

Request for Proposals Kent County Levy Court

Personnel Office
555 Bay Road
Dover, DE 19901
(302) 744-2310

www.co.kent.de.us

ISSUED:

February 9, 2018

RESPONSES DUE:

March 16, 2018 at 4:30 p.m., prevailing time



Subject: Employee/Retiree Dental Insurance (Self-insured & Fully insured plans)

Proposal Specifications

SECTION I: INTRODUCTION

A. PURPOSE

The purpose of this Request for Proposals (the "RFP") is to procure high quality dental insurance benefits for the employees/retirees and eligible dependents of Kent County Levy Court (the "KCLC") through a self-insured and a fully insured format. The current plan year for the requested insurance product will expire on June 30, 2018 and the proposed plans/programs must become effective July 1, 2018.

B. BACKGROUND INFORMATION

Kent County Levy Court (KCLC) is the governing body for one of the three counties comprising the State of Delaware. Kent County is centrally located and is home to the State capital - Dover, which is also the county seat. The current population is estimated to be 174,000.

The County currently has 302 full time employee positions authorized to work at the Kent County Administrative Complex located at 555 Bay Road, Dover, Delaware; the Kent County Regional Resource Recovery Facility near Frederica, Delaware; the Emergency Services Building at 911 Public Safety Blvd., Dover, Delaware; Emergency Medical Services Station #6 located at 5100 Wheatley's Pond Road, Smyrna, Delaware; Emergency Medical Services Station #8 located at the Harrington Fire hall at 20 Clark Street, Harrington, Delaware; Delaware; Emergency Medical Services Station #10 located at the Frederica Fire hall at 6 Front Street, Frederica, Delaware; the Kent County Public Library located at 497 South Red Haven Drive, Dover, Delaware, and the Kent County Recreation Center located at 1683 New Burton Road, Dover, Delaware.

The County also provides dental insurance coverage to 115 retirees participating in the GASB 45 compliant Retiree Benefits Program.

Employee/Retiree Dental Insurance

KCLC currently operates a self-insured employee dental insurance program using a third

party administrator. The self-insured plan consists of 389 employee units. The County pays the full administrative fee and reasonable/customary or negotiated (if less) claim costs for active employees and retirees from active service and their eligible dependents. The distribution breakdown includes 274 active full-time employees (which includes elected officials) and 115 retired participants. Part-time employees are not eligible for any KCLC employee insurances. Of the current employee unit contracts, 144 have single coverage, 130 have family coverage, 76 retirees have single coverage and 39 have family coverage. Only one (1) plan is offered with a \$1,500 calendar year limit. KCLC currently pays all but \$3.10 per month of the employee/retiree portion 100%, and the employee/retiree also pays the difference for family coverage at an additional rate of \$35.00 per month. Participation rates are subject to change. The current third party administrator's fee is \$3.34 per month per contract (employee/family).

SECTION II. SCOPE OF SERVICES

A. The dental insurance provider/bidder will be expected at a minimum to provide the following:

1. Any coverage proposed must at a minimum be equal to or better than the current coverage offered to employees by KCLC with full details included in the available Summary Plan Documents.
2. Any network plan proposed must include a minimum of eight (8) licensed dentists/oral surgeons with offices offering full time regular office hours in Kent County, Delaware with at least five (5) family or general practice dentists accepting new patients;
3. With input and final approval of form by KCLC staff, develop, prepare and present in a concise and understandable manner those monthly reports desired by KCLC to assist in cost management;
4. Develop, prepare and present phantom or other rates using standard actuarial practices to assist KCLC in appropriately budgeting the plan;
5. Insure that dental/service provider charges are reasonable and customary and equal to those rates negotiated by the bidder;
6. Respond to inquiries as directed by the KCLC or KCLC staff;
7. Advise KCLC concerning Federal, State or other regulatory compliance issues;
8. Keep KCLC abreast of Plan Benefit design trends and options;
9. Maintain an active role in assuring the KCLC's Plan (s) is running efficiently;
10. Participate, as requested, in informational meetings with KCLC employees to answer questions, discuss or promote the plan(s) and meet at least annually with KCLC staff;
11. With input and final approval by KCLC staff, develop, print and distribute adequate number of copies of informational booklets for current and new employees outlining specific benefit plans, benefits explanation, typical questions, etc. (Initial informational books must be published within 90 days of award);
12. Provide at no additional cost identification cards if required to access services, plan booklet changes, customer service, utilization review and other reports, commissions, etc.
13. Provide a toll free customer service telephone number with adequate staffing to answer benefit and claims related questions; and
14. Provide at no additional cost complete electronic copies in an approved electronic format of

the Summary Plan Document, approved contract for services, and other related documents.

