

# City of DeFuniak Springs



## Request for Proposals

### **MEDICAL AND PRESCRIPTION COVERAGE**

The City of DeFuniak Springs will be accepting sealed proposals for Medical and Prescription coverage in the office of the City Manager, 71 US Hwy 90 West, DeFuniak Springs, FL 32433 until **July 18<sup>th</sup>, 2022 at 2:00 p.m. CT**. The proposals shall be marked on the outside of the envelope "RFP – Medical and Prescription Coverage." Any proposal received after 2:00 p.m. CT on the above date will not be accepted and will be returned unopened to the responder.

Entities interested in submitting a proposal should contact Koby Townsend, City Clerk at (850) 892-8500 x 103 or via email at [cityclerk@defuniaksprings.net](mailto:cityclerk@defuniaksprings.net), between the normal office hours of 8:00 a.m. to 5:00 p.m., to obtain the list of criteria which will be used to complete the proposal. The deadline for submission to the City of DeFuniak Springs, Florida is Monday, July 18<sup>th</sup>, 2022 at 2:00 p.m. CT. Any proposals received after 2:00 p.m. on the above date will not be accepted and will be returned unopened. Failure to submit all requirements in the specified format may disqualify the submittal.

Barnes Insurance and Financial Services is the appointed agent of record and will be assisting the City in this evaluation.

The City of DeFuniak Springs reserves the right to reject any and all proposals, waive any formalities, and negotiate and award in the best interest of the City of DeFuniak Springs. The City reserves the right to waive any irregularities in the proposal.

The City of DeFuniak Springs is an Equal Opportunity/Affirmative Action/ADA Employer/Drug Free Workplace.

CITY OF DEFUNIAK SPRINGS

Robert Thompson  
City Manager

# **REQUEST FOR PROPOSAL FOR MEDICAL AND PRESCRIPTION COVERAGE**

Information Packet

## **Purpose of RFP**

**The purpose of this Request for Proposal (RFP) is to solicit competitive sealed proposals for medical and prescription coverage for the City of DeFuniak Springs' employees, their dependents, Cobra participants, and retirees. The City of DeFuniak Springs wants to explore options to make dependent rates (spouse, child(ren), family) more affordable for the 2022-2023 plan year. The City encourages bidders to propose alternative plan designs which provide an option for more affordable dependent coverage. The City has to attract and retain employees and needs it's plan to be competitive with local municipalities and businesses. We would also further encourage you to offer rate alternatives whereby the employee rate for the City is higher, and dependent rates are lower. This can be illustrated as a separate rate shift alternative in your proposal. Other ideas to increase dependent participation are welcomes to be proposed.**

## Table of Contents

### Section

- 1. Overview and Purchasing Requirements**
- 2. Group Medical and Prescription Benefit Requirements**
- 3. Current Health Plan Design**
- 4. Underwriting Data**
  - a. Summary Information**
- 5. Submittal Requirements**
- 6. Appendix A**
  - a. MEDICAL & RX RFP DEFUNIAK SPRINGS.doc**
  - b. DeFuniak Springs Census**
  - c. Medical Questionnaire**
  - d. Benefit Summaries**

## **Section 1: Overview and Purchasing Requirements**

### **1.0 OVERVIEW**

The City of DeFuniak Springs, hereafter referred to as the City, is seeking alternative proposals to the current medical and prescription program. They currently offer their employees and qualified participants 3 PPO plans. The City provides employee coverage with the employee responsible for dependent coverage. Respondents must provide a PPO proposal, fully insured, and are encouraged to provide alternative plans, keeping in mind the City's desire to lower dependent rates. Each entity shall be rated independently of the other and separate contracts shall be issued.

- A. Terms and Conditions of Proposal: To be considered, respondent should include, as part of their proposal, all the provisions of the RFP. Proposals must be signed by an official authorized to bind the respondent to the resultant agreement, if any.
- B. Agreement Provisions: All provisions in the RFP shall be included as part of the resultant agreement, if any.

### **1.1 PROPOSAL CLOSING DATE**

The original proposal and nine (9) complete copies (10 complete packages) must be received by the City of DeFuniak Springs, 71 US Hwy 90 West, DeFuniak Springs, FL 32433 no later than **2:00 pm CST on July 18, 2022**. Any proposal received after this time will not be accepted and will be returned unopened to the respondent.

### **1.2.1 PROPOSED SCHEDULE**

RFP Information Packet available	June 14, 2022
Deadline for Questions	June 28, 2022
RFP due by 2:00 pm CST	July 18, 2022
To City Council for Ranking	July 19, 2022
City Council Appoints Negotiating Committee	July 25, 2022
Committee recommendation to City Council	August 8, 2022
Enrollment meetings	September 6, 7, 8, 2022
I.D. cards and SPD booklets	September 15, 2022

### 1.3 DELIVERY OF PROPOSALS

All proposals shall be sealed and delivered or mailed to (**e-mails or faxes will not be accepted**):

City of DeFuniak Springs  
Attn: Koby Townsend, City Clerk  
71 US Highway 90 West  
DeFuniak Springs, FL 32433  
Telephone: 850-892-8500  
Fax: 850-892-8506

Mark package(s) “**RFP – Medical and Prescription Coverage**”

**Note:** Please ensure that if a third-party carrier (Federal Express, Airborne, UPS, USPS, etc.) is used, that they are properly instructed to deliver your proposal **only** to Human Resources at the above address. To be considered, **proposals must be received and accepted in Human Resources before the proposal closing date and time. If mailing overnight, confirm delivery schedule. The City is located in an area that may not have next day delivery available.**

### 1.4 PUBLIC PROPOSAL OPENING

- A. Only the names of the respondents will be read aloud after the proposal closing time. Proposal opening will begin on July 18, 2022 at 2:00 p.m. CT. Proposals submitted will be read aloud at that time.
- B. The City can reject any proposal and reserves the right to waive formalities.
- C. Individuals covered by the Americans with Disabilities Act of 1990 in need of accommodations to attend public proposal openings or meetings should contact the City Clerk at least five (5) days prior to the proposal opening.

