

Memorandum



Date: July 20, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 14(A)(4)

From: George M. Burgess
County Manager

Subject: Recommendation for Approval to Award Contract No. RFP721: Employee Group Life Insurance Program

Resolution No. R-822-10

RECOMMENDATION

It is recommended that the Board of County Commissioners approve this contract award to provide an Employee Group Life Insurance Program.

CONTRACT NO: RFP721

CONTRACT TITLE: Employee Group Life Insurance Program

DESCRIPTION: To establish a contract for an Employee Group Life Insurance Program consisting of a Basic Life/Accidental Death & Dismemberment Plan and an Optional Life Plan for Miami-Dade County and Public Health Trust/Jackson Health System employees and retirees, as well as other covered groups.

TERM: The term of the contract shall be from effective date until December 31, 2015 to provide for five plan years. Thereafter, the contract has one, two year option-to-renew.

APPROVAL TO ADVERTISE: March 22, 2010

CONTRACT AMOUNT: Approximately \$12.2 million per year, for the initial five plan years. The amount is dependent upon enrollment.

There is a two year option-to-renew period which will be negotiated within the established not-to-exceed increase caps based upon the trended loss experience.

PREVIOUS CONTRACT AMOUNT: \$16.6 million per year depending upon enrollment

**USING/MANAGING AGENCY
AND FUNDING SOURCE:**

Department	Allocation	Funding Source	Contract Manager
General Services Administration	\$61 Million	Trust Fund and Employee Contributions	Marsha Pascual

The County pays approximately \$3.6 million annually through the Trust Fund for Basic Life/Accidental Death & Dismemberment coverage for active employees. Optional Life coverage may be purchased at the employees' expense. The allocation and funding source have been reviewed and approved by the Office of Strategic Business Management. There is no fiscal impact beyond what is stated in the award recommendation.

DPM AGENT/OFFICER: Maria Carballeira, Department of Procurement Management

METHOD OF AWARD: Awarded to the recommended responsive, responsible vendor based on the evaluation criteria established in the solicitation. A full and open competitive Request for Proposals process was used. The highest ranked vendor is recommended for award.

VENDOR RECOMMENDED FOR AWARD:

Vendor	Address	Principal
Metropolitan Life Insurance Company (Non-local Vendor)	200 Park Avenue New York, NY 10166	Robert C. Henrickson

VENDORS NOT RECOMMENDED FOR AWARD:

The following vendors were not recommended for award based on their scores.

- Fort Dearborn Life Insurance Company
- Hartford Life and Accident Insurance Company
- Minnesota Life Insurance Company
- Nationwide Life Insurance Company
- Principal Financial Group
- Reliastar Life Insurance Company dba ING Employee Benefits
- Standard Insurance Company
- Unum Life Insurance Company of America

The following vendors were found non-responsive by the County Attorney's Office due to material deviations in their proposals.

- Life Insurance Company of North America, a CIGNA company
- The Prudential Insurance Company of America
- Humana Insurance Company
- Mutual of Omaha Insurance Company

PERFORMANCE DATA: There are no performance issues with the recommended firm.

COMPLIANCE DATA: There are no compliance issues with the recommended firm.

CONTRACT MEASURES: The Review Committee of February 3, 2010 determined that no measures would be applied due to the funding source.

- LIVING WAGE:** The services being provided are not covered under the Living Wage Ordinance.
- USER ACCESS PROGRAM:** The 2% User Access Program provision is not included as these services are exempt.
- LOCAL PREFERENCE:** The Local Preference was applied in accordance with the Ordinance and did not affect the outcome.
- ESTIMATED CONTRACT COMMENCEMENT DATE:** Ten business days after date adopted by the Board of County Commissioners, unless vetoed by Mayor.
- DELEGATED AUTHORITY:** If this item is approved, the County Mayor or designee will have the authority to exercise, at the County Mayor's or designee's discretion, subsequent options-to-renew and other extensions in accordance with the terms and conditions of the contract.

BACKGROUND

The current contract for the Employee Group Life Insurance Program has been in place since September 2005, with insurance coverage beginning Plan Year 2006 (effective January 1 – December 31). The contract expires on December 31, 2010. The successor contract must be in place in advance of the employee benefits open enrollment in the Fall 2010.

The County issued a solicitation to obtain proposals from qualified firms to provide an Employee Group Life Insurance Program (Program) to be effective January 1, 2011. Thirteen proposals were received in response to the solicitation. Four proposals were deemed non-responsive by the County Attorney's Office (County Attorney's Office opinion dated May 4, 2010 is attached). The remaining nine proposals were evaluated by the Evaluation/Selection Committee.

The Program offers a Basic Life/Accidental Death & Dismemberment (AD&D) Plan and an Optional Life Plan. The plans are funded on a fully-insured, non-participating basis (i.e., the County will not participate in paying out funds as a result of any claims). Miami-Dade County and Public Health Trust/Jackson Health System employees and retirees, as well as other covered groups, are eligible for coverage.

The value of the Basic Life/AD&D coverage for employees is equivalent to their base annual salary. The County pays the full cost of the Basic Life/AD&D premium for active County employees. County Commissioners are eligible for \$100,000 Basic Life/AD&D coverage paid by the County.

