

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0306**

1. Proposal Format:

Submit one original, five (5) paper copies and one electronic version of the Proposal. The original Proposal shall contain original signatures. Proposals shall be typed on standard paper and have consecutively numbered pages. Proposals shall be organized in the following format and information sequence. Use tabs to divide each part of your Proposal and include a Table of Contents. Proposers shall provide all details in the Proposal as required in the Section 0500 - Scope of Work and any additional information you deem necessary to evaluate your Proposal.

Tab 1 – Executive Summary:

Provide an Executive Summary of three (3) pages or less, which gives in brief concise terms, a summation of the Proposal.

The Executive Summary shall include:

- A. Organization chart of the team servicing this Agreement, including contact information;
- B. Years in business;
- C. Summary of your company's history and experience;
- D. Your organization's ability to exceed the performance of other vendors in relation to:
 - Cost
 - Financial strength
 - Demonstrated level of product integration
 - Claims administration
 - Customer service

The Executive Summary shall also address your organization's commitment to serving the City of Austin's needs relative to the needs of your other clients.

Tab 2 – Authorized Negotiator/Authority to Bind:

Include name, mailing address, email address, and telephone number of the officer or other representative in your organization authorized to negotiate and execute binding contract terms.

Tab 3 – City of Austin Purchasing Documents:

Complete and submit the following documents:

- A. Offer and Award Sheet
- B. Section 0605 - Local Business Presence Identification Form
- C. Section 0835 - Non-Resident Bidder Provisions

Tab 4 – General Requirements and Information:

Restate the General Requirement in 3.3 of Section 0500 - Scope of Work and General Information in 3.4 of Section 0500 - Scope of Work and confirm acceptance of the requirements.

Tab 5 – Program Coverage Requirements:

Tab 5(A): Restate all of the Program Coverage Requirements in 3.5 of Section 0500 - Scope of Work and confirm acceptance of each requirement.

Tab 5(B): The City is requesting Proposals for a higher STD weekly and LTD monthly Maximum Benefit than the current \$1,200 and \$7,500. Complete the Attachment 0610-B - Alternate Plan Design Rate Sheet. In addition, attach a plan description with each alternate rate sheet.

Tab 6 – Effective Dates and Termination Date of Coverage Requirements:

Restate the Effective Dates and Termination Dates of Coverage requirements in 3.6 of Section 0500 - Scope of Work and confirm acceptance of each requirement.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0306**

Tab 7 – Eligibility Requirements:

Restate the Eligibility Requirements in 3.7 of Section 0500 - Scope of Work and confirm acceptance of each requirement.

Tab 8 – Transition and Implementation Requirements:

Restate the Transition and Implementation Requirements in 3.8 of Section 0500 - Scope of Work and confirm acceptance of each requirement.

Tab 9 – Customer Service Requirements:

Tab 9 (A): Restate Customer Service Requirements in 3.9 of Section 0500 - Scope of Work and provide and/or confirm acceptance of each requirement.

Tab 9 (B):

- A. Provide an organization chart of your Customer Service team (including company decision makers). Detail the role and years of experience of the account representative on the contract.
- B. Provide the names of the claims analysts that will be assigned to the City; their direct contact numbers; their direct e-mail addresses, and their years of experience in handling STD and LTD claims.
- C. Complete Section 0615 - Customer Service/Claims Information.

Tab 10 – Claims Processing and Payment Requirements:

Restate Claims Processing and Payment Requirements in 3.10 of Section 0500 - Scope of Work and confirm acceptance of each requirement.

Tab 11 – Reporting Requirements:

Tab 11(A): Restate Reporting Requirements in 3.11 of Section 0500 - Scope of Work and provide and confirm acceptance of each requirement.

Tab 11(B): Provide a listing, description, and examples of management reports provided on monthly, quarterly, semi-annual and annual basis as described in this section.

Tab 12 – Federal, State and Local Law and related Requirements:

Tab 12(A): Restate federal, state and local law and related requirements in 3.12 of Section 0500 - Scope of Work and confirm acceptance of each requirement.

Tab 12(B): Complete Section 0640 - HIPAA Business Associate Agreement.