### 1.5 PROPOSAL FORM

- A. See **Submittal Requirements**, for complete details.
- B. Each respondent shall submit TEN (10) complete sets of proposals.
- C. The proposal form must be signed by an official authorized to legally bind the respondent to its provisions.

- D. Terms and conditions differing from those in this RFP may be cause for disqualification of the proposal. All deviations must be clearly identified and disclosed.

## 1.6 QUESTIONS CONCERNING RFP

- A. Questions concerning any portion of this RFP shall be directed in writing to the below named individual who is the official point of contact for this RFP. Mark cover page or envelope(s) **“Questions on RFP Medical and Prescription Coverage Proposals”**. Questions should be submitted by June 28, 2022 to:  
Lacey Drake,-[hrdirector@defuniaksprings.net](mailto:hrdirector@defuniaksprings.net):
- B. Mark cover page or envelope(s) **“Questions on RFP Medical and Prescription Coverage Proposals.”**

Submit questions to:  
Lacey Drake, Human Resources Director  
C/O City of DeFuniak Springs  
71 US Highway 90 West  
DeFuniak Springs, FL 32433  
Telephone: 850-892-8500  
Fax: 850-892-8506  
[hrdirector@defuniaksprings.net](mailto:hrdirector@defuniaksprings.net)

## 1.7 CLARIFICATION AND ADDENDA

- A. It is incumbent upon each respondent to carefully examine these specifications, terms, and conditions. Any inquiries, suggestions, or requests concerning interpretation, clarification or additional information shall be made in writing, (facsimile transmissions acceptable) through the persons listed above. The City will not be responsible for any oral representation(s) given by any employee, representative or others. The issuance of a written addendum is the only official method by which interpretation, clarification or additional information can be given, including by the respondent.
- B. If it becomes necessary to revise or amend any part of this RFP, a good faith attempt shall be made to give notice to all prospective respondents who were sent an RFP. The Respondents, in their proposal, must acknowledge receipts of amendments. **Each respondent should ensure that they have received all addendum and amendments to this RFP before submitting their proposals. Please check for any addendum.**

## **1.8 AWARD**

The City reserves the right to award the contract(s) to the respondent(s) that they deem to offer the best overall proposal(s). The City is therefore not bound to accept a proposal on the basis of lowest price. Further, the City has the sole discretion and reserves the right to cancel this RFP. It has the right to reject any and all proposals, to waive any and all informalities and/or irregularities, or to re-advertise with either the identical or revised specifications, if it is deemed to be in the best interest of the City to do so. The City reserves the right to use any ideas or information obtained from or as a result of any proposal submitted in response to this RFP. The City also reserves the right to make multiple awards, based on experience and qualifications if it is deemed to be in the City's best interest.

## **1.9 ASSIGNMENT AND SUBLETTING**

The respondent shall not assign, transfer, convey, sublet, or otherwise dispose of any of its rights, title, or interests therein, without the prior written consent of the City Council. In addition, in the event the respondent is a corporation, other than a publicly held corporation, it shall not sell or transfer any shares in said corporation without the prior written consent of the City Council.

## **1.10 CONTRACT**

- A. The Mayor, City Manager, or designee is the sole contracting officer for the City. Only he/she or designee is authorized to make changes to any contract. All changes or modifications to this contract shall be mutually agreed upon in writing.
- B. The City shall be responsible for only those orders placed by and with the council's approval. Neither party shall be responsible for any order, change substitution or any other discrepancy. If there is any question about the authenticity of a purchase the vendor should promptly contact Human Resources at 850-892-8500.

## **1.11 DISCLOSURE OF PROPOSAL CONTENT**

- A. All material submitted becomes the property of the City and may be returned only at the City's option. The City has the right to use any or all ideas presented in any reply to this RFP. Selection or rejection of any proposal does not affect this right.
- B. The City is governed by the Public Record Law, Chapter 119, Florida Statutes (F.S.). Only trade secrets as defined in Section 812.081, F.S., will be exempt from disclosure. If a respondent submits trade secret information, the information must be segregated, and each pertinent page must be clearly labeled "**trade secret**". The City will maintain the confidentiality of such trade secrets to the extent provided by law.
- C. Also pursuant to Section 119.07 (3)(aa), F.S., financial statements will be exempt from examination by anyone other than legally authorized City employees. The

City will maintain the confidentiality of such financial data to the extent provided by law.

