAL, YOUR BID MAY BE CONSIDERED AS “NON-RESPONSIVE TO SPECIFICATIONS” AND MAY NOT BE CONSIDERED FOR FURTHER EVALUATION. YOU MUST SUBMIT A COPY OF YOUR CURRENT INSURANCE CERTIFICATE IF INSURANCE IS REQUIRED. FOR AWARD OF BID

The City of Allen is accepting Request for Proposals for Stop Loss Insurance.

Requests for additional information should be made no later than 2:00 p.m. on October 7, 2010, to City of Allen Purchasing Dept. All requests must be made in writing to dmorris@cityofallen.org or Monika Kretschmer, Director of HR mkretschmer@cityofallen.org.

CITY OF ALLEN BUSINESS DIVERSITY PROGRAM

It is the policy of the City to assist in increasing the opportunities to involve qualified small, minority and women-owned enterprises in the procurement and contracting activities of the City. The program is a “good faith” effort to assure small, minority and women-owned businesses are afforded an equal opportunity to compete. Contractors are required to submit evidence of “good faith” efforts in its contracting and subcontracting process.

There will not be a formal bid opening for this proposal. Proposals will be evaluated by a committee. Vendors will be notified if additional information will be required.

Vendor agrees to submit to the City, along with their proposals, a corporate resolution, certificate of partnership, partnership agreement or joint venture agreement which identifies the person(s) authorized to execute a contract on behalf of the corporation, partnership or joint venture.

WRITE THE RFP NUMBER ON YOUR ENVELOPE IN THE LOWER LEFT CORNER.

THE SUCCESSFUL CONTRACTOR MUST SIGN CONTRACT DOCUMENTS PRIOR TO COUNCIL AWARD, IF APPLICABLE. A COPY OF THE STANDARD CONTRACT FORM IS AVAILABLE FOR REVIEW IN THE CITY OF ALLEN PURCHASING DIVISION.

HB 914 Disclosure of Certain Relationships

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person’s affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of the City of Allen not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

SUPPLEMENTAL INFORMATION

Please provide the following information for contract development:

- | | | | |
|------------------|----|---------------------|----------------|
| Is the company a | 1 | Sole Proprietorship | ___ Yes ___ No |
| | 2. | General Partnership | ___ Yes ___ No |
| | 3. | Limited Partnership | ___ Yes ___ No |
| | 4. | Corporation | ___ Yes ___ No |
| | 5. | Other | ___ Yes ___ No |

If the company is a **sole proprietorship**, please list the owner's full legal name, the name under which business is conducted (i.e. d/b/a), the address for the company, including the state and county in which your business is located:

If the company is a **general partnership**, please list the exact name of the partnership, whether it is a partnership formed under the laws of the State of Texas or another state, the business address for the partnership, including the state and county, and list of the names of all of the partners for the partnership:

If the company is a **limited partnership**, please list the exact name of the limited partnership, whether it is a limited partnership formed under the laws of the State of Texas or another state, the business address for the limited partnership, including the state and county, and list the names of all the general partners for the partnership:

If the company is a **corporation**, please list the exact name of the corporation, whether it is a corporation formed under the laws of the State of Texas or another state, the business address for the corporation, including the state and county, and list the names of all of the officers for the corporation:

If the company is **another entity** not listed above, please list the exact name and type of company, the state under which it is formed, the business address for the company, including the state and county, and list the names of all of the persons authorized to act on the company's behalf:

Is the company a minority, or woman-owned business enterprise?

_____No _____Yes If yes, specify: _____MBE _____WBE

Has the company been certified as a minority/woman-owned business by any governmental agency?

_____No _____Yes

If yes, specify the governmental agency: _____

Date of certification: _____

INSURANCE REQUIREMENTS

Contractor performing work on City property or public right-of-way for the City of Allen shall provide the City a certificate of insurance evidencing the coverage's and coverage provisions indentified herein. Contractors shall provide the City evidence that all subcontractors performing work on the project have the same types and amounts of coverage's as required herein or that the subcontractors are included under the contractor's policy. The City, at its own discretion, may require a certified copy of the policy. All insurance companies and coverage's must be authorized by the Texas Department of Insurance to transact business in the State of Texas and must be acceptable to the City of Allen. Listed below are the types and amounts of insurance required. The City reserves the right to amend or require addition all types depending on the nature of the work.

Contracts in the Amount of \$0-\$100,000

Type of Insurance	Amount of Insurance	Provisions
1. Commercial General (Public) Liability to include coverage for: a) Premises/Operations b) Products/Completed Operations c) Independent Contractors d) Personal Liability e) Contractual Liability	\$500,000 each occurrence, \$1,000,000 general aggregate; or \$1,000,000 combined single limits	City to be listed as additional insured and provided 30-day notice of cancellation or material change in coverage. City prefers that insurer be rated A or higher by A.M. Best or equivalent.
2. Business Auto Liability	\$500,000 combined single limit	Owned, non-owned, and hired vehicles
3. Workers' Comp & Employers' Liability	Statutory Limits \$100,000 each accident	City to be provided a waiver of subrogation
4. a) Professional Liability b) E & O coverage	1,000,000 per occurrence	If Applicable

Contracts in the Amount of \$100,000-\$1,000,000

Type of Insurance	Amount of Insurance	Provisions
1. Commercial General (Public) Liability to include coverage for: f) Premises/Operations g) Products/Completed Operations h) Independent Contractors i) Personal Liability j) Contractual Liability	\$1,000,000 each occurrence \$2,000,000 general aggregate \$2,000,000 Umbrella/ Excess Liability	City to be listed as additional insured and provided 30-day notice of cancellation or material change in coverage. City requires that insurer be rated A or higher by A.M. Best or equivalent.
2. Business Auto Liability	<ul style="list-style-type: none"> • 1,000,000 per occurrence • 1,000,000 aggregate or; • 1,000,000 combined single limits 	City to be named as additional insured
3. Workers' Comp & Employers' Liability	Statutory Limits \$100,000 each accident	City to be provided a waiver of subrogation
4. Builders Risk Policy	100% of construction total	If Applicable
5.a) Professional Liability b) E & O coverage	1,000,000 per occurrence	If Applicable

Contracts in the Amount of \$1,000,000-\$8,000,000

Type of Insurance	Amount of Insurance	Provisions
1. Broad Form Commercial General Liability to include coverage for: k) Premises/Operations l) Products/Completed Operations m) Independent Contractors n) Personal Liability o) Contractual Liability	\$2,000,000 each occurrence, \$4,000,000 general aggregate; \$4,000,000 umbrella	City to be listed as additional insured and provided 30-day notice of cancellation or material change in coverage. City requires that insurer be rated A or higher by A.M. Best or equivalent.
2. Business Auto Liability	<ul style="list-style-type: none"> • 1,000,000 per occurrence • 2,000,000 aggregate or; • 2,000,000 combined single limits 	City to be named as additional insured
3. Workers' Comp & Employers' Liability	Statutory Limits \$100,000 each accident	City to be provided a waiver of subrogation
4. Builders Risk Policy	100% of construction total	If Applicable
5. a) Professional Liability b) E & O coverage	1,000,000 per occurrence	If Applicable

All Contracts over \$8,000,000 must contact Risk Management for insurance specifications

All Certificates of Insurance need to reference job or contract number in comments section.