SECTION III. TECHNICAL PROPOSAL AND FORMAT

All proposals shall respond to all questions and requirements listed in this RFP.

A. Basic Information

1. State the name of your firm, address, telephone and telefax numbers and the name and title of the person who will serve as the KCLC's key contact with your firm with respect to your proposal.
2. Provide a general description of the firm, including size, number of employees, primary business (consulting, pension planning, insurance, etc.), other business or services, type of organization (franchise, corporation, partnership, etc.), and other descriptive material.
3. Provide an explanation of your claims processing and the claims appeals processes and normal time required to process payments. Indicate type and number of forms expected to be regularly completed by plan participants.
4. Describe processes used to insure timely responses to inquiries and processing of claims.

B. Financial Condition

1. Has your firm/company experienced any significant financial difficulties or other problems which could negatively affect its ability to carry out its duties and responsibilities to KCLC? If yes, please specifically identify the problem(s) and discuss why such problems should be disregarded.
2. Are there any pending or threatened investigations, litigation or pending litigation regarding the conduct or business conduct of your firm/company or its management. Could any of these directly or indirectly affect your role as a vendor to the KCLC as described in this RFP? Have there been any such investigations or litigation or threats thereof within the past three years? If so, describe thoroughly.

C. Personnel Assigned

1. Identify the account manager(s) of your firm who will be involved with this engagement, i.e.- the person(s) who will have the direct reporting and administrative responsibility to the KCLC. Please indicate the status of the individual(s) within your organization and his/her professional background and experience. Provide other relevant information regarding this individual(s). Furnish current references including names, titles, affiliations and telephone numbers of clients with whom this individual has had responsibility.
2. Provide professional backgrounds for all associates and other personnel who will be involved with the engagement.
3. Describe your organizational approach to this engagement; utilize, if appropriate, an organizational table. Explain how the various professionals and staff will be organized and managed.

D. Experience

1. Describe your firm's experience in providing the requested services. Highlight those engagements which involved Delaware and nearby entities. If representing an insurer, please provide

that firm's experience and engagements.

2. Attach samples of informational or similar publications, if any, provided to clients and interested parties on a routine basis.
3. Attach samples of billing statement and similar type reports.
4. Provide information about any national accreditations received for operations, programs, plans, etc.,(i.e.,NCQA).

E. Proposal Structure

Proposals are limited to 24 double sided pages, excluding cover letters and appendices. Proposals should not contain extraneous promotional materials. Proposals will be evaluated on the basis of information presented by the Vendor and evaluation criteria listed in this RFP.

SECTION IV: COST PROPOSAL AND FORMAT

The Dental Insurance Base Proposal must at a minimum provide equal or better than current coverage (benefits) offered to employees/retirees through the existing KCLC plan with the same requirements.

The Base Proposal cost information shall be provided in the tabular format as provided in Exhibit A. Failure to provide all cost information and in the order specified may result in the rejection of the Base Proposal.

Bidders shall not revise or make changes to Exhibit A.

SECTION V: GENERAL INFORMATION AND INSTRUCTIONS FOR BIDDING

A. Issuing Office

This request for proposals is being issued through the Personnel Office in the Administration Department of Kent County Levy Court. Unless otherwise specified, Personnel Director Allan Kujala of the KCLC Personnel Office is the sole point of contact for the purposes of the RFP and subsequent responses of substance will be in writing.

B. Scope of Engagement

KCLC is requesting proposals to provide employee/retiree dental insurance and/or dental insurance related services for a one (1) year period with possible extension for an additional one (1) or two (2) years at the option of KCLC. It is the desire of KCLC to award a two (2) or three (3) year contract if cost effective and in the best interest of employees and the public.