## **1.12 RESPONDENT'S RESPONSIBILITY**

A respondent, by submitting a proposal, represents that:

- A. The respondent has read and understands the RFP and the proposal is made in accordance therewith, and;
- B. The respondent is familiar with the local conditions under which the awarded respondent and proposed products must perform. The respondent possesses the capabilities, resources, and personnel necessary to provide efficient and successful service to the city, and;
- C. Before submitting a proposal, each respondent shall make all investigations and examinations necessary to ascertain site conditions and requirements affecting the full performance of the contract and to verify any representations made by the City, upon which the respondent will rely. If the respondent receives an award because of its proposal submission, failure to have made such investigations and examinations will in no way relieve the respondent from its obligations to comply in every detail. This shall include all provisions and requirements of the contract, nor will a plea of ignorance of such conditions and requirements be accepted as a basis for any claim by the respondent for additional compensation or relief.

## **1.13 PAYMENT TERMS**

- A. The City will remit full payment on all undisputed invoices within thirty (30) days from receipt of the invoice(s) or receipt of all products or services ordered.
- B. Pursuant to Chapter 218, Florida Statutes, the City will pay interest not to exceed one percent (1%) per month on all undisputed invoices not paid within thirty (30) days after receipt of the entire order of the commodity or service, AND a properly completed invoice, whichever is later.
- C. *By submitting a proposal to the City, the respondent expressly agrees that if awarded a contract, the City may withhold from any payment, monies owed by the respondent to the City, for any legal obligation between the respondent and the City, including, but not limited to intangible taxes, personal property taxes, fees, and commissions.*

## **1.14 CERTIFICATES**

- A. The City reserves the right to require proof that the respondent is an established business. That it is abiding by the ordinances, regulations, and laws of their



community and the State of Florida, such as but not limited to: occupational licenses, business licenses, Florida sales tax registration, federal employers identification number, **AND**

- B. Each firm must be licensed to do business in its area of expertise in the State of Florida. Each firm shall maintain the appropriate licenses and certificates during the term of the contract and any extensions. Failure to maintain these requirements will be cause for immediate termination of the contract.

#### **1.15 RESPONDENT'S LIABILITY**

The respondent shall hold and save the City, its officers, agents and employees harmless against claims by third parties resulting from the respondent's negligence.

#### **1.16 MINOR IRREGULARITIES**

The City reserves the right to waive minor irregularities in proposals, providing such action is in the best interest of the City. Minor irregularities are defined as those that have no adverse effect on the City's best interests and will not affect the outcome of the selection process by giving the respondent an advantage or benefit not enjoyed by other respondents.

#### **1.17 GOVERNING LAWS**

Except to the extent federal law is applicable, the interpretation, effect, and validity of any contract(s) resulting from this RFP shall be governed by the laws and regulations of the State of Florida, and the City. Venue of any court action shall be in Walton County. In the event that a suit is brought for the enforcement of any term of the contract, or any right arising there from, the parties expressly waive their respective rights to have such action tried by jury trial and hereby consent to the use of non-jury trial for the adjudication of such suit.

#### **1.18 PUBLIC ENTITY CRIMES STATEMENT**

Public Entity Crime Information - A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal on a contract to provide any goods or services to a public entity, may not submit a proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit proposals on leases of real property to a public entity, may not be awarded or perform work as a respondent, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

## 1.19 INSURANCE

The respondent shall secure and maintain, at its sole cost and expense during the contract term, including but not limited to, the following requirements:

General Liability – in the amount of \$500,000

Liability – Auto, in the amount of \$500,000

Workers' Compensation – Statutory

Professional Liability in the amount of \$1 million per occurrence

The respondent shall carry liability insurance in the minimum amounts listed above, and workers' compensation and employer's liability insurance in statutory amounts. All insurance policies shall be issued by insurers licensed to do business in the State of Florida and any insuring company is required to have a minimum rating of B, Class VIII in the "Best Key Rating Guide" published by A.M. Best & Company, Inc.

Workers' Compensation and Occupational Disease. The respondent shall secure and maintain at its sole cost and expense during the contract term, all workers' compensation insurance required by Florida law, for respondent and all employees who are to provide services under this contract, and shall require its consultants or subsidiaries doing work in connection with this contract to provide the same coverage, without exclusion of any class of employee. Respondent's liability coverage with limits of not less than \$500,000 for each accident or illness shall be included.

The respondent shall either cover any subcontractors on its policy or require the subcontractor to conform to these requirements and file appropriate forms with the City.

Certificate of Insurance. A certificate of insurance indicating that the respondent has coverage in accordance with the requirements herein set forth shall be furnished by the respondent to the City's representative within thirty (30) days from the execution of the contract and annually upon renewal thereafter. Respondent agrees that City will make no payments pursuant to the terms of the contract until all required proof or evidence of insurance has been provided to the City's representative. Respondent agrees that the insurer shall waive its rights of subrogation, if any, against the City. This certificate shall be dated and show:

- (1) The name of the insured respondent, the specified job by name, name of the insurer, the number of the policy, its effective date and its termination date.
- (2) Statement that the insurer will mail notice to the City at least thirty (30) days prior to any material changes in provisions or cancellation of the policy.

## **1.20 AWARD TERM**

The successful respondent shall be awarded a contract for one year. It is the desire of City to maintain a long-term relationship with the successful respondent.

## **1.21 PRICE REDETERMINATION**

Renewal rates for the first year shall be provided by 90 days prior to anniversary date. Subsequent renewals shall be provided by 90 days prior to anniversary date.