Optional Life coverage may be purchased by employees to provide an additional one, two, three, four or five times their base annual salary to a maximum of \$2 million. The employees pay the full cost of the Optional Life premium.

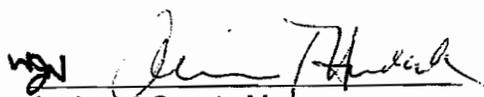
Retirees under age 65 may maintain their Basic Life/AD&D coverage to age 65 at the same group rates. Retirees age 65 and over have the option of either \$15,000 or \$20,000 Basic Life coverage. All retirees, regardless of age, pay the full cost of the Basic Life premium.

Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners
Page No. 4

The recommended contract represents a potential \$4.4 million in annual savings, dependent upon enrollment, over the current contract with the same level of benefits. The savings is shared among Miami-Dade County, the Public Health Trust and employees/retirees. Miami-Dade County's portion of the savings is approximately \$1.5 million annually. The rates are guaranteed, with no increases for the initial five plan years. The rates for the two-year option-to-renew period will be negotiated within the established not-to-exceed increase caps which vary depending upon the trended loss experience.

The contract includes performance guarantees that set standards of performance for meeting the implementation schedule, open enrollment deliverables, claims administration, and financial accuracy of all claims paid. The guarantees require payment of penalties to the County for failure to meet performance standards.

Attachments


Assistant County Manager

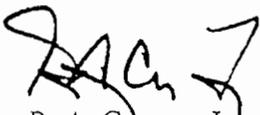


MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: July 20, 2010

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 14(A)(4)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved  Mayor
Veto _____
Override _____

Agenda Item No. 14(A)(4)
7-20-10

RESOLUTION NO. _____

RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT IN THE AMOUNT OF \$61 MILLION WITH METROPOLITAN LIFE INSURANCE COMPANY TO OBTAIN AN EMPLOYEE GROUP LIFE INSURANCE PROGRAM, AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO EXECUTE AN AGREEMENT FOR AND ON BEHALF OF MIAMI-DADE COUNTY AND TO EXERCISE ANY CANCELLATION AND RENEWAL PROVISIONS, AND TO EXERCISE ALL OTHER RIGHTS CONTAINED THEREIN CONTRACT NO. RFP721

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the execution of an agreement in the amount of \$61 million with Metropolitan Life Insurance Company, in substantially the form attached hereto and made a part hereof, and authorizes the County Mayor or County Mayor's designee to execute same for and on behalf of Miami-Dade County and to exercise any cancellation and renewal provisions and any other rights contained therein.

The foregoing resolution was offered by Commissioner **Katy Sorenson**, who moved its adoption. The motion was seconded by Commissioner **Dennis C. Moss** and upon being put to a vote, the vote was as follows:

	Dennis C. Moss, Chairman	aye	
	Jose "Pepe" Diaz, Vice-Chairman	absent	
Bruno A. Barreiro	aye	Audrey M. Edmonson	aye
Carlos A. Gimenez	aye	Sally A. Heyman	absent
Barbara J. Jordan	aye	Joe A. Martinez	aye
Dorrin D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	aye	Rebeca Sosa	absent
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 20th day of July, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.

By: **DIANE COLLINS**
Deputy Clerk

Oren Rosenthal

7

Memorandum



Date: April 22, 2010

To: Oren Rosenthal
Assistant County Attorney
County Attorney's Office

From: Maria Carballeira, CPPB
Procurement Contracting Officer
Department of Procurement Management

Subject: Request for Legal Opinion RFP No. 721
Employee Group Life Insurance Program

A handwritten signature in black ink that reads "Maria Carballeira".

The County issued Request for Proposals (RFP) No. 721 for the Employee Group Life Insurance Program. On April 16, 2010, thirteen (13) proposals were received and subsequently reviewed. The following issues were identified:

A. Life Insurance Company of North America, a CIGNA company

Pre-Tab Information, Page i, Caveats: "This proposal is valid for 90 days from the above date (April 16, 2010). This proposal may be withdrawn by the insurance company at any time prior to acceptance."

Vs.

County:

Section 1.8 of Solicitation: Proposals shall be irrevocable until award unless the proposal is withdrawn. A proposal may be withdrawn in writing only, addressed to the County contact person for this Solicitation, prior to the proposal due date or upon the expiration of 180 calendar days after the opening of proposals.

B. The Prudential Insurance Company of America

Tab Section IV (Financial Offer), Page 2, General Life Underwriting Assumptions, Rate Guarantee:

"Rates are guaranteed for 5 years from the effective date. If enrollment or volume changes of more than 10% during the initial rate guarantee period from those stated in this proposal, we (Prudential) reserve the right to take immediate action, including but not limiting to revising rates or terminating coverage."

Vs.

County:

Form B-1 Price Proposal Schedule, Section A.

Note No. 7: All rates shall be guaranteed for the initial 5 Plan years. Price shall not be contingent upon minimum participation requirements.