Additionally for possible cost containment purposes, KCLC is seeking proposals to provide a fully insured dental insurance program paid by the employee/retiree. Said program should at a minimum duplicate existing dental benefit coverage, but less expensive alternatives are also requested, such as a plan with a \$50 or \$100 deductible and/or provider networks. It is anticipated that participation in an employee-paid plan would be about 50% of the employee/retiree group.

C. Addendum to RFP

The KCLC reserves the right to amend the RFP prior to the due date of responses. If it becomes

necessary to revise any part of the RFP, an addendum shall be provided to all potential vendors who have requested and have been sent a copy of this RFP. All responders shall include acknowledgment of all addenda as part of this proposal. Failure to acknowledge addenda may be grounds for disqualification of the proposal. Any addendum will also be available on the County's web site www.co.kent.de.us

D. Questions

Questions will be accepted in writing via email or by letter up to or before 5:00 PM on Wednesday, March 7, 2018, and will be answered in the mode received (either email response or letter response) no later than Friday, March 9, 2018.

All questions regarding this Request for Proposal shall be referred to:

Allan Kujala
Kent County Personnel Director
555 Bay Road
Dover, Delaware 19901
Phone: (302) 744-2310
Email: allan.kujala@co.kent.de.us

E. Cost of Preparing Proposal

The cost of developing and submitting the proposal is entirely the responsibility of the bidder. This includes costs to determine the nature of this engagement, preparation of proposal, submission of proposal, negotiation for the contract, and all other costs associated with this RFP and responses thereto. All responses and any future publications, if contract awarded, will become the property of the KCLC. The responses of successful bidder(s) may be a matter of public record subsequent to award of the contract.

F. Submissions of proposals

Five (5) copies of each vendor's proposal(s) shall be submitted in a sealed package marked "DENTAL INSURANCE PROPOSAL" to **Allan Kujala, Personnel Director, Room 214, Kent County Administrative Complex, Kent County Levy Court, 555 Bay Road, Dover, DE 19901** no later than 4:30 p.m., prevailing time, on Friday, March 16, 2018, when it will be opened and publicly read.

And

One (1) electronic copy of each vendor's proposal(s) is requested to be submitted and referenced as "DENTAL INSURANCE PROPOSAL" to allan.kujala@co.kent.de.us by Friday, March 16, 2017 at 5:00 p.m.

All submitted proposals become the property of KCLC as public documents and are available for review by the public as provided by Law.

G. Independent Price Determination

A proposal will not be considered for award if the fees were not arrived at independently and without collusion, communication or agreement as to any matter related to such prices with any other vendor, competitor or public officer.

The vendor must include a signed statement in the proposal transmittal letter certifying that the price was arrived at without any conflict of interest.

H. Preparation

Responses should provide a straightforward, concise description of bidder's capabilities to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content. Repetition of the terms and conditions of the RFP, without additional explanation, will not be considered sufficiently responsive.

I. Errors in Proposal Preparation

The KCLC has the right to rely on any price quotes provided by bidders. The bidders may be responsible for any mathematical error or incorrect extension of any calculations leading to the bidder's price quotes. The KCLC reserves the right to reject proposals which contain errors.

J. Evaluation of Proposals

All proposals submitted in response to the RFP will be evaluated by the KCLC, with consideration focused toward, but not limited to, the following:

1. Vendor's qualifications and experience to provide the required service as defined in the RFP.
2. Adequate number of personnel with the qualifications required to provide the services as defined in the RFP.
3. Cost of services.
4. Vendor's understanding of the KCLC's current and requested plan design(s).
5. Compliance with the terms, conditions and other provisions of the RFP.
6. Adequacy and completeness of the proposal with regard to the information specified in the RFP.

K. Appearance Before KCLC Committee

Any or all bidders may be required to appear before one or more KCLC Committee(s) to explain the bidder's understanding and approach to the insurances requested and/or respond to any questions in regard to the proposal submitted. The project manager shall, if possible, make any requested oral presentations before the KCLC Committee(s).