Questions regarding insurance should be directed to the City of Allen Purchasing Division (214) 509-4630 or the City of Allen Risk Administrator at (214) 509-4676. This form must be signed and returned with your quotation to verify that you can and will meet the insurance requirements listed herein should you be selected to perform work for the City, and will provide the certificates of insurance acceptable to the City.

WORKERS COMPENSATION INSURANCE COVERAGE DEFINITIONS

A. Definitions:

Certificate of coverage ("certificate") – A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entities' employees providing services on a project, for the duration of the project.

Duration of the project – includes the time from the beginning of the work on the project until the contractor's/person's work on the project had been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractor" in § 406.096) – includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes person to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

B. The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meet the statutory requirements of Texas Labor Code, Section 401.011 (44) for all employees of the contractor providing services on the project, for the duration of the project.

C. The contractor must provide a certificate of coverage to the governmental entity with bid submittal.

D. If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.

E. The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:

- (1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
- (2) no later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

F. The contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

G. The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within ten (10) days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.

H. The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers Compensation Commission, informing all person providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.

I. The contractor shall contractually require each person with whom it contracts to provide services on a project to:

- (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code,

Section 401.011(44) for all its employees providing service on the project, for the duration of the project;

- (2) provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing the services on the project, for the duration of the project;
- (3) provide the contractor, prior to the end of the coverage period, an new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- (4) obtain from each other person with whom it contracts, and provide to the contractor;
 - (A). a certificate of coverage, prior to the other person beginning work on the project; and
 - (B). a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- (5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
- (6) notify the governmental entity in writing by certified mail or personal delivery, within ten (10) days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
- (7) contractually require each person with whom it contracts, to perform as required by paragraphs (1) – (7), with the certificates of coverage to be provided to the person for whom they are providing services.

J. By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or , in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal, penalties, civil penalties, or other civil actions.

K. The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the governmental entity.

AFFIDAVIT OF NO PROHIBITED INTEREST

I, the undersigned, declare and affirm that no person or officer in this sole proprietorship, partnership, corporation, or board has or will have during the term of this contract a prohibited interest as that is defined in City Charter Section 10.05.

I further understand and acknowledge that the existence of a prohibited interest at any time during the term of this contract will render the contract voidable.

Name of Contractor

By: _____
Signature

(Print Name)

(Title)

STATE OF TEXAS §
COUNTY OF _____ §

SUBSCRIBED AND SWORN TO before me this _____ day of _____, 2010.

Notary Public, State of Texas

REQUEST FOR PROPOSAL NO. 2010-9-267

ANNUAL CONTRACT FOR STOP LOSS INSURANCE

REQUEST FOR PROPOSALS

City of Allen, Texas

RFP Data

Proposal Number: **2010-9-267**
Title: Stop Loss Insurance RFP
Issue Date: September 30, 2010

Distributed by: City of Allen
Purchasing Department
305 Century Parkway
Allen, Texas 75013

Proposal Due

Date: October 14, 2010
Time: 2:00 p.m. CST

Location/Mail Address: **1 original and 3copies to:**

City of Allen
Purchasing Department
305 Century Parkway
Allen, Texas 75013

Request for Proposal Contents Listing

- SECTION I Notice to Offerors
- SECTION II General Terms and Conditions
- SECTION III Specifications Requirements & Instructions
- Contractual Provisions for Consideration
 - Submission Forms Instructions
 - Deviations from Specifications
 - RFP Overview
 - Coverage Funding Matrix / Vendor Selection Criteria
 - Plan Summaries
 - Rate Summaries
 - Submission Forms
 - Summary Conditions & Specifications ***Signature Page – Required***
 - References

Attachments:
Claims Experience
Policies

**SECTION I
NOTICE TO OFFERORS**

1.1 INTRODUCTION

Section I provides general information to potential proposers on subjects such as where to submit proposals, number of copies, amendments, proprietary information designation, and other similar administrative elements.

1.2 SUBMISSION OF PROPOSAL

All Proposals will be received by the City of Allen Purchasing Office. Proposals shall be in one envelope clearly marked: Bid Number, Title, and Opening Date on the outside of the envelope containing the bid.

**Request for Proposal 2010-9-267
STOP LOSS INSURANCE**

Offers are to be submitted to:
City of Allen
Purchasing Department
305 Century Parkway
Allen, TX 75013

**NO LATE OFFERS WILL BE ACCEPTED
FACSIMILE PROPOSALS WILL NOT BE ACCEPTED**

1.3 NUMBER OF COPIES

Proposer shall submit one original and three (3) copies of proposal documents.

1.4 PROPOSAL INFORMATION

All questions regarding proposal preparation, the selection process, specifications and interpretations of the terms and conditions of the bid shall be submitted in writing.

1.5 CONFIDENTIAL OR PROPRIETARY INFORMATION

If a proposer believes that parts of an offer are confidential, then the proposer must so specify. The proposer must stamp in bold letters the term **CONFIDENTIAL** on that part of the offer which the proposer believes to be confidential. The proposer must submit in writing specific detailed reasons, including any relevant legal authority, stating why the proposer believes the material to be confidential. Vague and general claims as to confidentiality will not be accepted. The City of Allen will be the sole judge as to whether a claim is general and/or vague in nature. All offers and parts of offers, which are not marked as confidential, will be automatically considered public information after the contract is awarded. The successful offer may be considered public information even though parts are marked confidential.

1.6 ADDENDUMS/AMENDMENTS

Any interpretations, corrections and/or changes to a bid solicitation or extensions to the opening date will be made by addenda to the respective document when necessary. An addendum will be published and distributed by email to all that are known to have received a copy of the bid and related specifications. However, it shall be the sole responsibility of the bidder to verify issuance/non-issuance of addenda and to check all avenues of document availability prior to opening date and time to insure bidder's receipt of any addenda issued. No addenda will be issued or questions will be responded to 3 days prior to bid opening. **The last day for questions will be on Thursday, October 7, 2010 at 2:00PM. The last day for addenda will be on Monday, October 11, 2010 at 2:00.** Any addenda issued within 3 working days of the bid opening will automatically delay the bid opening by one week. Bidders will be notified of the new bid opening time and date as determined by the City of Allen Purchasing Department.

The offeror is required to acknowledge receipt of any amendments by submitting a signed copy of each amendment issued. Signed copies must be submitted as part of the signed proposal submittal.

1.7 BID SUBMITTALS

Bids shall be submitted on the forms provided to insure complete uniformity of wording of all bids. Bids may be rejected if they show any omissions, alterations in wording, conditional clauses, or irregularities of any kind.

1.8 ACCEPTANCE

Any offer received shall be considered an offer, which may be accepted by the City of Allen based on initial submission without discussions or negotiations. By submitting an offer in response to this solicitation the proposer agrees that any offer it submits may be accepted by the City of Allen at anytime within 90 days from the close date.

The City of Allen reserves the right to reject any or all offers and to waive informalities and minor irregularities in offers received, and/or to accept any portion of the offer if deemed in the best interest of the City of Allen. Failure of the proposer to provide in its offer any information requested in the bid may result in rejection for non-responsiveness.