C. Humana Insurance Company

Section IV Tab, pg. 26, Rate Assumptions:

- Quote is guaranteed for 60 days from date of release and is subject to review of sold case data.
- The rates and premiums shown are based on the census data provided. Final rates on the effective date will be based on actual enrollment. If the enrollment data varies by 10 percent or more, Humana reserves the right to adjust rates accordingly.

Vs.

County:

Section 1.8 of Solicitation: Proposals shall be irrevocable until award unless the proposal is withdrawn. A proposal may be withdrawn in writing only, addressed to the County contact person for this Solicitation, prior to the proposal due date or upon the expiration of 180 calendar days after the opening of proposals.

Form B-1 Price Proposal Schedule, Section A.

Note No. 7: All rates shall be guaranteed for the initial 5 Plan years. Price shall not be contingent upon minimum participation requirements.

D. Mutual of Omaha Insurance Company

Price Proposal Schedule Tab: Proposer's Option 1 is offered as the "Lowest Basic Life Cost Proposal" and Option 2 is offered as the "Blended Cost Savings Proposal."

The Proposer has provided two pricing options. The pricing options offered include two different rates and it is unclear as to which price is to be considered by the County.

Please review these issues and advise whether the proposals submitted by Life Insurance Company of North America, a CIGNA Company, The Prudential Insurance Company of America, Mutual of Omaha Insurance Company and Humana Insurance Company are responsive.

Attached, please find the following:

- RFP 721
- Life Insurance Company of North America, a CIGNA company, Proposal with area of concern tabbed
- The Prudential Insurance Company of America Proposal with area of concern tabbed
- Mutual of Omaha Insurance Company Proposal with area of concern tabbed
- Humana Insurance Company Proposal with area of concern tabbed

Memorandum



Date: May 4, 2010
To: Maria Carballeira
Procurement Contracting Officer
From: Oren Rosenthal
Assistant County Attorney
Subject: Responsiveness of Proposals – RFP 721 Employee Group Life Insurance Program

You have asked this office if proposals from Life Insurance Company of North America, a CIGNA company (“CIGNA”), The Prudential Insurance Company of America (“Prudential”), Humana Insurance Company (“Humana”), and Mutual of Omaha Insurance Company (“Omaha”) may be considered responsive to the above referenced Request for Proposals (“RFP”). For the reasons set forth below, we conclude that CIGNA, Prudential, Humana and Omaha’s proposals are non-responsive to the RFP.

FACTS

We rely on the information provided in your memorandum to this office dated April 22, 2010 (attached hereto), the proposals from the above firms and text of the RFP.

In your memorandum, you identify the following variations from the solicitation:

1. **Life Insurance Company of North America, a CIGNA company:** You state that CIGNA’s proposal included the following language on Pre-Tab Information, Page i, Caveats: “This proposal is valid for 90 days from the above date (April 16, 2010). This proposal may be withdrawn by the insurance company at any time prior to acceptance.” You also note that this is contrary to Section 1.8 of the RFP provides that: “Proposals shall be irrevocable until award unless the proposal is withdrawn. A proposal may be withdrawn in writing only, addressed to the County contact person for this Solicitation, prior to the proposal due date or upon the expiration of 180 calendar days after the opening of proposals.”
2. **The Prudential Insurance Company of America:** You state that Prudential’s proposal, Tab Section IV (Financial Offer), Page 2, General Life Underwriting Assumptions, Rate Guarantee proposed that: “Rates are guaranteed for 5 years from the effective date. If enrollment or volume changes of more than 10% during the initial rate guarantee period from those stated in this proposal, we (Prudential) reserve the right to take immediate action, including but not limiting to revising rates or terminating coverage.” You state that this is inconsistent with the RFP which on Form B-1 Price Proposal Schedule, Section A. Note No. 7 provides: “All rates shall be guaranteed for the initial 5 Plan years. Price shall not be contingent upon minimum participation requirements.”

3. **Humana Insurance Company:** You state that Humana's proposal provides in Section IV Tab, pg. 26, Rate Assumptions that: "Quote is guaranteed for 60 days from date of release and is subject to review of sold case data ... The rates and premiums shown are based on the census data provided. Final rates on the effective date will be based on actual enrollment. If the enrollment data varies by 10 percent or more, Humana reserves the right to adjust rates accordingly." You also state that this is inconsistent with Section 1.8 of the RFP which provides that "Proposals shall be irrevocable until award unless the proposal is withdrawn. A proposal may be withdrawn in writing only, addressed to the County contact person for this Solicitation, prior to the proposal due date or upon the expiration of 180 calendar days after the opening of proposals." and Form B-1 Price Proposal Schedule, Section A, Note No. 7 provides "All rates shall be guaranteed for the initial 5 Plan years. Price shall not be contingent upon minimum participation requirements."
4. **Mutual of Omaha Insurance Company:** You state that Omaha's proposal includes two separate proposals listed as Option 1 "Lowest Basic Life Cost Proposal" and Option 2 "Blended Cost Savings Proposal" and that the Proposer has provided two pricing options in regards to these options. You also state that the pricing options offered include two different rates and it is unclear as to which price is to be considered by the County.