## **1.22 DEVIATIONS**

All proposals must clearly and with specific detail, note all deviations to the exact requirements imposed upon the respondent by the specifications. Such deviations must be stated upon the proposal form; otherwise the City shall consider the subject proposals as being made in strict compliance with said specifications to respondents; the respondent being held therefore accountable and responsible. Respondents are hereby advised that the City shall only consider proposals that meet the exact requirements imposed by the specifications. However, said proposals may not be subject to such rejection where, **at the sole discretion of the City**, the stated deviation is considered to be equal or better than the imposed requirement and where said deviation does not destroy the competitive character of the RFP process by affecting the amount of the proposal such that an advantage or benefit is gained to the detriment of the other respondents.

## **1.23 WAIVER OF CLAIMS**

Once this contract expires, or final payment has been requested and made, the awarded respondent shall have no more than 30 calendar days to present or file any claims against the City concerning this contract. After that period, the City will consider the respondent to have waived any right to claims against the City concerning this agreement.

## **1.24 INCURRED EXPENSES**

This RFP does not commit the City to award a contract. Nor shall the City be responsible for any cost or expense which may be incurred by the respondent in preparing and submitting the proposal called for in this RFP, or any cost or expense incurred by the respondent prior to the execution of a contract agreement.

## **1.25 POST PROPOSAL DISCUSSIONS WITH PROPOSERS**

It is the City's intent to award a contract to the respondent deemed most advantageous to the City, in accordance with the evaluation criteria specified elsewhere in this RFP. The City reserves the right however, to conduct post-closing discussions with any respondent who has a realistic possibility of contract award including, but not limited to: request for additional information, competitive negotiations, and best and final offers.

## **1.26 PRESENTATIONS BY RESPONDENTS**

- A. The City, at its sole discretion, may ask individual respondents to make oral presentations and/or demonstrations without charge to the City. The City reserves the right to require any respondent to demonstrate to the satisfaction of the City that the respondent has the fiscal and managerial abilities to properly furnish the services proposed and required to fulfill the contract. The demonstration must satisfy the City and the City shall be the sole judge of compliance.
- B. Respondents are cautioned not to assume that they will be asked to make a presentation and should include all pertinent and required information in their original proposal package.

## **1.27 MINIMUM REQUIREMENTS**

The requirements listed in Section 1.0, Scope of Services, are the minimum requirements for this RFP. They are not intended to limit competition nor specify any particular respondent, but to ensure that the City receives quality services. All proposals shall be considered having met or exceeded each item listed in the proposal requirements unless specifically otherwise noted. Any exceptions, alternates or options must be clearly identified in writing and included in the proposal.

## **1.28 COMPLIANCE WITH LAWS AND REGULATIONS**

Respondent shall keep fully informed of all federal and state laws, all local laws, ordinances, rules, regulations, and all orders and decrees of bodies or tribunals having jurisdiction or authority which in any manner affect the work, or which in any way affect the conduct of the work. Respondent shall always observe and comply with all such laws, ordinances, rules, regulations, orders, and decrees; and shall protect and indemnify the City and all its officers, agents, servants, or employees against any claim or liability arising from or based on the violation of any such law, ordinance, rule, regulation, order, or decree caused or committed by respondent, its representatives, subcontractors, sub-consultants, professional associates, agents, servants, or employees. Additionally, respondent shall obtain and maintain, at its own expense, all licenses and permits to conduct business pursuant to this contract from the Federal Government, State of Florida, the City, or municipalities when legally required and maintain same in full force and effect during the term of this contract.

## **1.29 INDEMNIFICATION**

The respondent shall indemnify, hold harmless and defend the City, its officers, agents, and employees, from or on account of any and all claims, actions, lawsuits, losses, expenses, injuries, damages, judgments or liabilities of any kind whatsoever resulting from, arising out of, or in connection with the respondent's performance or nonperformance of services pursuant to this contract, whether said services are performed by the respondent, its agents, appointees or employees, or on behalf of the respondent by the City, its agents,

employees or inmates, unless said claims, actions, lawsuits, losses, expenses, injuries, damages, judgments or liabilities result from, arise out of, or is in connection with the actions of the City, its officers, agents, or employees, for the sole benefit of the City and unrelated to the respondent's performance or nonperformance of its services under this agreement. Indemnification shall obligate the respondent to defend at its own expense or to provide for such defense, at the City's option, any and all claims and/or suits brought against the City, which may result from respondent's performance or nonperformance of services, pursuant to the contract, as stated herein.

### **1.30 RECORDS & RIGHT TO AUDIT**

The respondent shall maintain such financial records and other records as may be prescribed by the City or by applicable federal and state laws, rules, and regulations. The respondent shall retain these records for a period of three (3) years after final payment, or until the City audits them, whichever event occurs first. These records shall be made available during the term of the contract and the subsequent three-year period for examination, transcription, and audit by the City, its designees, or other authorized entities.