1.9 AWARD

The City of Allen intends to make an award using the evaluation criteria and other factors as indicated in this bid. The City of Allen reserves the right to award by line, item, by section, or on an "all or none" basis. The award shall be based on the lowest and best-qualified bidder whose evaluation by the City of Allen indicates to be in the best interest of the City and taxpayers.

1.10 BID TABULATIONS

Bid tabulations can be accessed or requested by e-mail or by sending a written request along with a self-addressed, stamped envelope to the Purchasing Department. Please allow at least one week after opening date for bids to be tabulated.

1.11 CONTRACT ADMINISTRATION

The **City of Allen Human Resource Department together with the Purchasing Department** shall be responsible for administration of this purchase for compliance with the interpretation of scope, schedule, billings, requirements, and budget.

1.12 SUBSTANTIVE PROPOSALS

The respondent shall certify (a) that his bid submittal is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation; (b) that he has not directly or indirectly induced or solicited any other respondent to put in a false or sham bid; (c) that he has not solicited or induced any other person, firm, or corporation from proposing; and (d) that he has not sought by collusion to obtain for himself any advantage over any other respondents or over the City of Allen.

Minimum standard for responsible prospective bidders are as follows:

- Have adequate financial resources, or the ability to obtain such resources
- Be able to comply with the required or proposed schedules and project requirements
- Competitive pricing
- Have a satisfactory record of performance for contracts of similar scope
(Complete attached reference sheet)
- Have a satisfactory record of integrity and ethics
- Completeness and thoroughness of bid submittal

The City of Allen may make such investigations as it deems necessary to determine the ability of the bidder to provide satisfactory performance in accordance with bid requirements, and the respondent shall furnish to the City all such information and data for this purpose.

1.13 DEFINITIONS

- Bidder refers to submitter.
- Vendor refers to Successful Bidder or Contractor.
- Submittal refers to those documents required to be submitted to the City of Allen, by a bidder.

1.14 INQUIRIES

Questions about this bid shall be in writing and directed to Debra Morris at the following address. Questions resulting in changes to this solicitation will be provided in the form of an amendment to the solicitation.

Debra Morris
Purchasing Manager
305 Century Parkway
Allen, TX 75013
dmorris@cityofallen.org
214-509-4630

Monika Kretschmer
Director of HR
214-509-4677
mkretschmer@cityofallen.org

SECTION II GENERAL TERMS & CONDITIONS

The City of Allen bid packets contain various sections requiring completion. The bid form section of the bid packet must be completed prior to the date and time set for bid opening and included with the bid packet or the vendor will be found non-responsive.

2.1 These instructions apply to all quotations or bid submittals and become a part of terms and conditions of any bid packet submitted.

2.2 The City shall have the authority to disapprove or reject unsatisfactory work, services or equipment. If required by the City, the vendor shall promptly, as directed, correct all unsatisfactory work and replace all defective equipment, and shall bear all direct, indirect and consequential costs of such correction.

2.3 The City reserves the right to waive any minor defect, irregularity, or informality in any bid, quotation, or proposal. The City may also reject any or all bids, quotations, or proposals without cause prior to award.

2.4 The City reserves the right to enforce the performance of this contract in any manner prescribed by law and deemed to be in the best interest of the City in the event of breach or default of this contract. The City reserves the right to terminate the contract immediately in the event the vendor fails to meet schedules or otherwise perform in accordance with these specifications. Breaches of contract or default authorize the City to purchase the services from the next low bidder or re-bid and charge the difference in cost to the defaulting vendor.

2.5 The contract shall remain in effect until contract expires, except for breach of contract, or is terminated by either party with a thirty (30) day written notice prior to any cancellation. The vendor shall state therein the reasons for such cancellation. Notice of termination must be transmitted via certified mail to the other party's designated representative.

2.6 The vendor shall be held responsible for and shall make good, without expense to the City, any and all damage, injury or loss due to the execution of his work. The vendor shall protect all finished building surfaces from damage and shall repair any damage to the building or property caused by delivery or installation of product.

2.7 The vendor agrees to indemnify and hold harmless the City against all claims or alleged claims or demands for damages, including all expenses incurred, arising from accidents to employees of either party hereto or to the public, or from claims or alleged claims of damages to the property of the City or to adjoining property caused directly or indirectly by said vendor, by any of his subcontractors, or by anyone directly or indirectly employed by either of them in connection with the performance of this contract.

2.8 The vendor agrees to indemnify and hold the City harmless from any claim involving patent right infringement or copyrights on goods supplied.

2.9 In its sole discretion, the City shall have the right to select or to approve defense counsel to be retained by Contractor in fulfilling its obligation hereunder to defend and indemnify City, unless such right is expressly waived by City in writing. City reserves the right to provide a portion of its own entire defense; however, City is under no obligation to do so, any such action by City is not to be construed as a waiver of Contractor's obligation to defend City or as a waiver of contractor's obligation to indemnify City pursuant to this contract. Contractor shall retain City approved defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this contract. If Contractor fails to retain counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and contractor shall be liable for all costs incurred by City.

2.10 The vendor shall not sell, assign, transfer or convey this contract, in whole or in part, without the prior written consent of the City.

- 2.11 This bid, when properly accepted by the City, shall constitute a contract equally binding between the vendor and the City. No different or additional terms shall become a part of this contract with the exception of a change order processed through the Purchasing Department.
- 2.12 This agreement will be governed and construed according to the laws of the State of Texas. This agreement is performable in Collin County, Texas.
- 2.13 The successful bidder and the City of Allen agree that each party have rights, duties, and remedies available as stated in the Uniform Commercial Code and any other available remedy, whether in law or equity.
- 2.14 Bidder acknowledges and represents that they are aware of laws, City Charter and City Code of Conduct regarding Conflicts of Interest. The City Charter states that “no officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, nor shall be financially interested, directly or indirectly, in the sale to the City of any land or rights or interest in any land, materials, supplies or service...”
- 2.15 Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a Local Government entity, disclose in the questionnaire form CIQ, the vendor or person’s affiliation or business relationship that might cause a Conflict of Interest. This form must be filed with the Records Administrator no later than 7 business days after the date the person becomes aware of facts that require the statement to be filed. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.
- 2.16 All equipment, supplies and work furnished under this contract shall comply with applicable laws, ordinances and regulations. The Vendor shall obtain and pay for such permits and inspections as are required for the legal performance of this work.
- 2.17 The City reserves the right to audit the records and performance of vendor during the term of the contract and for three years thereafter.
- 2.18 Unless otherwise notified, all invoices must be sent to the Accounts Payable, Finance Department at the address listed on page one (1). Invoices must show the item(s) shipped/work performed and the purchase order number applicable to the transaction in order to insure prompt payment.
- 2.19 Payment will be made in accordance with Texas statutes. Term of Payment is net 30 days after the date the City receives the goods in accordance with the contract, the date the performance of service in accordance with the contract is completed, or the date the agency receives an invoice for the goods or services, whichever occurs the latest. If your company provides a discount for early payment, please indicate in this solicitation. This will not be considered an evaluation factor in the award of the bid(s).
- 2.20 Funds for payment have been approved. The State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved; therefore, anticipated obligations that may arise past the end of the current City fiscal year shall be subject to budget approval. The City of Allen is a Home-Rule Municipal Corporation operated and funded October 1 to September 30.
- 2.21 The City of Allen is by statute tax-exempt therefore pricing shall not include taxes. Tax exemption certificates will be executed by the City and furnished upon request.
- 2.22 Vendors shall state a firm completion time. The City reserves the right to cancel orders and/or assess financial penalties if the vendor fails to complete project as promised. Work shall be scheduled between 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding holidays, unless otherwise approved by the City.
- 2.23 When offering products other than those bid, the City reserves the right to request a sample/demo of the product for evaluation. In such cases, the bidder must provide a sample/demo of the product at no charge to the City within three days of the request, and must pick up the product after the evaluation. Failure to provide an evaluation product within the three day period will disqualify the bidder from further consideration. If the bidder offers a product other than that specified, specifications must be included in the bid package. Bid responses not listing manufacturer or part numbers in the Mfg/Pt No. section of the bid form

will be considered as bidding according to specification, and if awarded, will be required to provide exactly what was specified. Samples should not be enclosed with bid unless requested.

