

**REQUEST FOR PROPOSALS**  
*For*

**Group Health Insurance**

**Decatur Housing Authority**  
*1808 E Locust Street*  
*Decatur, Illinois 62521*

**Release Date: January 22, 2018**  
**Proposal Must be Received**  
**No Later Than: 2:00 p.m. CST – February 23, 2018**

**Plan Effective Date: 06/01/2018**

# Decatur Housing Authority

## TABLE OF CONTENTS

### SECTION

#### **I. GENERAL INFORMATION**

- Request for Proposal Notice
- Proposal Evaluation Criteria
- Conditions and Stipulations

#### **II. DECATUR HOUSING AUTHORITY INFORMATION**

- Request For Medical Benefits
- Contributions and Statistical Information

#### **III. APPENDICES**

- Exhibit 1 - Summary of Benefits – Current Plan(s) (4 pages)
- Exhibit 2 – Form of Cost Proposal (2 pages)
- Exhibit 3 - Employee Census (1 page)

## **SECTION I – GENERAL INFORMATION**

*REQUEST FOR PROPOSAL NOTICE*

*PROPOSAL EVALUATION CRITERIA*

*CONDITIONS AND STIPULATIONS*

## **REQUEST FOR PROPOSAL NOTICE**

Notice is hereby given that the Decatur Housing Authority will accept Proposals for the following specified group insurance benefits until 2:00 p.m. CST – February 23, 2018.

At which time all proposals will be publically opened. All Proposals shall be clearly identified as Insurance Proposal for the Decatur Housing Authority. Copies of your Proposal should be forwarded to the Decatur Housing Authority at the following address:

**Decatur Housing Authority  
Attn: Brenda Kraus  
1808 E Locust Street  
Decatur, Illinois 62521**

Proposals will be evaluated and the recommendation of carrier(s) will be presented to Board of Commissioners for approval. The Board of Commissioners reserves the right to reject any or all Proposals, waive formalities and to select the carrier and benefit options that best meet the needs of the Decatur Housing Authority and its employees. The Decatur Housing Authority reserves the right to select and terminate any servicing agent, agency, company or administrator.

Inquiries, clarification, or requests for Proposal forms and questionnaires by electronic mail should be directed by telephone or e-mail to the following DHA contact:

**Brenda Kraus  
Director of Operations  
(217) 423-7745 ext. 3009  
bkraus@decaturhousing.com**

## PROPOSAL EVALUATION CRITERIA

The DHA will evaluate proposals based on the needs of the DHA and its employees. Respondents shall provide information to address each of the listed criteria, and shall submit completed Form of Proposal; additional information may be submitted at the respondent's discretion. The following criteria will be used in evaluating each of the carrier responses:

	<b>POSSIBLE POINTS</b>
1. Compliance with specifications.	<u>5</u>
2. Agent qualifications and experience.	<u>9</u>
a. Submit qualifications and experience of key staff that will provide services to Decatur Housing Authority.	
b. Provide company information including locations, staff size, years providing requested services, listing of other Housing Authorities or public bodies for whom services are now provided or have been provided within the past 3 years.	
c. Evidence of authorization to do business in Illinois.	
3. Insurance Providers qualifications and capacity.	<u>8</u>
a. Provide company information including locations, staff size, years providing requested services, listing of other Housing Authorities or public bodies for whom services are now provided or have been provided within the past 3 years.	
b. Independent agency ratings.	
c. Evidence of authorization to do business in Illinois.	
d. Financial position of insurance company, managed care organization for purchasing group.	
4. Claims processing.	<u>9</u>
a. Submit qualifications and experience of key staff that will provide services to Decatur Housing Authority.	
b. Provide company information including locations, staff size, years providing requested services, listing of other Housing Authorities or public bodies for whom services are now provided or have been provided within the past 3 years.	
c. Evidence of authorization to do business in Illinois.	
5. Coordination and management of coverages and HSA accounts or other services.	<u>9</u>
a. Submit qualifications and experience of key staff that will provide services to Decatur Housing Authority.	
b. Provide company information including locations, staff size, years providing requested services, listing of other Housing Authorities or public bodies for whom services are now provided or have been provided within the past 3 years.	
c. Evidence of authorization to do business in Illinois.	
6. List all drugs or benefits not covered in any proposed package.	<u>5</u>