### **1.31 CHANGE IN SCOPE OF SERVICES**

- A. The City may order changes in the work consisting of additions, deletions, or other revisions within the general scope of the contract. No claims may be made by the respondent that the scope of the project or of the respondent's services has been changed, requiring changes to the amount of compensation to the respondent or other adjustments to the contract, unless such changes or adjustments have been made by written amendment to the contract signed by the City's representative.
- B. If the respondent believes that any particular work is not within the scope of work of the contract, is a material change, or will otherwise require more compensation to the respondent, the respondent must immediately notify the City's representative in writing of this belief. If the City's representative believes that the particular work is within the scope of the contract as written, the respondent will be ordered to and shall continue with the work as changed and at the cost stated for the work within the scope. The respondent must assert its right to an adjustment under this clause within thirty (30) days from the date of receipt of the written order.

### **1.32 MODIFICATIONS DUE TO PUBLIC WELFARE OR CHANGE IN LAW**

The City shall have the power to make changes in this contract as the result of changes in law and/or ordinances of the City to impose new rules and regulations on the respondent under this contract relative to the scope and methods of providing services as shall from time-to-time be necessary and desirable for the public welfare. The City shall give the respondent notice of any proposed change and an opportunity to be heard concerning those matters. The scope and method of providing services as referenced herein shall also be liberally construed to include, but is not limited to the manner, procedures, operations and obligations, financial or otherwise, of the respondent. In the event any future change in

federal or state law or the ordinances of the City materially alters the obligations of the respondent, or the benefits to the City, then this contract shall be amended consistent therewith. Should these amendments materially alter the obligations of the respondent, then the respondent or the City shall be entitled to an adjustment in the rates and charges established under this contract. Nothing contained in this contract shall require any party to perform any act or function contrary to law. The City and respondent agree to enter into good faith negotiations regarding modifications to this contract which may be required in order to implement changes in the interest of the public welfare or due to change in law. When such modifications are made to this contract, the City and the respondent shall negotiate in good faith, a reasonable and appropriate adjustment for any changes in services or other obligations required of the respondent directly and demonstrably due to any modification in the contract under this clause.

### **1.33 FORCE MAJEURE**

The parties will exercise every reasonable effort to meet their respective obligations hereunder, but shall not be liable for delays resulting from force majeure or other causes beyond their reasonable control, including, but not limited to, compliance with any government law or regulation, acts of God, acts or omissions of the other party, government acts or omissions, fires, strikes, national disasters, wars, riots, transportation problems and/or any other cause whatsoever beyond the reasonable control of the parties. Any such cause will extend the performance of the delayed obligation to the extent of the delay so incurred.

### **1.34 CONTRACTOR'S PERSONNEL**

- A. Supervision. The respondent shall direct and supervise competent and qualified personnel and shall devote time and attention to the direction of the operation to ensure performance of obligations and duties as set forth herein. The City's City Manager shall have the right to request removal or replacement of any respondent's personnel if said personnel are unqualified, rude, and belligerent or offer a nuisance or threat.
- B. Applicable Laws. The respondent shall be responsible for ensuring that its employees, agents, and subcontractors comply with all applicable laws and regulations and meet all federal, state and local requirements related to their employment and position.
- C. Right of Rejection. The City shall, throughout the life of the contract, have the right of reasonable rejection and approval of staff or subcontractors assigned to the work by the respondent. If the City reasonably rejects staff or subcontractors, the respondent must provide replacement staff or subcontractors satisfactory to the City in a timely manner and at no additional cost to the City. The day-to-day supervision and control of the respondent's employees and subcontractors are the responsibility solely of the respondent.

- D. Immigration Reform and Control Act of 1986. The respondent certifies that it does not and will not during the performance of the contract employ illegal alien workers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986, as amended.
- E. Employment Discrimination. During the performance of the contract, the respondent agrees to the following:
1. The respondent shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, gender, sexual orientation, gender identity, handicap, or national origin except when such condition is a bona fide occupational qualification reasonably necessary for the normal operations of the respondent. The respondent agrees to post in conspicuous places, visible to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
  2. The respondent, in all solicitations or advertisements for employees placed by or on behalf of the respondent, shall state that such respondent is an Equal Opportunity Employer.
  3. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
  4. The respondent shall include the provisions of the foregoing paragraphs 1, 2, and 3 above in every subcontract or purchase order so that the provisions will be binding upon each respondent or vendor.
- F. Fair Labor Standards Act. The respondent and any subcontractor shall pay all employees working on this contract not less than the minimum wage specified in the Fair Labor Standards Act as amended.

### **1.35 CONTRACTOR RELATIONSHIP**

- A. The respondent shall provide the services required herein strictly under a contractual relationship with the City and is not, nor shall be, construed to be an agent or employee of the City. As an independent respondent the respondent shall pay any and all applicable taxes required by law; shall comply with all pertinent federal, state, and local statutes including, but not limited to, the Fair Labor Standards Act, The Americans with Disabilities Act, the Federal Civil Rights Act, and any and all relevant employment laws. The respondent shall be responsible for all income tax, social security and Medicare taxes, federal unemployment taxes, and any other withholdings from its employees' or subcontractors' wages or salaries. Benefits, if any, shall be the responsibility of the respondent including, but not limited to, health and life insurance, retirement, liability/risk coverage, and workers' and unemployment compensation.