2.24 The apparent silence of these specifications as to any detail or to the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practices are to prevail. All interpretation of these specifications shall be made on the basis of this statement.

2.25 Testing may be performed at the request of the City or any participating entity, by an agent so designated, without expense to the City.

2.26 When unit price differs from extended price, the unit price prevails.

2.27 In case of a discrepancy between the product number and description, the description takes precedence.

2.28 When manufacturers are named in the specification, they are not meant to limit competition, but to define the minimum standard, quality, and performance of the item specified. All materials supplied will be new, first quality industrial-grade products.

2.29 Response to specification is primary in determining the lowest responsible bid.

2.30 The City of Allen reserves the right to award a vendors bid as an "alternate award". The alternate vendor's bid shall remain in effect for the term of the awarded contract, should the primary vendor become unable or unwilling to complete the contract term. The alternate vendor will be notified in writing of their official contract and start date. All terms and conditions of the original bid will remain in effect.

2.31 The City of Allen reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire bid.

2.32 Bid prices cannot be altered or amended after submission deadline. Any interlineations, alteration, or erasure made before opening time must be initialed by the signer of the bid, guaranteeing authenticity.

2.33 A bid price may not be withdrawn or canceled by the bidder for a period of 90 days following the date designated for the receipt of bids without written approval of the Purchasing Manager, and bidder so agrees upon submittal of bid.

2.34 No oral statement of any person shall modify or otherwise change or affect the terms, conditions or specifications stated in the resulting contract. All change orders must be made in writing.

2.35 Any interpretations, corrections or changes to this bid packet will be made by addenda. Sole issuing authority shall be vested in the City of Allen Purchasing Department. Addenda will be sent to all who are known to have received a copy of this bid packet. If the Addenda contain changes to the specification or bid form, bidders shall acknowledge receipt of all addenda or they will be declared non-responsive.

2.36 Bid tabulations can be accessed or requested by e-mail or by sending a written request along with a self-addressed, stamped envelope to the Purchasing Department. Please allow at least one week after opening date for bids to be tabulated.

2.37 All work, materials, equipment, and supplies, furnished under this contract shall comply with applicable laws, ordinances and regulations.

2.38 Unless otherwise indicated, items will be new, unused, and in first rate condition in containers suitable for damage-free shipment and storage.

2.39 Quotations must show the number of calendar days required to place the materials in the possession of the City. Do not quote shipping dates. When delivery delay can be foreseen, the bidder shall give prior notice to the Purchasing Division, who shall have the right to extend the delivery date if reasons for delay appear acceptable. Default in promised delivery, without acceptable reasons of failure to meet specifications, authorizes the Purchasing Division to purchase goods elsewhere and charge any increase in cost and handling to the defaulting bidder.

2.40 F.O.B. will be Destination/Inside Delivery/Installed at the location stated on the City's purchase order, acceptable only during normal working hours. The price will be firm lump sum all inclusive cost for all materials, work, transportation, and all other costs of whatsoever nature for each item listed. Vendor will be responsible for all claims against the carrier for all freight and/or drayage damage. The City assumes no liability for goods delivered in damaged or unacceptable condition. Vendor shall handle all claims with carriers, and in case of damaged goods, shall ship replacement goods immediately upon notification by District of damage. Shipments will be made to the specific locations described in the bid specifications. If the vendor must deliver to the specified room, the vendor must remove all packing and debris, which results from set-up and installation. Owner dumpsters cannot be used.

2.41 At the time of the opening of bids each bidder shall be presumed to have inspected the sites and to have read and shall be thoroughly familiar with the contract requirements. The failure or omission of any bidder to examine any form, instrument, document or site shall in no way relieve any bidder from any obligation in respect to this bid.

2.42 The City shall have the right to do other work, or to let other contracts for work to be done, on the same sites as specified for the work to be done under this contract, and the City's arrangements as to precedence of work and the relationship between the Vendor and the City shall be decisive.

2.43 It is the policy of the City of Allen that whenever practical, products should be purchased which contain the highest percentage of post-consumer recovered material available in the marketplace and/or the highest percentage of pre-consumer recovered material available in the marketplace.

2.44 Texas Government Code, Chapter 2252, non-resident bidders; Texas Law prohibits Cities and Governmental units from awarding contracts to a non-resident unless the amount of such bid is lower than the lowest bid by a Texas resident by the amount a Texas resident would be required to underbid in the non-resident bidders state.

2.45 The vendor shall purchase and maintain in force the following kinds of insurance for operations under the contract as specified. Insurance certificates in the amounts shown and under the conditions noted shall be provided to the City before the commencement of any work:

2.46 Workers' Compensation Coverage – **Statutory See Insurance Requirements**

2.47 Attention is called to the fact that the inclusion of a minimum scale of wages to be paid to employees engaged in the work under this Contract does not release the Contractor from compliance with any State Wage Law that may be applicable. The Contractor shall abide by the Wage and Hour Laws of the State and must not pay less than the wages legally prescribed as set forth herein.

2.47.1 Except for work on legal holidays, the "general prevailing rate of per diem wage" for the various crafts or types of workmen or mechanics is the product of (a) the number of hours worked per day, except for overtime hours, times (b) the respective Rate Per Hour.

2.47.2 For legal holidays, the "general prevailing rate of per diem wage" for the various crafts or type of workmen or mechanics is the product of (a) one and one-half times the respective Rate per Hour, times (b) the number of hours worked on a legal holiday.

2.47.3 The "general prevailing rate for overtime work" for the crafts or type of workmen or mechanics is one and one-half times the above respective Rate per Hour.

2.47.4 Under the provisions of Article 5159a Vernon's Annotated Texas Statutes, the Contractor shall forfeit as a penalty to the entity on whose behalf the Contract is made or awarded, Ten Dollars (\$10.00) for each laborer, workman, or mechanic employed, for each calendar day or portion thereof that such laborer, workman or mechanic is paid less than the said stipulated rates for any work under the Contract, by him or by any sub-contractor under him.

2.48 The Davis-Bacon Act, 40 U.S.C. §§ 276-A276A-7, provides that locally prevailing wages and fringe benefits must be paid to laborers and the mechanics employed on Federally Funded contracts exceeding \$2,000 that may involve construction, alteration, maintenance or repair. The new interim rule clarifies that all Programs or Activities funded by ARRA and meeting the Davis-Bacon criteria will be subject to the requirements under Davis-Bacon. The awarding agency must include the following provision in issuing grant announcements or requesting applications.