DISCUSSION

Based on the facts set forth above, CIGNA, Prudential, Humana, and Omaha's proposals are non-responsive to the RFP. In general, a proposal may be rejected or disregarded if there is a variance between the proposal and the advertisement. See *Robinson Electric Co. v. Dade County*, 417 So.2d 1032, 1034 (Fla. 3d DCA 1982). Proposers who propose impermissible exceptions to invitations to RFPs do so at the risk of those exceptions being deemed material to the proposal and having their proposal rejected as nonresponsive.¹

Here, CIGNA, Prudential and Humana's proposals all depart from the RFP as described above. CIGNA and Humana refuse to hold the proposal open for 180 days as required by the RFP. Prudential and Humana refuse to honor its bid price in the face of potentially different enrollment. These exceptions materially destroy the competitive nature of the RFP because they deprive the County of the required assurance that the contract will be entered into, performed and guaranteed in accordance with its specified requirements and also provides material advantages to these proposers over compliant proposals. These non-conforming proposals all limit the risk of changing market and coverage

¹ "In determining whether a specific noncompliance constitutes a substantial and hence nonwaivable irregularity, the courts have applied two criteria—first, whether the effect of a waiver would be to deprive the municipality of its assurance that the contract will be entered into, performed and guaranteed according to its specified requirements, and second, whether it is of such a nature that its waiver would adversely affect competitive bidding by placing a bidder in a position of advantage over other bidders or by otherwise undermining the necessary common standard of competition." *Robinson Electric*, 417 So.2d at 1034 (citing 10 McQuillan, *Municipal Corporations* § 29.65 (3d Ed. rev. 1981)); *Harry Pepper & Associates, Inc. v. City of Cape Coral*, 352 So.2d 1190, 1129 (Fla. 2d DCA 1977) ("The test for measuring whether a deviation in a bid is sufficiently material to destroy its competitive nature is whether the variation affects the amount of the bid by giving the bidder an advantage or benefit not enjoyed by other bidders"). In some cases, irregularities that are tangential to the actual proposal may not be considered material if they do not adversely affect the interests of the County. See *Tropabest Foods, Inc. v. State, Dept. of Gen. Services*, 493 So.2d 50, 52 (citing the Florida Administrative Code's provisions that a minor irregularity is one which "does not affect the price of the bid, or give the bidder an advantage or benefit not enjoyed by other bidders or does not adversely impact the interests of the agency").

conditions that the RFP requires proposing vendors to bear and factor into any pricing structure. As such, these variances are not-waivable.

For Omaha, the submission of multiple Form B-1 price proposals renders its proposal non-responsive. While the RFP does not specifically exclude the submission of multiple bids and the submission of alternate bids is generally acceptable, Omaha's bid does not provide any mechanism to evaluate the multiple price proposals presented. Apart from different price points in its two Form B-1 submissions, the only other difference is the notation of "Option 1: Lowest Basic Life Cost Proposal" and "Option 2: Blended Cost Savings Proposal." Neither of these notations provides any indication of what these titles mean or which Form B-1 is the price proposal associated with the proposal and should be scored. As such, Omaha's bid is indefinite and Omaha may not be allowed, after the submission of the other vendors' proposals to select which Form B-1 is effective.



Oren Rosenthal

Memorandum



Date: May 26, 2010

To: George M. Burgess
County Manager

Thru: Miriam Singer, CPPO
Director
Department of Procurement Management

From: Maria Carballeira, CPPB
Procurement Contracting Officer
Chairperson, Evaluation/Selection Committee

Subject: Report of Evaluation/Selection Committee for RFP No. 721: Employee Group Life Insurance Program

The County issued a solicitation to obtain proposals from qualified firms for the provision of a fully insured Employee Group Life Insurance Program which includes a Basic Life/Accidental Death & Dismemberment (AD&D) Insurance Plan ("Basic Life") and an Optional (also referred to as Supplemental) Life Insurance Plan ("Optional Life") for plan year effective January 1, 2011. The Employee Group Life Insurance Program covers Miami-Dade County and the Public Health Trust/Jackson Health System employees and retirees, as well as other covered groups.

The Evaluation/Selection Committee has completed the evaluation of proposals submitted in response to the above referenced solicitation following the guidelines published in the solicitation.

Committee meeting dates:

April 23, 2010 (kick-off meeting)
May 5, 2010 (technical and price scoring)
May 19, 2010 (oral presentations, scoring and recommendation)

Verification of compliance with contract measures:

Not applicable since the Review Committee did not assign any contract measures to this solicitation.

Verification of compliance with minimum qualification requirements:

The solicitation had minimum qualification requirements which were reviewed by the Chairperson and Hazel Grace-Dansoh of the client department, General Services Administration. All of the proposers met the requirements.

Local Certified Service-Disabled Veteran's Business Enterprise Preference:

Veteran's Preference was considered in accordance with the applicable ordinance. No proposer qualified for the preference.

Other Information:

The proposals received from Life Insurance Company of North America, a CIGNA company, The Prudential Insurance Company of America, Humana Insurance Company and Mutual of Omaha Insurance Company included material deviations that conflicted with a portion of the solicitation. A request for a responsiveness determination on these issues was forwarded to the County Attorney's Office. Per the legal opinion dated May 4, 2010 (attached hereto), the proposals were deemed non-responsive.