- B. The respondent shall hire, compensate, supervise, and terminate members of its work force; shall direct and control the manner in which work is performed including conditions under which individuals will be assigned duties, how individuals will report, and the hours individuals will perform.
- C. The City shall file and provide the respondent a copy of Internal Revenue Service (IRS) Form 1099-MISC after the close of the calendar year.
- D. The City will not provide any space, facility, vehicle, or equipment to the respondent to perform any of the duties required by the contract nor will the City pay for any business, travel, office, or training expense or any other contract performance expense not specifically set forth in the scope of work.
- E. The respondent shall not be exclusively bound to the City and may provide service to other private and public entities as long as the service is not in direct conflict and does not provide a conflict of interest with the service to be performed for the City
- F. By signing this contract, the respondent certifies that he/she is not an employee of the City. If the respondent accepts any employment with the City, this contract shall automatically terminate on the date the respondent becomes a City employee.

### **1.36 AWARD PROTEST PROCEDURES**

A vendor/respondent may protest the award within five (5) days of recommendation of said award via agenda Item. Under no circumstances may a vendor/respondent protest after an award is made. Such protest must be made by contacting the City Manager. If the City Manager cannot resolve the problem, the vendor/respondent may then directly appeal to the City Council. The decision of the council is final. **By submission of a proposal the respondent agrees to be bound solely by this procedure.**

### **1.37 COMMISSIONS**

Barnes Insurance and Financial Services is the current agent of record and will be assigned by the City with the responsibility for the processing and administration of services by the selected provider. Bid responses naming or including any other agent or consultant for the provisions of those services will be excluded and considered non-responsive. Bid pricing should include 2.25% of premium for these services.

### **1.38 CONTRACT ADMINISTRATION**

Upon implementation of award, the Human Resources Director shall act as Program Manager for the City.

- A. The City is a group with a complex benefits program. The administration complexities are such that respondents must be willing to be flexible in order to



meet these needs. In addition, their primary focus is on customer service to its membership. In this regard, should disagreement arise, successful respondents must be willing to comply with decisions made by the City and/or its consultant.

- B. On-site representation will be required for implementation two weeks during Open Enrollment each year.

### 1.39 SEVERABILITY

If a court of competent jurisdiction, or in an arbitration proceeding shall declare any provision of this contract illegal, void or unenforceable, the other provisions shall not be affected but shall remain in full force and effect.

## **SECTION 2: GROUP MEDICAL AND PRESCRIPTION BENEFIT REQUIREMENTS**

**NOTE: DEVIATIONS AND EXCEPTIONS TO ANY OF THE STATEMENTS OR REQUESTS BELOW MUST BE FULLY DISCLOSED ON THE DEVIATIONS & EXCEPTIONS PAGE.**

### 2.1 Group Medical and Prescription Benefit Requirements

#### CONTRACT PROVISIONS

The City currently has a medical and prescription benefit program. The City would like respondents to meet or exceed its current program design; however, plan cost is a strong consideration. **Respondents should adhere to the requested format illustrated. *Alternative proposals, which may creatively reduce costs and/or improve the value of your offering to the City will be considered.* Respondents need to complete the questionnaire and the appropriate carrier responses.**

- A. Expected effective date of new group medical, HRA and prescription benefits is October 1, 2022.
- B. The City is looking for a long-term relationship with the successful respondent. The reason for marketing this case is that the City feels it must consider plan alternatives and review the competitiveness of its costs in the marketplace. The successful carrier will be expected to do a full case takeover of all medical and prescription plans.
- C. The City currently has a four-tier rate basis. Respondents are instructed to base their proposal on a four-tier rate.
- D. It is requested that respondents include similar or like plan designs. HMO and or other creative plan designs will be considered. **Specifically, any plan design that would be more affordable for dependent coverage is desired.**

- E. Because of the size and complexity of the City's account, the carriers must be flexible in the administration of the plan. This is particularly true with regard to transmittal of employee data, verification of coverage, and administration of contractual provisions based upon the current plan of benefits. **The carrier must specify any deviations from the specifications, in writing, at the time of quotation.** If not specified, the City will assume there are no deviations from this request. It is the carrier's responsibility to have a full understanding of the requirements of the City prior to submitting a response to this proposal.
- F. If any disagreements arise concerning benefits or the intent of these specifications, the company agrees to abide by the instructions of the City. The City will not serve as fiduciary and will not intervene in claim determinations that are in accordance with the benefit plans or the specifications. However, the City may lobby on behalf of employees that appear to have legitimate concerns about policy determinations.
- G. All carriers should adhere to the format illustrated in this RFP. A standard response is to be completed by all prospective carriers as it relates to your specific plan of coverage. See Section 3 for current health plan benefit details.
- H. The City employees' enrollment eligibility requirement is that coverage starts the first day of the month following a 30 (thirty) day waiting period.
- I. Any deviations from these specifications regarding enrollment, claims or other service procedures must be clearly explained. Deviations from the benefit contracts may not be acceptable and must be clearly explained. Proposals must comply with all federal and state statutes.
- J. All quotes must include a provision for providing coverage for previously disabled employees, employees on an authorized leave of absence and dependents without regard to the "actively at work" requirement.
- K. Group insurance carriers should be listed as RECOMMENDED in the current Best's Insurance Guide Reports, or an equivalent financial qualification acceptable to the City. A copy of the carrier's current certified annual report and A.M. Best rating or equivalent must accompany the proposal.
- L. Renewal is to take place on each anniversary date only. Renewal rates are to be provided by July 31<sup>st</sup>, annually, and be accompanied with experience summary reports. Rates shall be guaranteed for a minimum of twelve (12) months from the anniversary date. Due to City budget reporting requirements respondents will be required to disclose monthly paid claim reports and provide renewal pricing estimates as requested.