2.48.1 "Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of Chapter 31 of Title 40, United States Code.

2.48.2 Pursuant to reorganization Plan No. 14 and the Copeland Act. 40 U.S.C. 3145, The Department of Labor has issued regulation at 29 CFR Parts 1, 3, and 5 to implement the Davis-Bacon and related Acts. Regulations in 29 CFR 5.5 instruct agencies concerning application of the standard Davis-Bacon contract clauses set forth in that section Federal agencies providing grants, cooperative agreements, and loans under the Recovery Act shall ensure that the standard Davis-bacon contract clauses found in 29 C.F.R. 5.5(A) are incorporated in any resultant covered contracts that are in excess of \$2,000 for construction, alteration or repair (including painting and decorating)"

2.49 Provide the names and locations of at least three (3) references at which the offeror has conducted similar services and requirements along with specific individuals whom we may contact for references.

2.50 All protests regarding the bid solicitation process must be submitted in writing to the Purchasing Manager within five (5) working days following the opening of bids. This includes all protests relating to advertising of bid notices, deadlines, bid opening, and all other related procedures under the Local Government Code, as well as any protests relating to alleged improprieties or ambiguities in the specifications. The limitation does not include protests relating to staff recommendations as to award of this bid. Protests relating to staff recommendations may be directed to the City Secretary.

2.51 EVALUATION CRITERIA: PLEASE NOTE THAT THIS BID WILL BE AWARDED ON THE BASIS OF "BEST VALUE". The award to the successful bidder will be determined by best value to the City of Allen as allowed by Chapter 252 of the Local Government Code. The following criteria will be considered when selecting a contractor:

- the purchase price
- the reputation of the bidder and the bidder's services;
- the quality of the bidder's service;
- the extent to which the bidder's services meet the City's needs;
- the bidder's past business relationship with the City.

2.52 COOPERATIVE PURCHASING: As permitted under Interlocal Cooperation Act C Texas Government Code, Chapter 791, other governmental entities may wish to also participate under the same terms and conditions contained in this contract. If this bid is not specifically for the Collin County Governmental Purchaser's Forum, each entity wishing to participate must have prior authorization from the City of Allen and the vendor. If such participation is authorized, all purchase orders will be issued directly from and shipped directly to the entity requiring supplies/services. The City of Allen shall not be held responsible for any orders placed, deliveries made or payment for supplies/services ordered by the entities. Bidder is to state their willingness to allow other governmental entities to participate in this contract, if awarded. Vendors bidding products other than those specified should submit technical specification literature with bids.

IS YOUR FIRM WILLING TO ALLOW OTHER GOVERNMENTAL ENTITIES TO PARTICIPATE IN THIS CONTRACT, IF AWARDED, UNDER THE SAME TERMS AND CONDITIONS?

_____ YES _____ NO

**SECTION III
SPECIFICATIONS REQUIREMENTS AND INSTRUCTIONS**

I. Important Dates:

RFP Issue Date: September 30, 2010

RFP Due Date: October 14, 2010

Coverage Effective Date: January 1, 2011

II. Submission Information: Four sealed proposals (1 original and 3 copies), each with a signed signature page, will be accepted until 2:00 p.m. on October 14, 2010, at City of Allen Purchasing Department, 305 Century Parkway, Allen, TX 75013.

YOU *MUST* LABEL THE ENVELOPE OR PACKAGE

“RFP 2010-9-267: STOP LOSS INSURANCE PROPOSAL”.

Requirements & Instructions

I. **Important Dates:**

RFP Issue Date: _____ September 30, 2010

RFP Due Date: _____ October 14, 2010

Coverage Effective Date: _____ January 1, 2010

- II. **Submission Information:** **Four (1 original and 3 copies) sealed proposals** will be accepted until 2:00 p.m. CST on September 27, 2010, at City of Allen, Purchasing Department, 305 Century Parkway, Allen, TX 75013. You must label the envelope or package – “RFP# 2010-9-267: Stop Loss Insurance Proposal.”

No telephone or faxed proposals will be accepted. **Proposals will be accepted only if delivered in person, by the U.S. Postal Service, or by delivery service such as UPS or Federal Express.** The City will not be responsible for or consider missing, lost, or late deliveries.

- III. **Vendors requesting additional information:** Requests for additional information should be made no later than **2:00 p.m. on October 7, 2010**, to City of Allen, Purchasing Department. **All requests must be made in writing.**
- IV. **Confidentiality:** Information contained in the RFP is confidential and is to be used only for the purpose of preparing legitimate proposals for all or part of the benefits plans stipulated in this RFP.
- V. **Proposal Review:** The City reserves the right to accept or reject, in part or in whole, any portion of the proposals, waive minor technicalities, and select the proposal which best serves the interest of the City. The City also reserves the right to waive or dispense with any of the formalities contained herein.
- VI. **Premium Costs:** All premium costs related to the RFP must be clearly defined, and all deviations from the specifications must be clearly identified and explained.

The information contained in the RFP is believed to be accurate and up-to-date, but is not intended to be an expressed or implied warranty. Requests for interpretation of the specifications should be directed to Debra Morris, Purchasing Manager at dmorris@cityofallen.org or Monika Kretschmer, Interim Human Resource Director at mkretschmer@cityofallen.org.

- VII. **Legal Consideration:** All parties submitting proposals are expected to comply with all federal, state, and local laws and regulations pertaining to the preparation of proposals and the services to be provided. Specifically, the services to be provided are expected to be in compliance with the Americans with Disabilities Act (ADA), insurance laws and insurance regulations. All proposals that are submitted will be presumed to be in compliance with applicable laws.
- VIII. **Carrier Information:** It is expected that those submitting RFPs will provide full disclosure on the insurance carriers who will be used for each coverage requested. Failure to provide this information may result in disqualification or rejection of the RFP.
- IX. **RFP Notification:** Parties who are selected to provide benefits coverages to the employees, based on the RFP submitted, will be notified as soon as possible following thorough review by City management and City Council.

X. **Proposal Format:**

- A. Proposals must be clearly explained and identified. All costs, including optional programs, must be clearly stated and summarized. Alternative proposals will also be considered, provided the alternatives are clearly explained. Exceptions to or deviations from the specifications must be explicitly identified.
- B. Those submitting proposals are responsible for the full costs associated with the preparation of the proposal.
- C. Proposals may be withdrawn prior to the closing time for RFPs. Thereafter, all proposals shall remain open and valid for a period of 180 days or the effective date of the new plan, whichever is latest.
- D. Accuracy in the proposals submitted is essential. All parties are asked to proof proposals for compliance with all stipulations of the RFP and accurate numbers submitted.