Tab 13 – Performance Measures:

Complete Section 0670 - Disability Performance Measures.

Confirm acceptance of each performance measure. Any exceptions to the proposed language in Section 0670 - Disability Performance Measures and Guarantees shall be clearly marked. Please state alternative language along with the business need for the alternative language.

Indicate if the requested liquidated damages and payout timeline is acceptable and if not, indicate what is acceptable.

List and provide additional performance guarantees provided to your clients along with acceptable liquidated damages.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0306**

Tab 14 – Commercial and Legal Contract Terms Requirements:

Review and state acceptance of each contract term in Section 0630 - Commercial Legal Contract Terms and confirm acceptance of each requirement.

An authorized agent with the AUTHORITY TO BIND IN CONTRACT shall provide a signature on Section 0630 - Commercial Legal Contract Terms indicating agreement with these contract requirements.

The City and the Proposer(s) successfully making the short list of all Proposals will agree to mutually acceptable contract terms during the Best and Final Offer period. Time will be of the essence during the Best and Final Offer period. Successful Proposers(s) will be required to assemble the necessary employees (Representative with AUTHORITY TO BIND IN CONTRACT, Legal, Financial, etc.) together, during the Best and Final Offer period, tentatively scheduled for 5/3/15 through 6/11/15, to render binding decisions on contract matter.

Because time is of the essence, major objections to these standard contract terms by the recommended Proposer may result in termination of contract negotiations and the City choosing to move forward with negotiations with the next best Proposer. The City anticipates the Contractor to sign an Agreement with the City for providing vision coverage within 30 days upon award approval by City Council. The minimum Commercial and Legal Contract Terms Requirements described above will be incorporated into a final Agreement for these services.

Tab 15 – Order of Precedence Requirements:

Restate the Order or Precedence Requirements listed below and confirm acceptance of this requirement.

The documents listed below, contain the obligations, project specifications, terms and conditions of the Contract between the parties. In the event of a conflict between any of the provisions governing this project, any inconsistency shall be resolved by giving precedence in the following order:

- A. The agreement between the City and Contractor
- B. RFP NO. JRD0306
- C. The Contractor's proposal, Clarification Statement, and Best and Final Offer

Tab 16 – Business Organization Requirements:

Tab 16(A): Provide a copy of applicable State of Texas licenses.

Tab 16(B): Complete Section 0635 - Business Organization.

Tab 17 – Exceptions to the Proposal:

The Proposer shall clearly indicate each exception taken and indicate the alternative language along with the business need for the alternative language. The failure to identify exceptions or proposed changes with a full explanation will constitute acceptance by the Proposer of the Solicitation as proposed by the City. The City reserves the right to reject a Proposal containing exceptions, additions, qualifications or conditions not called for in the Solicitation.

Tab 18 – Public Sector References and Relevant Experience:

Provide a list of five (5) references on Section 0700 - References for the City of Austin to contact about your performance including contact name, and telephone number. In addition, include a list of all public sector clients. Identify public sector clients which have 5,000 or more employees. Provide a list of large employer groups with over 10,000 employees.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0306**

Tab 19 – Personnel:

Tab 19(A): Identify key persons, and their title, who will be assigned to the City of Austin and include the following:

- A. List the number of clients they are responsible for
- B. Indicate percentage of time they will be allocated to the City of Austin
- C. Office location
- D. Resumes
- E. Indicate professional licensure or membership

Tab 19(B): Provide a general explanation and chart which specifies project leadership and reporting responsibilities; and interface the team with City project management and team personnel. If use of subcontractors is proposed, identify their placement in the primary management structure, and provide internal management description for each subcontractor.

Tab 20 – Client Requirements:

Provide samples of all items your company requires of a client (e.g. group application).

Tab 21 – Rates and Premium Requirements and Cost Proposal:

Tab 21(A): Restate the Rates and Premium Requirements listed below and confirm acceptance of each requirement.