L. Awards

Awards will be made by the Kent County Levy Court consistent with 9 Del. C. §314 (d) and based upon the best potential interest of Kent County. The KCLC reserves the right to reject any or all responses to the RFP, for whatever reason deemed by it to be appropriate, and shall not be obligated to return any material in connection with this request. A satisfactory contract of agreement must be

fully negotiated and executed by the insurer and presented for execution by KCLC within 60 days of award. If a satisfactory agreement cannot be reached in a timely manner, KCLC reserves the right to negotiate an agreement with another insurer. The KCLC reserves the right at anytime to place its dental insurance coverage(s) with the State of Delaware, Delaware Founders Insurance Trust affiliated with the Delaware League of Local Governments or similar insurance pool without the requirement to submit a proposal or meet any of the conditions listed. **The KCLC further reserves the right to seek “a best and final” offer from any or all of the bidders before making an award.**

M. Payments

Payments to successful bidder(s) shall be on monthly basis, unless otherwise agreed, and will be made in accordance with mutually agreeable terms by the KCLC.

N. Political Involvement

As this RFP has established specific criteria for evaluation of all proposals, bidders and their representatives may not contact elected officials directly or indirectly to lobby or otherwise secure undue support for a specific or general proposal(s) submitted. If such activity occurs, the proposal will be disqualified from further consideration.

NOTE: *This RFP and some exhibits are available in electronic format upon request. Submit request by calling (302) 744-2310 during regular business hours or e-mail your request to personnel@co.kent.de.us. Please provide correct e-mail address to insure proper delivery.*

**EXHIBIT A
DENTAL INSURANCE
QUOTE FORM 2018/2019**

PLAN NAME _____ **Broker** _____

Please provide a quote for a fully insured dental insurance program where the carrier assumes all risk for the plan. Fully insured plans proposed must at a minimum equal the current coverage provided and meet all additional specifications listed in this document. All administrative, claims, commissions, etc. costs must be included. Alternative format plans are encouraged.

Please provide a quote for a self-insured plan which at a minimum equals the current coverage provided and meets all additional specifications listed in the document. All administrative costs must be included.

Please provide a flat per month, per employee rate and an employee & family rate for coverage:

FULLY INSURED OPEN PLAN

Employee \$ _____
Family \$ _____

FULLY INSURED NETWORK PROVIDER PLAN

Employee \$ _____
Family \$ _____

SELF INSURED THIRD PARTY ADMINISTRATIVE FEE (OPEN PLAN)

Employee \$ _____
Family \$ _____

Guaranteed Discount Rate \$ _____

SELF INSURED THIRD PARTY ADMINISTRATIVE FEE (NETWORK PROVIDER PLAN)

Employee \$ _____
Family \$ _____

Guaranteed Discount Rate \$ _____

EXHIBIT A1

**DENTAL INSURANCE
GUARANTEED RATE FOR 2ND AND/OR 3RD YEAR
PROPOSAL QUOTE FORM**

PLAN NAME _____ **Broker** _____

Please submit a guaranteed rate percentage for a second and third year of coverage. The maximum annual increase may not exceed 20%.

A) FULLY INSURED (OPEN PLAN)

	Year 2019/2020	Year 2020/2021
Employee	_____ % Minimum	_____ % Minimum
	_____ % Maximum	_____ % Maximum
Family	_____ % Minimum	_____ % Minimum
	_____ % Maximum	_____ % Maximum

B) FULLY INSURED (NETWORK PROVIDER PLAN)

	Year 2019/2020	Year 2020/2021
Employee	_____ % Minimum	_____ % Minimum
	_____ % Maximum	_____ % Maximum
Family	_____ % Minimum	_____ % Minimum
	_____ % Maximum	_____ % Maximum

Please submit a guaranteed rate for a second and third year of coverage. The maximum annual increase may not exceed 20%.

C) SELF INSURED THIRD PARTY ADMINISTRATIVE FEE (OPEN PLAN)

	Year 2019/2020	Year 2020/2021
Employee	_____	_____
Family	_____	_____
Guaranteed Discount Rate	_____ %	_____ %

D) SELF INSURED THIRD PARTY ADMINISTRATIVE FEE (NETWORK PROVIDER)

	Year 2019/2020	Year 2020/2021
Employee	_____	_____
Family	_____	_____
Guaranteed Discount Rate	_____ %	_____ %