- XI. **Disqualification and Rejection of Proposals:** Failure to comply with the requirements or the procedures set forth herein, or to satisfy the insurance and servicing criteria as set for the in the specification, may result in disqualification. It is not intended that exceptions to the specifications will, in and of themselves, result in disqualification.
- XII. **Basis for Consideration:** The City will review all proposals for completeness based on the requirements in this RFP. Those found to be incomplete or fail to address the needs of the City will not be evaluated. Only those proposals that are complete, with all required documentation will be evaluated. Respondents should initially submit their best offer. If an award is made, primary consideration will be given to the respondent's proposal deemed to the best interest of the City.
- XIII. **Service Considerations:** The City will evaluate the proposals on factors other than cost, including level of benefits and coverage area. After a preliminary evaluation of the technical criteria, the cost proposal will be included in the evaluation process. Costs will be evaluated on an equal basis with the technical criteria, including benefit level and coverage area.
- XIV. **Right to Reject:** Merely submitting a proposal does not warrant an expressed or implied contract for the insurance program for the City of Allen.
- XV. **Authorized Signature:** All proposal forms must be signed by persons who have the legal authority to bind the respondent to the proposed coverages.

Contractual Provisions for Consideration

The firm, who enters into a contract with the City of Allen to provide services to the employees, will be required to abide by the contract provisions outlined here. Potential Contractors should consider the following carefully, and it is assumed by submitting a proposal that these conditions will be acceptable and included in the final signed document.

I. Handling of Claims & Customer Service:

- A. The contractor must agree to deliver quality customer service to the City and its employees, and follow all applicable regulations and industry standards. Any problems related to servicing the contract, the employees, or the City with regard to billing procedures must be rectified immediately.**
 - B. If invoices have not been paid by the due date, the contractor will submit an overdue reminder notice. The City reserves the right to review all of the contractor's invoices after payment and recover any overpayments discovered in such review.
- II. **Continuity of Coverage:** All employees and dependents covered by the current plan are to receive immediate coverage under the new plan. Fair credit will be allowed for all or any part of deductibles, coinsurance, etc. satisfied prior to the January 1, 2011 effective date. The pre-existing condition waiting period for new enrollees should be no more than 12 months total.
- III. **Claims Experience Monitoring:** The contractor shall provide monthly reports allowing the City to monitor claims experience on a monthly basis.
- IV. **Contractor Insurance Coverages:** During the duration of any agreed contract, the contractor shall maintain, at its sole cost and expense, Professional E&O Liability insurance with a minimum policy limit of \$1,000,000. The insurance policy must name the City of Allen as an additional insured. A certificate of insurance evidencing such coverage shall be furnished to the City prior to the commencement of any work for the City.
- V. **Contractor Provision Requirement:** The contract shall provide any necessary tools, equipment, supplies, materials, employees, management, and other items or services necessary in order to provide full service to the contract.
- VI. **Indemnity Clause:** By submitting a proposal and/or accepting an agreement for services, the contractor will agree to hold harmless the City of Allen, its officers, agents, and employees, from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to, or death of, any person, or for damage to any property arising out of, or in conjunction with, the work done by the contractor, regardless of whether such injuries, death or damages are caused in whole or in part by the negligence of the City.

- VII. **Expectations of the Contractor:** It is understood upon submission of a proposal that;
- A. The Contractor shall not assign or subcontract any of its rights, duties, or obligations under the contract without prior written consent from the City. The contractor shall be entitled to assign, pledge or encumber its right to receive payments under this contract pursuant to security interests based upon the Uniform Commercial Code, so long as the City shall never be obligated to negotiate with any such third party in respect to compliance with the terms and conditions of the agreed contract. Any such assignment, pledge or encumbrance shall be limited by any rights of offset by the City for damages or claims arising under this Contract or any other obligation owed by the Contractor to the City.
 - B. At all times during the term of the contract, the company awarded the contract shall operate as an independent contractor to the City, and the contractor shall not in any event be deemed an employee or other representative of the City, nor shall he/she hold themselves up as such.
- VIII. **Contractor Employee Arrangements:** All employees of the Contractor shall at all times be considered an employee of the Contractor, and the Contractor will be solely liable for the payment of all wages and benefits made available to such employees in connection with their employment. In addition, it is expected and understood that the Contractor will be responsible at all times for the supervision and performance of their employees. All employees of the Contractor shall warrant that all employees are fully covered by workers compensation insurance and that each employee has been carefully screened as to character and fitness for the performance of his/her job.
- IX. **Equal Opportunity:** It is expected during the performance of the contract, all Contractor employees will be treated under the requirements of an Equal Employment Opportunity employer and honor all protected rights afforded to employees under the law. The Contractor will be advised of any complaints filed with the City alleging that the contractor is not operating in good faith as an equal employment opportunity employer. The City reserves the right to consider such complaints, along with other considerations, in determining whether or not to terminate any portion of this contract for which the services have not yet been performed.
- X. **Advertising:** The contractor awarded the contract agrees not to advertise or publish, without the City's prior consent, the information related to the entry into a contract, except as required to comply with requests for information from an authorized representative of the federal, state or local authority.
- XI. **Contract Amendments & Enforceability:** No amendments, modifications, or changes to the provisions outlined here may be made absent from the written agreement of both parties. Further, the contract awarded to the firm will be interpreted, construed, and governed by the laws of the United States and the State of Texas and shall be enforceable in any court of competition jurisdiction in Collin County, Texas.
- XII. **Termination:** The City retains the right to terminate for default on all or any part of its contract if the contractor breaches any for the terms hereof or if the contractor becomes insolvent or files for bankruptcy. Such right of termination, in addition to, and not in lieu of, any other remedies, which the City may have in law or equity, specifically including, but not limited to, the right to sue for damages or demand specific performance. The City additionally has the right to terminate this Contract without cause by delivery to the Contractor a "Notice of Termination" specifying the extent to which performance hereunder is terminated and the date upon which such termination becomes effective.

Submission Forms Instructions:

Assumptions are as follows:

1. The proposal is to be based on the requested plan of benefits.
2. The quote is to be based upon the census provided in the RFP.
3. All participants enrolled in the Employee Benefits Plan as of December 31, 2010 are to receive immediate coverage under the new plan. All health services incurred on or after January 1, 2011, for currently enrolled participants are to be eligible expenses. The City's enrollment records are to be the basis for "take-over."
4. Credit is to be given for accumulated deductible, coinsurance, and lifetime maximums with a maximum waiting period on pre-existing conditions of 12 months total.
5. This RFP is for a three-year contract. A two-year contract with a one-year renewal with caps or a one-year contract with options for two one-year renewals with caps will be considered. **If it is the respondent's intent to increase rates at the renewal date, the City must be notified of the maximum increase for each renewal period and the basis for calculating the increase. The City must be notified of renewal rates 90 days prior to the effective date of the rate change.**
6. Renewal rates must be received by the City of Allen no later than three months prior to anniversary date.
7. The Insurance Company must have an A.M. Best rating of A- or better.

Submission Forms Overview

Stop Loss Coverage

INSTRUCTIONS:

1. Refer to “General Requirements and Instruction” before completing Submission Forms.
2. Quote your best price.
3. The City will choose the combination of insurance plans it determines to be in its best interest, which may mean that a number of contracts could be awarded. The City reserves the right to award several contracts which may result in a respondent receiving a contract for only one (1) coverage, even if the respondent submitted a proposal for several coverages.
4. Please see Requirements and Instructions section of this RFP for submission guidelines (copies, deadlines, etc.).
5. You must label the envelope or package – **“RFP# 2010-9-267: Stop Loss Insurance Proposal.”**

Deviations from Specifications

1. Describe, in detail, any deviations from the specifications.
 - Does your organization agree to the Specifications for Proposers as outlined in the RFP?
 - Will your organization administer and/or underwrite the benefits as outlined in the Request for Proposal?