**POSSIBLE POINTS**

- 7. Ability to provide good administrative support and member services to the Decatur Housing Authority and its covered employees and dependents. 5
- 8. Premium rates and costs. 30
- 9. Other fees and costs. 10
- 10. Multi-year premiums, rates and costs. 25

The Decatur Housing Authority will choose the proposals that best fits its needs and the needs of its employees and dependents. The Decatur Housing Authority is not obligated to award the contract based on cost alone.

**Materials that must be submitted with proposals:**

- 1. Provide documents, explanations and specific descriptions to demonstrate the respondents' ability to meet or exceed criteria listed in items 2 through 7 above.
- 2. The "Form of Cost proposal, Decatur Housing Authority, Health Insurance and Benefits Program" dated \_\_\_\_\_.
- 3. Respondents are required to submit proposals for Match Existing Coverage Option. (see attached Exhibit 2)

## CONDITIONS AND STIPULATIONS

You are invited to submit your Proposal for the administration of the indicated benefit plans based on the information contained in this Request for Proposal. Unless a specific note is made to the contrary, we will assume that your Proposal conforms to the Decatur Housing Authority's Specifications.

You are invited to ask questions during the proposal process and to seek additional information, if needed. We want this to be an interactive process and will make every effort to provide sufficient data for your response. Questions and requests for additional information must be in writing or by email.

### **General Conditions and Stipulations**

- Underwriting information pertaining to the Decatur Housing Authority is correct and accurate to the best of our knowledge. All providers submitting Proposals will be provided information regarding changes or additions to the underwriting data.
- The Decatur Housing Authority reserves the right to accept or reject any or all proposals and to waive informalities and select the carrier and benefit options that best meet the needs of the Decatur Housing Authority and its employees. The Decatur Housing Authority's objective is to select a carrier who will provide the best possible service at the best possible cost while meeting the Request for Proposal specifications. The Decatur Housing Authority is not obligated to award the contract based on cost alone.
- Any proposed deviations to any part of these Specifications must be submitted in writing as a part of the questionnaire, (question #1) and clearly identified in the appropriate section of the Proposal. Any deviation deemed to be significant by the Decatur Housing Authority may disqualify the Proposal.

Failure to identify any such deviation(s) shall not in the future accrue to the disadvantage of the Decatur Housing Authority nor any qualified participant or dependent in any manner.

- Proposals can be for one or more of the specified group benefits. However, the rate for each benefit must be independently determined. Alternative benefit options may be considered if there would be a reduction in cost/premiums. Proposed rates must be guaranteed till June 1, 2018.
- Provider(s) that are awarded the business shall submit properly executed contracts to the Decatur Housing Authority within sixty (60) days of the plan effective date.
- It is not the desire of the Decatur Housing Authority or participants to be involved with the handling of claims. Providers must specify their claims handling procedure and include a sample claim form with an example of an Explanation of Benefits.
- The Provider(s) awarded the business shall be required to provide Decatur Housing Authority-specific loss data (i.e. premium / claims and utilization data) at least annually.

After the first renewal, paid claims and utilization data covering at least a twelve (12) month period must be provided to the Decatur Housing Authority prior to or concurrent with any subsequent rate adjustment.