Summary of scores:

The preliminary technical scores are as follows:

<u>Proposer</u>	<u>Technical Score</u> (max. 3750)
1. Metropolitan Life Insurance Company	3330
2. Minnesota Life Insurance Company	2966
3. Reliastar Life Insurance Company <i>dba</i> ING Employee Benefits	2794
4. Hartford Life and Accident Insurance Company	2680
5. Standard Insurance Company	2620
6. Fort Dearborn Life Insurance Company	2411
7. Unum Life Insurance Company of America	2354
8. Principal Financial Group	1810
9. Nationwide Life Insurance Company	1787

The price proposals were reviewed for the proposers remaining in consideration, the top five proposers, after the review and scoring of technical proposals.

The preliminary total scores are as follows:

Pre-Oral Presentations

Proposer	Technical Score (max.3750)	Price Score (max.1250)	Total Combined Score (max.5000)	Guaranteed Price Submitted (for 5 plan years)
1. Metropolitan Life Insurance Company	3330	1035	4365	\$64,373,981
2. Minnesota Life Insurance Company	2966	1200	4166	\$60,768,837
3. Reliastar Life Insurance Company <i>dba</i> ING Employee Benefits	2794	880	3674	\$68,790,485
4. Hartford Life and Accident Insurance Company	2680	925	3605	\$65,377,276
5. Standard Insurance Company	2620	820	3440	\$69,690,788

The Evaluation/Selection Committee decided to hold oral presentations with the two highest ranked firms, Metropolitan Life Insurance Company and Minnesota Life Insurance Company to further clarify the proposals and maintain competition. The Committee re-rated the proposals after the oral presentations.

The final scores are as follows:

Post-Oral Presentations/Final Scores

Proposer	Technical Score (max. 3750)	Price Score (max.1250)	Total Combined Score (max. 5000)	Guaranteed Price Submitted (for 5 plan years)
1. Metropolitan Life Insurance Company	3380	1085	4465	\$64,373,981
2. Minnesota Life Insurance Company	2811	1200	4011	\$60,768,837

Local Preference:

Local Preference was considered in accordance with applicable ordinance, but did not affect the outcome, as no firm was within five percent of the highest-ranked proposer.

Negotiations:

The Evaluation/Selection Committee recommends that the County enter into negotiations with the highest ranked proposer, Metropolitan Life Insurance Company. The following individuals will participate in the negotiations:

Maria Carballeira, Procurement Contracting Officer, Department of Procurement Management
Hazel Grace-Dansoh, Benefits Manager, General Services Administration
Damita Surita-Polanco, Assistant Director for Employee Benefits, Public Health Trust

Consensus Statement:

The Evaluation/Selection Committee determined that the recommended proposer, Metropolitan Life Insurance Company, has the required qualifications, experience, technical capacity and member services to provide an Employee Group Life Program to meet the needs of the County and program participants. The firm has a proven track-record of administering life insurance programs for long-term clients including comparable large public and private entities such as the Miami-Dade Public Schools District, Vanderbilt University and Vanguard Health Systems Management, Inc. Metropolitan Life Insurance Company has successful past experience in providing quality assurance administration, innovative technology for participant access, and quality customer service, including its experience with Miami-Dade County for 31 years. In addition, Metropolitan Life Insurance Company has significant enhanced living benefits in their Basic Life Insurance Program. For example, Metropolitan Life Insurance Company has committed to tailoring seminars for the benefit of Miami-Dade County and Public Health Trust employees that address estate planning, transitions solutions in the case of impending layoffs, identity theft solutions, and beneficiary counseling. Additionally, optional life participants are eligible to utilize the Will-Preparation Service. This service includes the services of a Metropolitan Life Insurance Company Attorney, at no cost.

Staff Recommendation:

If approval is granted to negotiate with Metropolitan Life Insurance Company pursuant to the recommendation of the Evaluation/Selection Committee, staff recommends that the negotiation team pursue similar or lower rates to those offered by the second ranked proposer, Minnesota Life Insurance Company. Additionally, in the event that such negotiations are not successful, it is recommended that pre-approval be granted via this memorandum to terminate the negotiations with Metropolitan Life Insurance Company and begin negotiations with Minnesota Life Insurance Company. This negotiation strategy and pre-approval process will allow the County to expeditiously conclude the negotiations, which will be based primarily on achieving cost savings.

Copies of the score sheets are attached for each Evaluation/Selection Committee member, as well as the composite score sheets.