Signature of Officer

RFP OVERVIEW

OVERVIEW

Client: City of Allen
Industry: Municipality
Group to be Covered: All Eligible Employees
Size: 589 Active Employees
Location: Allen, Texas 75013
Coverages to Bid:
Stop Loss for Medical & Dental
Employer Contributions: Medical and Dental: 80%

Commission: ***ALL COVERAGES TO BE QUOTED NET OF COMMISSION***

Timetable: Release of Request For Proposal 9/30/10
Deadline for Questions 10/7/10
Proposal Deadline 10/14/10

Consultant: **Randall R. Martell, HIA, MHP, CBC**
IPS Advisors, Inc.
8080 N. Central Expressway, Suite 1500
Dallas, TX 75206
214-443-2424 (fax)
rmartell@ipsadvisors.com

**COVERAGE / FUNDING MATRIX
VENDOR SELECTION CRITERIA**

COVERAGE / FUNDING MATRIX

**REQUEST FOR PROPOSAL
FOR
CITY OF ALLEN**

	<u>Coverages</u>	<u>Contributory</u>	<u>Non-Contributory</u>	<u>Funding</u>
<u>MEDICAL/Rx/DENTAL</u>	Current	X (dep)		Self-Funded

VENDOR SELECTION CRITERIA

Selection Criteria:	In addition to cost, the City of Allen is looking for carriers or vendors who can provide a high level of service and whose products hold with long term cost containment goals.
Length:	3 Years <u>Option I:</u> 2-Year rate guarantee with a rate increase cap for the 2013 plan year <u>Option II:</u> 1-Year rate guarantee with rate increase caps for the 2012 and 2013 plan years
Opportunity for Presentation:	To be determined

VENDOR SELECTION CRITERIA

(Insurance Company – All Coverages)

The objective of the evaluation for proposals will be to select the provider whose proposal is most responsive to the City's relating importance, price, and other factors considered:

I. Cost (25%)

- a) Fixed Costs: includes insurance costs and administrative costs
- b) Variable Costs: costs stated as a percentage of paid claims, cost management (i.e., shifting of more/less workload to City of Allen's staff)
- c) Ability to reduce claims expense

a) Claims Processing (25%)

- a) Turnaround time excluding medical review of claims
- b) Pended claims procedures
- c) Statistical accuracy
- d) General service procedures
- e) Willingness to contractually establish performance criteria

b) Financial Stability (20%)

- a) Insurance Company, AM Best Rating
- b) Financial Platform/Administration

c) Claims Management Reports (10%)

Frequency and format of claims reports are the utmost importance.

d) Integrated Systems / Technology Initiative (10%)

Integrated systems linked to database are integral to the provider selection. The following components make up the whole of an integrated system:

- a) Eligibility
- b) Utilization review
- c) Claims function
- d) Claims payment / family histories (i.e. pre-existing condition)
- e) Stop loss intrusion
- f) Electronic claims inquiry
- g) Internet based enrollment/eligibility/wellness/links to PPO networks

e) Communication (5%)

- a) Educational material for employees
- b) Summary Plan Description capabilities
- c) Administrative kits for locations
- d) Bilingual capability

f) References (5%)

PLAN SUMMARIES

CITY OF ALLEN MEDICAL PLAN SUMMARY

	PLAN A		PLAN B	
	In Network	Out of Network	In Network	Out of Network
Physician Office Visit	\$30	Ded., then 70%	\$30	Ded., then 60%
Specialist Office Visit	\$40	Ded., then 70%	\$40	Ded., then 60%
Coinsurance	90%	70%	80%	60%
Calendar Year Deductible	\$500 / \$1,000	\$1,000 / \$2,000	\$500 / \$1,000	\$1,000 / \$2,000
Out-of-Pocket Limit (Excl. Ded.)	\$3,000 / \$6,000	\$6,000 / \$12,000	\$3,000 / \$6,000	\$6,000 / \$12,000
Prescription Rx (Generic / Brand – no generic available / Brand – generic available) (No formulary - See Summary of Coverage)	100% after copay Pharmacy \$10 / \$25 / \$50 Mail Order \$20 / \$50 / \$100	70% after copay Pharmacy \$10 / \$25 / \$50 Mail Order N/A	\$100 deductible, then 100% after copay Pharmacy \$10 / \$25 / \$50 Mail Order \$20 / \$50 / \$100	\$100 deductible, then 60% after copay Pharmacy \$10 / \$25 / \$50 Mail Order N/A
Preventive Care	No Copay; 100%	Ded., then 70%	No Copay; 100%	Ded., then 60%
Chiropractic	50%, No deductible, \$1,000 calendar year maximum; Dr. referral required	50%, No deductible, \$1,000 calendar year maximum; Dr. referral required	50%, No deductible, \$1,000 calendar year maximum; Dr. referral required	50% after deductible, \$1,000 calendar year maximum; Dr. referral required
Hospital/Surgical	90%	Ded., then 70%	\$500 ded., then 80%	Ded, then 60%
Outpatient Surgery	90%	Ded., then 70%	\$500 ded., then 80%	Ded, then 60%
Well Baby Care	No Copay; 100%	Ded., then 70%	No Copay; 100%	Ded, then 60%
Hospital Emergency Room	\$100 copay per visit, waived if admitted within 24 hours	\$50 copay per visit, waived if admitted within 24 hours	\$100 copay per visit, waived if admitted within 24 hours	\$50 copay per visit, waived if admitted within 24 hours
Laboratory and X-ray	90%	Ded., then 70%	80%	Ded then 60%
Skilled Nursing Facility (70 8-hr shifts per CY)	90%	Ded., then 70%	80%	Ded then 60%
Hospice-210 days/Lifetime	90%	Ded., then 70%	80%	Ded, then 60%
Home Health Care – 120 days/visits per CY	90%	Ded., then 70%	80%	Ded, then 60%
Mental/Nervous Inpatient Outpatient	90%, 30 days/cal. yr. \$35 copay 30 visits/cal. yr.	Ded., then 70%, 30 days/cal. yr. Ded., then 70%, 30 visits/cal. yr.	80% 30 days/cal. yr. \$35 copay 30 visits/cal. yr.	Ded., then 60% 30 days/cal. yr. Ded., then 60% 30 visits/cal. yr.
Alcohol/Drug Inpatient Outpatient	90%, 3 series of treatments lifetime \$35 copay 3 series of treatments lifetime	Ded., then 70%, 3 series of treatments lifetime Ded., then 70%, 3 series of treatments lifetime	80%, 3 series treatments lifetime \$35 copay 3 series treatments lifetime	Ded., then 60%, 3 series treatments lifetime Ded., then 60%, 3 series treatments lifetime
Vision Care Eye Exam Lenses/Frames/Materials	\$35 copay \$125 Reimbursement at discounted rate	\$35 copay \$125 Reimbursement at discounted rate	\$35 copay \$125 Reimbursement at discounted rate	\$35 copay \$125 Reimbursement at discounted rate
Hearing Care Hearing Exam Hearing Aids	\$35 copay \$500 every 3 years	\$35 copay \$500 every 3 years	\$35 copay \$500 every 3 years	\$35 copay \$500 every 3 years
Lifetime Maximum	\$2,000,000		\$2,000,000	