- M. It is to be understood by all who submit a proposal that the contents for these specifications are for the sole purpose of providing the basis for a clear and equitable comparison between quoting carriers. The carrier(s) may be selected on factors other than cost. The carrier(s) may be selected on the basis of other carrier services, which to the City represent the best interests of the City and its employees.
  
- N. The types of factors which may be used in determining which proposal is lowest and best may include, but are not necessarily limited to: cost, benefit design, provider selection, quality measures, service ability and service history, facilities for claims processing, quality of care provided by the network and network accessibility. The City expects prompt payment of all legitimate claims, but relies upon the company's ability and willingness to keep claims as low as possible through appropriate investigation and monitoring of claims. **All of these factors are important to the City and it is critical that detailed explanations be given on the carrier's ability to comply with these factors.**
  
- O. In no case will the City be required to accept the lowest cost first year proposal, or otherwise be required to choose carrier(s) based upon this single criterion.

### **SECTION 3: Current Health Plan Design**

---

The City is requesting respondents to propose same or similar plan designs as the current benefits described below and attached in Appendix A.

**Note:** Please quote the pharmacy benefit and formulary that offers the most choice. Proposed pharmacy formularies that would cause disruption will not be considered.

Florida Blue is the current health plan carrier. Plans offered are fully insured PPO plans. Three plans are offered to meet the employee and dependents health care coverage and maximize provider access. As noted below two plan options are high deductible health plans (HDHP), HSA qualified plans but include an HRA reimbursement.

Please quote similar plan designs as current. Alternative creative plan designs will be considered. A low cost dependent option is desired. If quotes are submitted with network coverage other than a PPO network, please provide coverage access based on census zip codes.

The prior three years renewal action: 1/2019: 0%, 1/2020: 7.44%, 1/2021: 8.78%

#### **Florida Blue Health Plans**

##### **Base Plan** - BlueOptions 05182/83

Please see attached benefit summary for complete plan design. HRA Contribution is \$1,800 employee coverage and \$3,600 family coverage.

##### **Middle Plan** - BlueOptions 05168/69

Please see attached benefit summary for complete plan details. HRA Contribution is \$1,800 employee coverage and \$3,600 family coverage.

##### **High Plan** – BlueOptions 03769

Please see attached benefit summary for complete plan details. No HRA contribution

Please see attached benefit summary for complete plan details. HRA Contribution is \$1,800 employee coverage and \$3,600 family coverage.

## **Deviations and Exceptions**

Indicate any areas in which your proposal specifically deviates from the current plan.

## **SECTION 4: UNDERWRITING DATA**

---

### **A. Summary Information**

<i>NAME</i>	City of DeFuniak Springs
<i>LOCATION</i>	71 US Hwy 90 W PO Box 685 DeFuniak Springs, FL 32433
<i>NATURE OF BUSINESS</i>	Municipality
<i>EFFECTIVE DATE:</i>	October 1, 2022
<i>CURRENT CARRIER:</i>	Florida Blue
<i>REASON FOR MARKETING</i>	Provide the City with both quality network and service, while controlling cost.
<i>FUNDING</i>	Currently fully-funded
<i>NUMBER OF ELIGIBLE EMPLOYEES</i>	See Census
<i>EMPLOYER CONTRIBUTION</i>	For the City, 24 payroll premium deductions are taken in to pay for coverage effective in one benefit year. The plans are employer sponsored and employer paid for individual coverage; employee pays for 100% dependent coverage.
<i>RETIREE COVERAGE</i>	The City offers retiree benefits, same as current employees.
<i>RETIREE PARTICIPANTS</i>	See Census
<i>ELIGIBILITY</i>	See Summary Plan Description
<i>CENSUS</i>	See Appendix A

## **SECTION 5: SUBMITTAL REQUIREMENTS**

Proposals shall include all of the information solicited in this RFP, and any additional data that the respondent deems pertinent to the understanding and evaluating of the proposal. Proposals shall be organized, and sections tabbed in the following order. The respondent should not withhold any information from the written response in anticipation of presenting the information orally or in a demonstration, since oral presentations or demonstrations may not be solicited. All proposals shall include at minimum:

### **5.1 Conflict of Interest Disclosure**

All respondents shall properly complete, have notarized and attach with their proposal the attached notarized disclosure statement of any potential conflict of interest that the respondent may have due to ownership, other clients, contracts or interests associated with this project. A blank form is included after the proposal pages.

### **5.2 Proposal Page**

Attach rate proposal pages. Include any alternates and any information required for understanding and evaluating the rate structures, including alternatives for shifting cost to reduce dependent rates..