Attachments

Page 4

Memo to George M. Burgess

Report of Evaluation/Selection Committee for RFP No. 721: Employee Group Life Insurance Program

Approved



George M. Burgess
County Manager

Date

Not Approved

George M. Burgess
County Manager

Date

**RFP NO. 721 (PRE-QUALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS**

COMPOSITE

SELECTION CRITERIA	PROPOSERS	Maximum Points Per Member	Maximum Total Points (5 Members)	Fort Dearborn Life Insurance Company	Hartford Life and Accident Insurance Company	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company	Nationwide Life Insurance Company	Principal Financial Group	Reliastar Life Insurance Company dba ING Employee Benefits	Standard Insurance Company	Unum Life Insurance Company of America
Proposer's relevant experience, qualifications, and past performance		250	1250	740	1020	1140	1016	610	605	960	935	870
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	500	372	414	455	420	317	295	412	395	391
Proposer's approach to providing the services requested in this Solicitation		250	1250	790	696	1060	905	550	595	877	805	560
Claims Administration		150	750	509	550	675	625	310	315	545	485	533
Total Technical Points (Total of Technical Points Above)		750	3750	2411	2680	3330	2966	1787	1810	2794	2620	2354
Veteran's Preference (5% of the technical points earned on the technical portion)		5%		0	0	0	0	0	0	0	0	0
Proposer's Proposed Price		250	1250		925	1035	1200			880	820	
TOTAL POINTS (Technical + Price)		1000	5000		3605	4365	4166			3674	3440	

SIGNATURE:

Maria Carballera

Chairperson

Reviewed By:

Pearl P. Bethel

PRINT NAME:

Maria Carballera

Pearl P. Bethel

DATE:

5/21/2010

5/21/10

RFP NO. 721 (POST-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS

COMPOSITE

SELECTION CRITERIA	PROPOSERS	Maximum Points Per Member	Maximum Total Points (5 members)	Metropolitan Life Insurance Company (MetLife)	Minerals Life Insurance Company
Proposer's relevant experience, qualifications, and past performance		250	1250	1150 ✓	1021 ✓
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	500	460 ✓	410 ✓
Proposer's approach to providing the services requested in this Solicitation		250	1250	1095 ✓	760 ✓
Claims Administration		150	750	675 ✓	620 ✓
Total Technical Points (Total of technical rows above)		750	3750	3380 ✓	2811 ✓
Veteran's Preference (5% of the technical points earned on the technical portion)		5%		0	0
Price Criteria					
Proposer's Proposed Price		250	1250	1085 ✓	1200 ✓
TOTAL POINTS (Technical + Price)		1000	5000	4465 ✓	4011 ✓

SIGNATURE:

Maria Carballo

PRINT NAME:

Maria Carballo

DATE:

5/21/2010

Chairperson

Reviewed By

Pearl F. Betkel

Pearl F. Betkel

5/21/10

8

RFP NO. 721 (POST-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS
DANIEL GONZALES (GSA)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Metropolitan Life Insurance Company (MetLife)	Minesota Life Insurance Company
Proposer's relevant experience, qualifications, and past performance		250	240	225
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	90	75
Proposer's approach to providing the services requested in this Solicitation		250	230	210
Claims Administration		150	140	150
Total Technical Points (Total of technical rows above)		750	700	660
Veteran's Preference (5% of the total technical points earned on the technical portion)		5%	0	0
Price Criteria				
Proposer's Proposed Price		250	235	250
TOTAL POINTS (Technical + Price)		1000	935	910

51

RFP NO. 721 (POST-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS
MERRIE GONZALEZ (GSA)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company
Proposer's relevant experience, qualifications, and past performance		250	250	210
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	90	90
Proposer's approach to providing the services requested in this Solicitation		250	235	100
Claims Administration		150	140	100
Total Technical Points <i>(Total of technical rows above)</i>		750	715	500
Veteran's Preference <i>(5% of the total technical points earned on the technical portion)</i>		5%	0	0
Price Criteria				
Proposer's Proposed Price		250	200	250
TOTAL POINTS <i>(Technical + Price)</i>		1000	915	750

g

RFP NO. 721 (POST-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS
SONIA S. BRIDGES (MDAD)

SELECTION CRITERIA	PROPOSERS			
Proposer's relevant experience, qualifications, and past performance	Maximum Points	250	250	200
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	100	85
Proposer's approach to providing the services requested in this Solicitation		250	200	175
Claims Administration		150	150	130
Total Technical Points <i>(Total of technical rows above)</i>		750	700	590
Veteran's Preference <i>(5% of the total technical points earned on the technical portion)</i>		5%	0	0
Price Criteria				
Proposer's Proposed Price		250	200	250
TOTAL POINTS <i>(Technical + Price)</i>		1000	900	840

7

RFP NO. 721 (POST ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS

DAMITA SURITA-POLANCO (Public Health Trust)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Metropolitan Life Insurance Company (MetLife)	Windsor Life Insurance Company
Proposer's relevant experience, qualifications, and past performance		250	210	190
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	100	85
Proposer's approach to providing the services requested in this Solicitation		250	230	100
Claims Administration		150	125	110
Total Technical Points <i>(Total of technical rows above)</i>		750	665	485
Veteran's Preference <i>(5% of the total technical points earned on the technical portion)</i>		5%	0	0
Price Criteria				
Proposer's Proposed Price		250	220	200
TOTAL POINTS <i>(Technical + Price)</i>		1000	885	685