- A. The Contractor shall guarantee rates for the initial thirty-six (36)-month period regardless of actual enrollment and volume changes.
- B. The Contractor shall provide guaranteed rates or maximum percentage rate caps for the three (3)12-month extension option periods regardless of actual enrollment and volume changes.
- C. Maximum Percentage Rate Caps. In order for the City to prepare its future budgets, preliminary rates shall be completed and submitted to the City by February 15th of each year for the following plan year. Final rates for the following plan year may be submitted no later than March 15th of each year (i.e. final rates for 2018 submitted by March 15, 2017).
- D. The Contractor agrees that all costs for requirements listed in this RFP, shall be included as part of the Contractor's basic premium; and inclusive of labor, materials, supplies, printing, travel and all costs and fees including administrative burden for providing disability insurance programs.
- E. The Contractor shall not change benefits or rates for the term of this contract without prior City approval. Any changes recommended for any renewal period may be approved and agreed upon in advance and in writing by the City.
- F. The City will calculate monthly premiums for disability insurance. The City's determination of eligible Covered Persons for which payment will be made, will be based on coverage the 1st of each month.
- G. The City's payment will be made by check no later than the last day of the following month for which payment is being made. The City's payment will be considered made on the payment postmark date.

Tab 21 (B): Cost Proposal

- A. Complete and submit Attachment 0610-A - Current Plan Design Rate Sheet.
- B. If proposing an alternate plan, complete and submit Attachment 0610-B - Alternate Plan Design Rate Sheet.

Rates as agreed upon by both parties shall be firm and guaranteed regardless of actual enrollment per plan year for all STD and LTD disability insurance services provided under the contract. Monthly rates must be evenly divisible by two (2).

If costs for these services are not submitted on Attachment 0610-A - Current Plan Design Rate Sheet, then the Proposal may be deemed nonresponsive to the cost/rates requirement of the RFP.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0306**

- A. The Contractor is required to determine the STD rate and annual premium based upon 70% of the City's total annual Pre-Disability Earnings.
 - B. LTD rates are based on 100% annual Pre-Disability Earnings.
 - C. The rates shall include the City of Austin's share of Social Security and Medicare taxes. All City of Austin employees, except civil service firefighters, pay into Social Security.
 - D. The Contractor agrees to waive employee LTD premiums once the employee is approved for LTD.
 - E. The Contractor shall quote rates out to no more than three (3) decimal points and must be evenly divisible by two.
2. **Proposal Acceptance Period:** All Proposals are valid for a period of one hundred and eighty (180) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the Proposal.
3. **Proprietary Information:** All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the Proposal to be disclosed, each page may be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information may be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.
4. **Proposal Preparation Cost:** All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a Proposal which may be required by the City shall be the sole responsibility of the Proposer.
5. **Evaluation Factors and Award:**
- A. **Competitive Selection:** This procurement will comply with applicable City of Austin Policy. The City, on a rational basis, will select the successful Proposer. Evaluation factors outlined in Paragraph (B) below shall be applied to all eligible, responsive Proposers in comparing Proposals and selecting the successful Proposer. Award of a contract may be made without discussion with Proposers after Proposals are received. Proposals should, therefore, be submitted on the most favorable terms.
 - B. **Evaluation Factors: Maximum 100 points.**

All Proposals will be evaluated based on the following criteria and rankings.
 - i. Business Organization, Insurance company experience, Financial Ratings, Personnel Qualifications and Prior Experience. **(15 points)**
 - ii. Scope of Work: Responsiveness to RFP Requirements and all Contract Terms, provisions including Commercial and Legal Contract Terms described in **Section 0630** - Commercial Legal Contract Terms of the Solicitation and willingness to adhere to Proposal format required in the RFP. **(45 points)**
 - iii. Cost/Rates Proposed: Proposer with the lowest cost/rates proposed to the City and for the employees is given the maximum points; percentage ratio formula is applied to remaining Proposers. **(30 points)**

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0306**

iv. Local Business Presence:

(Maximum 10 points)

Team's Local Business Presence	Points Awarded
Local business presence of 90% to 100%	10
Local business presence of 75% to 89%	8
Local business presence of 50% to 74%	6
Local business presence of 25% to 49%	4
Local presence of between 1 and 24%	2
No local presence	0

- v. Optional Interviews: The City will score Proposals on the basis of items 1-4 above. The City may select a "short list" of Proposers based on those scores. "Short-listed" Proposers may be invited for interviews with the City. **Additional Maximum 25 points**