### **5.3 Definitions**

1. Eligible Retired Employee – Employees who retire and draw retirement income from the State of Florida or Florida retirement may continue their group medical. Should the retired employee who had a family medical policy reach age 65 before his/her dependent spouse does, then the dependent spouse and/or children may continue group coverage by converting to a single policy or continuing a family policy. Premium is to be paid monthly. A retiree may continue medical coverage beyond age 65. If Medicare eligible retiree/dependent chooses to enroll in the group Medicare Advantage Plan, then the retiree/dependent not eligible for Medicare may enroll in the group plan as a single policy.
2. Extension of Benefits - If the master contract terminates, benefit coverage ends on the termination date except as provided by Florida Statutes 627.666 & 627.667.
3. No Loss Clause - A clause that says no employee or retiree presently covered (as of September 1, 2001) would lose anything by changing carriers on October 1, 2001 as per Florida Statutes 627.666.
4. Pre-existing Conditions - Comply with “*Health Insurance Portability and Accountability Act*” (HIPAA) of 1996.
5. Proposal - The benefit(s) [and/or services] proposal(s) submitted in accordance with the terms of this RFP.

6. Request - This RFP which is soliciting Proposals providing Benefits [and/or services] under the Plan.
7. Waiver of "Actively at Work" - Comply with "*Health Insurance Portability and Accountability Act*" (HIPAA) of 1996.
8. Hospice Care: Care and services provided to terminally ill patients and families by a Hospice Program licensed by the State of Florida and certified by the United States Hospice Care Financing Administration. Covered services under this plan shall parallel those provided in the Medicare Hospice Benefit Plan



**Conflict of Interest Disclosure Form**

I HEREBY CERTIFY that

1. I (*printed name*) \_\_\_\_\_ am the  
(*title*) \_\_\_\_\_ and the duly authorized representative of the firm of  
(*Firm Name*) \_\_\_\_\_ whose address is  
\_\_\_\_\_  
\_\_\_\_\_, and that I  
possess the legal authority to make this affidavit on behalf of myself and the firm for which I am  
acting; and,
2. Except as listed below, no employee, officer, or agent of the firm have any conflicts of interest, real  
or apparent, due to ownership, other clients, contracts, or interests associated with this project; and,
3. This proposal is made without prior understanding, agreement, or connection with any corporation,  
firm, or person submitting a proposal for the same services, and is in all respects fair and without  
collusion or fraud.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Firm Name: \_\_\_\_\_

Date: \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Personally known \_\_\_\_\_

OR Produced identification \_\_\_\_\_

Notary Public - State of \_\_\_\_\_

My Commission expires \_\_\_\_\_

(Type of Identification) \_\_\_\_\_

(Printed, typed or stamped commissioned name of Notary Public)

\_\_\_\_\_Date

**PROPOSAL FORM**

TO: Koby Townsend, City Clerk  
City of DeFuniak Springs  
71 US Hwy 90 W  
DeFuniak Springs, FL 32433 850-892-8500

The undersigned hereby declare that [firm name] \_\_\_\_\_ have carefully examined the specifications to furnish:

**PROPOSAL FOR GROUP MEDICAL AND/OR PRESCRIPTION BENEFITS**

for which proposals were advertised to be received **no later than July 18, 2022** and further declare that

[firm name]

\_\_\_\_\_ **will furnish the PROPOSAL FOR GROUP HEALTH AND/OR PRESCRIPTION BENEFITS according to specifications.**

<b>Premiums/Rates</b>	<b>HMO</b>	<b>POS</b>	<b>PPO</b>	<b>OTHER (describe)</b>
Employee				
Employee + 1 or 2 Children				
Employee + Spouse				
Employee + Family				

Do you offer electronic funds transfer (EFT)? YES \_\_\_\_\_ NO \_\_\_\_\_

The City reserves the right to reject any or all proposals, to waive informalities, and to accept all or any part of any proposal as they may deem to be in the best interest of the City of DeFuniak Springs.

I hereby certify that I have read and understand the requirements of this **RFP for Medical and Prescription Coverage**. I further certify that I, as the respondent, will comply with all requirements, and that I am duly authorized to execute this proposal/offer document and any contract(s) and/or other transactions required by award of this RFP.

Company \_\_\_\_\_ By \_\_\_\_\_

\_\_\_\_\_(Print name)

Signature \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

EXCEPTIONS/ADDITIONS

1. List any exceptions you have to the RFP. If none, please indicate that there are none.
2. Specify the Contract section you propose be modified and suggest language to replace it.

Signature \_\_\_\_\_ Date \_\_\_\_\_

VARIATIONS TO INSTRUCTIONS  
(Attach here)

**STATEMENT OF UNDERSTANDING OF REQUEST FOR PROPOSAL**

I have read and understand the RFP and am satisfied as to the sufficiency of the specifications and shall not at any time after submission of this proposal dispute or complain of such specifications or the directions explaining or interpreting them or assert that there is any misunderstanding. This proposal complies with all requirements of the RFP and any deviations are listed on a separate page. Further, it is agreed that all provisions in the RFP shall be included as part of the resultant agreement, if any.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Firm Name: \_\_\_\_\_

Date: \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 2022

Personally known \_\_\_\_\_

OR Produced identification \_\_\_\_\_

Notary Public - State of \_\_\_\_\_

My Commission expires \_\_\_\_\_

(Type of Identification) \_\_\_\_\_

(Printed, typed or stamped commissioned name of Notary Public)

**Appendix A**

- a. MEDICAL & RX RFP DEFUNIAK SPRINGS.doc
- b. DeFuniak Springs Census as of 04/19/2022
- c. Medical Questionnaire
- d. Benefit Summaries

This content of this document is proprietary information and the intellectual property of Barnes Insurance & Financial Services and is to be used exclusively for the purpose of the City of DeFuniak Springs RFP.