RFP NO. 721 (POST ORAL)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS
ANGEL MALDONADO (SBD)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company
Proposer's relevant experience, qualifications, and past performance		250	200	196
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	80	75
Proposer's approach to providing the services requested in this Solicitation		250	200	175
Claims Administration		150	120	130
Total Technical Points (Total of technical rows above)		750	600	576
Veteran's Preference (5% of the total technical points earned on the technical portion)		5%	0	0
Price Criteria				
Proposer's Proposed Price		250	230	250
TOTAL POINTS (Technical + Price)		1000	830	826

M

RFP NO. 721 (PRE-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS

DANIEL GONZALES (GSA)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Fort Dearborn Life Insurance Company	Hartford Life and Accident Insurance Company	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company	Nationwide Life Insurance Company	Principal Financial Group	Reliastar Life Insurance Company dba ING Employee Benefits	Standard Insurance Company	Unum Life Insurance Company of America
Proposer's relevant experience, qualifications, and past performance.		250	210	235	230	235	200	190	240	240	220
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	85	85	85	85	85	75	85	75	80
Proposer's approach to providing the services requested in this Solicitation		250	210	200	230	240	200	190	225	210	210
Claims Administration		150	130	140	140	150	110	100	150	130	130
Total Technical Points (Total of technical rows above)		750	635	660	685	710	595	555	700	655	640
Veteran's Preference (5% of the total technical points earned on the technical portion)		5%	0	0	0	0	0	0	0	0	0
Proposer's Proposed Price		250		230	235	250			220	215	
TOTAL POINTS (Technical + Price)		1000		890	920	960			920	870	

5

RFP NO. 721 (PRE-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS

MERRIE GONZALEZ (GSA)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Fort Dearborn Life Insurance Company	Hartford Life and Accident Insurance Company	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company	Nationwide Life Insurance Company	Principal Financial Group	Reliastar Life Insurance Company dba ING Employee Benefits	Standard Insurance Company	Unum Life Insurance Company of America
Proposer's relevant experience, qualifications, and past performance		250	100	190	250	210	100	50	130	140	110
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	70	80	90	90	50	20	80	80	75
Proposer's approach to providing the services requested in this Solicitation		250	100	60	230	100	0	0	100	100	75
Claims Administration		150	90	75	140	100	0	0	90	90	90
Total Technical Points (Total of technical rows above)		750	360	405	710	500	150	70	400	410	350
Veteran's Preference (5% of the total technical points earned on the technical portion)		5%	0	0	0	0	0	0	0	0	0
Proposer's Proposed Price		250		190	200	250			180	170	
TOTAL POINTS (Technical + Price)		1000		595	910	750			580	580	

RFP NO. 721 (PRE-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS

SONIA S. BRIDGES (MDAD)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Fort Dearborn Life Insurance Company	Hartford Life and Accident Insurance Company	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company	Nationwide Life Insurance Company	Principal Financial Group	Railaetar Life Insurance Company dba ING Employee Benefits	Standard Insurance Company	Unum Life Insurance Company of America
Proposer's relevant experience, qualifications, and past performance		250	125	190	250	185	95	155	200	175	155
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	50	75	100	85	50	65	85	75	60
Proposer's approach to providing the services requested in this Solicitation		250	75	75	200	170	75	125	190	100	75
Claims Administration		150	100	100	150	120	75	90	100	50	100
Total Technical Points (Total of technical rows above)		750	350	440	700	560	295	435	575	400	390
Veteran's Preference (5% of the total technical points earned on the technical portion)		5%	0	0	0	0	0	0	0	0	0
Proposer's Proposed Price		250		125	200	250			150	100	
TOTAL POINTS (Technical + Price)		1000		565	900	810			725	500	

29

RFP NO. 721 (PRE-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS

DAMITA SURITA-POLANCO (Public Health Trust)

SELECTION CRITERIA	PROPOSERS	Maximum Points	Fort Dearborn Life Insurance Company	Hartford Life and Accident Insurance Company	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company	Nationwide Life Insurance Company	Principal Financial Group	Reliastar Life Insurance Company dba ING Employee Benefits	Standard Insurance Company	Unum Life Insurance Company of America
Proposer's relevant experience, qualifications, and past performance.		250	190	210	210	190	110	110	210	190	200
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	91	91	100	85	60	65	85	85	95
Proposer's approach to providing the services requested in this Solicitation		250	220	175	200	220	100	100	175	200	100
Claims Administration		150	90	125	125	125	65	65	100	100	100
Total Technical Points (Total of technical rows above)		750	591	601	635	620	335	340	570	575	495
Veteran's Preference (5% of the total technical points earned on the technical portion)		5%	0	0	0	0	0	0	0	0	0
Proposer's Proposed Price		260		190	200	200			150	150	
TOTAL POINTS (Technical + Price)		1000		791	835	820			720	725	

7

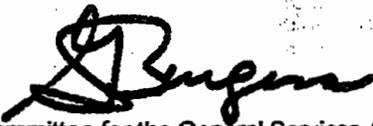
RFP NO. 721 (PRE-ORALS)
Employee Group Life Insurance Program
EVALUATION OF PROPOSALS
ANGEL MALDONADO (SBD)