- Employees (and their dependents) that terminate their employment for any reason must be given the option to continue or convert their insurance to individual contracts without evidence of insurability per state mandates and federal COBRA regulations. Such coverage shall not be contingent upon the Decatur Housing Authority's coverage continuing with the Provider.
- All Providers must be in full compliance with Illinois and Federal requirements relating to the requested coverage or administration of or insuring of such benefits.
- Any and all legislative mandates that apply to the State of Illinois, including those that may not be included in the copy of benefits from the current provider, are to be included in all Proposals submitted. Failure to include any such benefits in the Proposal shall not accrue to the detriment of the Decatur Housing Authority nor any employee or any dependent in any manner.
- Agents shall clearly identify the carrier in the Proposal being submitted. Carriers should identify all agents involved. Any and all commissions paid to agents or automatically built into the rates must be fully disclosed. The Decatur Housing Authority reserves the right to select an agent of record or to go direct through the insurance carrier. The Decatur Housing Authority reserves the right to select and terminate any servicing agent, agency, company or administrator.
- Comprehensive benefit brochures and provider directories must be made available to each covered participant at enrollment. Individual certificates, member cards or other pertinent information must be provided no later than 30 days after the effective date or delivery of enrollment data.
- A servicing representative must be available to the Decatur Housing Authority on an on-going basis. Representatives must be available at the initial open enrollment meetings to explain the plan and enroll Decatur Housing Authority employees.

### **Coverage Conditions and Stipulations**

- Coverage under the accepted plan shall be from **June 1, 2018**. The carrier has the right to amend rates at the beginning of the next plan period subject to at least forty-five (45) days written notice, prior to the effective date of the change.
- Multiple year fees and/or rate guarantees must be submitted for multi-year contracts.
- All pre-existing conditions and illnesses are to be covered for all participants and dependents.



### **Eligibility and Enrollment Conditions and Stipulations**

- Enrolled participants shall be immediately eligible for the plan upon its effective date. Eligible participants hired after the effective date shall become eligible immediately upon employment.
- Employees eligible to participate in the plan are permanent employees whose usual work schedule is at least 30 hours per week. These employees are eligible for employer contribution.
- When an employee's spouse and dependents are not covered as dependents under this plan, such dependents may apply for coverage upon termination of employment or loss of coverage. Validation of such application must be completed within thirty-one (31) days.
- Dependent children may be covered until they reach the age of 26.

## **SECTION II – DECATUR HOUSING AUTHORITY INFORMATION**

### ***Request For Medical Benefits***

### ***Contribution and Statistical Information***

## **REQUEST FOR MEDICAL BENEFITS**

Funding Requested: **Fully-Insured**

The Decatur Housing Authority currently offers its employees **one (1)** major medical plan through Health Alliance.

In addition to the current benefit plan (summary of benefits included in § IV), the Decatur Housing Authority wishes to receive Proposals for the following plan options:

**Dental Insurance**

**Vision Insurance**

**Flexible Spending Account (FSA)**

**Health Reimbursement Account (HRA)**

***NOTE: If you are unable to provide a quote for a plan that meets these exact requirements, the Decatur Housing Authority would entertain quotes for the plan option that most closely matches the benefit levels outlined above.***

## **CONTRIBUTIONS AND STATISTICAL INFORMATION**

### **Medical Premium Contribution**

The employer currently contributes **100%** of the employee's plan premium and **0%** towards dependent coverage. The Employer may consider other cost sharing arrangements for dependents.

**Premium and Claims History**

See premium / claim report included in § IV.

**Employee Census**

See employee census report included in § IV.

**PARTICIPANT BREAKDOWN**

<u>Plan</u>	<u>Employee</u>	<u>Family</u>	<u>Employee &amp; Chi</u>	<u>Employee &amp; Spouse</u>	<u>Total</u>
HMO HAS 6500	19	2	2	3	26
Bronze Emb Rx 12					

OPTIONS: Decatur Housing Authority is seeking alternative methods to reduce costs and provide excellent coverage to employees. Decatur Housing Authority will consider proposals that utilize employer funded health savings accounts to pay deductibles and out of pocket expenses in excess of current plan deductibles and out of pocket payments, if it can be demonstrated that overall savings can be guaranteed. Optional stop loss insurance or other instruments should be included in proposals involving HSA or other options.