**CITY OF ALLEN
HEALTH, RX, DENTAL PLAN CHANGES**

Over the past 3 years, the City of Allen has made the following plan design adjustments:

Plan Changes for 2007

None

Plan Changes for 2008

Increased In-Network deductible from \$200 Ind. / \$400 Fam. to \$500 Ind. / \$ 1,000 Fam.
Increased Out-of -Network deductible from \$500 Ind. / \$1,000 Fam. to \$1,000 Ind. / \$2,000 Fam.
Increased In-Network OOP from \$2,500 Ind. / \$5,000 Fam. to \$3,000 Ind. / \$6,000 Fam.
Increased Out-of -Network OOP from \$4,000 Ind. / \$8,000 Fam. to \$6,000 Ind. / \$12,000 Fam.
Increased primary care physician copay from \$25 to \$30
Increased specialist copay from \$35 to \$40
Increased emergency room copay from \$50 to \$100
Increased generic drug copay from \$5 Retail / \$10 Mail to \$10 Retail / \$20 Mail
Increased brand (no generic) drug copay from \$20 Retail / \$40 Mail to \$25 Retail / \$50 Mail
Increased brand (generic) drug copay from \$40 Retail / \$80 Mail to \$50 Retail / \$100 Mail

Plan Changes for 2009

None

Plan Changes for 2010

None

CITY OF ALLEN
DENTAL PLAN OF BENEFITS

Deductible	
Type I	\$0
Type II and III (combined deductible)	\$50 / \$150
Orthodontia	\$50
Coinsurance Percentage:	
Type I (A) Procedures	100%
Type II (B) Procedures	80%
Type III (C) Procedures	50%
Orthodontia	50%
Calendar Year Maximum	\$1,500
Orthodontia Lifetime Maximum (Child age limit – under 19)	\$1,500

RATE SUMMARY

**CITY OF ALLEN
RATE SUMMARY**

<u>STOP LOSS</u>	2007	2008	2009	2010	2011 Renewal
ASO Carrier	Great West Life	Great West Life	GWL-CIGNA	UHC	UHC
Contract Type	15/12	24/12	24/12	24/12	24/12
Specific Deductible	\$100,000	\$100,000	\$100,000	\$125,000	\$125,000
Network	GWL PPO	GWL PPO	GWL PPO	Choice + PPO	Choice + PPO
Specific Premium (Medical)	\$67.25	\$85.26	\$98.91	\$66.09	\$81.13
Aggregate Premium (Medical and Rx)	\$4.52	\$6.49	\$7.34	\$4.42	\$5.90
Aggregate Corridor	125%	125%	125%	125%	125%
Aggregate Factor (Composite)	\$699.73	\$854.76	\$968.38	\$841.60	\$1134.52

SUBMISSION FORMS

SUBMISSION FORM

SELF-FUNDED MEDICAL, RX AND DENTAL

(Please complete)

STOP LOSS

	(Company Name)	(Company Name)
Specific Deductible	\$100,000	\$125,000
Specific Contract Type	24/12	24/12
Specific Covers	Medical	Medical
Specific Rate	\$	\$
Aggregate Corridor	%	%
Aggregate Contract		
Aggregate Covers	Medical and Rx	Medical and Rx
Aggregate Premium	\$	\$
Aggregate Accommodation	\$	\$
Aggregate Factors	\$	\$
Minimum Attachment Point	\$	\$
Other		

The costs above are based upon the current plan of benefits outlined in the RFP.

Signature

Summary Conditions & Specifications - RFP

In submitting this quote/proposal, the respondent agrees and certifies to the following conditions:

1. Non-Inducement Statement: The respondent certifies that no employee, representative, or agent of the firm offered or gave gratuities in any form (i.e. gifts, entertainment, etc.) to any council Member, official, or employee of the City of Allen in order to secure favorable treatment or consideration in awarding, negotiating, amending or concluding a final agreement for this proposal.
2. Non-Debarment Statement: The respondent hereby certifies that he/she is not included on the U.S. Comptroller General's Consolidated List of Persons or Firms currently debarred for violations of various contracts incorporating labor standards/provisions.
3. Validity Statement: If this proposal is accepted and a firm contract is entered, the undersigned offers and agrees, within one-hundred twenty (120) calendar days from the proposal date, to supply any or all items/services upon which prices are offered at the designated point and within the time specified.
4. Non-Collusion Statement: The respondent hereby certifies that he/she has made this quote independently, without consultation, communication, or agreement, for the purpose of restricting competition as to any matter relating to this proposal, with any other respondent or with any other competitor.
5. Conflict of Interest Statement: The respondent agrees that and warrants that no employee, official, or member of the City Council is, or will be, peculiarly benefited, directly or indirectly, in this proposal or any ensuing contract that may follow.
6. Conduct Statement: The respondent certifies by signing below that all of the above statements are true, and he/she has read the entire proposal document and agrees to abide by the terms, certifications, and conditions outlined.

Company Name: _____

Contact Name: _____

Title: _____

Business Address: _____

Phone Number: _____

Printed Name: _____

Signature: _____

BID ENDORSEMENT

The undersigned, in submitting this bid proposal and their endorsement of same, represents that they are authorized to obligate their firm, that they have read this entire bid proposal package, is aware of the covenants contained herein and will abide by and adhere to the expressed requirements.

Submittals will be considered as being responsive only if entire Bid Package, from Cover Page through all Bid Pages plus any/all attachments, is returned with all blanks filled in.

SUBMITTED BY:

(OFFICIAL Firm Name)

By: _____
(Original Signature) **Must be signed to be considered responsive**

(Typed or Printed Name)

(Title) (Date)

Remittance
Address: _____

(Zip Code)

Phone #: (____)_____

Fax #: (____)_____

E-Mail Address: _____

Vendor Number: _____

Entry Date: _____

Bidder/Vendor Application

Complete this application and fax or mail to City of Allen, Purchasing, Allen Civic Plaza, 305 Century Parkway, Allen, TX 75013. Fax # 214-509-4675

Company Name: _____ Tel: () _____

Mailing Address: _____ Fax: () _____

City: _____ State: _____ Zip: _____ Tax I.D. NO: _____

Remit to Address: _____ City: _____

State: _____ Zip: _____

Representative(s) Name & Title: _____

Type of Organization (check one) Individual: _____ Partnership: _____ Corporation: _____

State of Incorporation: _____ Other: _____

Type of Business (check one) Manufacturer: _____ Wholesaler: _____ Retailer: _____

Broker: _____ Distributor: _____ Service Organization: _____ Other: _____

Name & Title of Person(s) Authorized to Sign Bids, Proposals, and/or Contracts: _____

Small and/or Disadvantaged Business Information (check applicable criteria)

Small Business:

**Disadvantaged Business
(At Least 51% Ownership)**

_____ Less than 50

_____ Black American

_____ 51-99 employees

_____ Hispanic American

_____ Less than \$1 million
annual gross receipts

_____ Asian Pacific American

_____ \$1-3 million annual
gross receipts

_____ Native American

_____ Women

_____ Other

Goods and/or Services for which Bidding Opportunities are requested:

I hereby certify that the above information is true and correct to the best of my knowledge.

Signature: _____ Date: _____

Print Name & Title of Signatory: _____