28

SELECTION CRITERIA	PROPOSERS	Maximum Points	Fort Dearborn Life Insurance Company	Hartford Life and Accident Insurance Company	Metropolitan Life Insurance Company (MetLife)	Minnesota Life Insurance Company	Nationwide Life Insurance Company	Principal Financial Group	Reliastar Life Insurance Company dba ING Employee Benefits	Standard Insurance Company	Unum Life Insurance Company of America
Proposer's relevant experience, qualifications, and past performance		250	115	195	200	196	105	100	180	190	185
Relevant experience and qualifications of key personnel, including key personnel of subcontractors, that will be assigned to this project, and experience and qualifications of subcontractors		100	76	83	80	75	72	70	77	80	81
Proposer's approach to providing the services requested in this Solicitation		250	185	186	200	175	175	180	187	195	100
Claims Administration		150	99	110	120	130	60	60	105	115	113
Total Technical Points (Total of technical rows above)		750	475	574	600	576	412	410	549	580	479
Veteran's Preference (5% of the total technical points earned on the technical portion)		5%	0	0	0	0	0	0	0	0	0
Proposer's Proposed Price		250		190	200	250			180	185	
TOTAL POINTS (Technical + Price)		1000		764	800	826			729	765	

Memorandum



Date: February 9, 2010
To: Those Listed Below
From: George M. Burgess
County Manager

Subject: Evaluation/Selection Committee for the General Services Administration Department Request for Proposals for Employee Group Life Insurance Program – RFP No. RQGS0900086

In accordance with Administrative Order 3-34, I am hereby appointing those listed below as the Selection Committee for the General Services Administration Department Request for Proposals for Employee Group Life Insurance Program – RFP No. RQGS0900086:

Selection Committee

Maria Carballeira, DPM, Non-Voting Chairperson
✓ Daniel Gonzales, GSA
✓ Merrie Gonzalez, GSA
✓ Sonia S. Bridges, MDAD
✓ Damita Surita-Polanco, Public Health Trust
✓ Angel Maldonado, SBD
Leonard Elias, CSD (Alternate)

The Selection Committee will meet to review written or printed material regarding the qualifications of each of the certified firms as it relates to the requirements defined in the advertised document. If required, the Selection Committee will select several candidate firms meeting the published criteria, to make oral presentations at a properly noticed public hearing to the full Selection Committee.

The Selection Committee shall be responsible for evaluating, rating and ranking the proposals by each Committee member, based on the criteria and procedure contained in the advertised document. The Evaluation/Selection Committee will first evaluate and rank responsive proposals on the Technical (Quality) criteria. If responsive proposers are invited to make oral presentations, the Committee may re-rate and re-rank the proposals based upon the written documents combined with the oral presentation. You may utilize staff of the issuing department and the using agency to conduct a preliminary review of the proposals for responsiveness to the technical requirements. All requests for specific determinations shall be made in writing to the County Attorney's Office.

You are directed to assist me in the selection process considering the factors delineated in the advertised document. These factors may include methodology and management approach, qualifications and experience of principals and staff, financial stability, proposer's past performance of similar scope and size, proposer's detailed plans to meet the objectives of each task, activity, etc., pursuant to any schedule, proposer's previous County experience, history and experience of the firm or individual(s), understanding of the project and the County's objectives, responsiveness to the established requirements, and Cost/Revenue (normally separate and sealed). When the document requires the proposer to provide cost/revenue in a separate sealed envelope, cost/revenue will be considered separately and after the other criteria have been evaluated.

If you are unable to participate in the Selection process, contact this office through Small Business Development (SBD) by memorandum documenting the reason why you cannot participate. Only in cases of dire urgency may you be excused from participation.

The alternate committee member will serve only in the event of an approved substitution. No substitution of committee members shall be allowed after the first official meeting of the committee. The Department of Procurement Management's (DPM) RFP Unit may substitute the chairperson to ensure the appropriate level of staffing expertise as deemed necessary to accommodate the needs of this solicitation.

Following the oral presentation, or upon completion of the review process, the Committee shall prepare and submit a memorandum to include a narrative of the evaluation and justification of the top recommended firm(s) based upon the reasoning and mathematical formula, if utilized, and attach supporting documentation and a summary sheet which MUST include the following information:

Name of firm(s)
Quality Rating Score
Price
Adjusted Score (if applicable)
Committee's Overall Ranking

This report should be submitted to me through the SBD for review and consideration for further recommendation to the Board of County Commissioners.

As a matter of administrative policy and to maintain a fair and impartial process, all individuals appointed to the Selection Committee (including the Chairperson) and staff are instructed to refrain from discussing the solicitation with prospective lobbyists and/or consultants. Committee members are reminded that in accordance with the Cone of Silence Ordinance 98-106, they are prohibited from having any communication with potential respondents and/or their representatives. Violation of this policy could lead to termination.

All questions must be directed to the staff contact person(s) designated by the issuing department.

c: Miriam Singer, Director, DPM
Wendi Norris, Director, GSA
Jose Abreu, Director, MDAD
Cathy Grimes Peel, Director, CSD
Penelope Townsley, Director, SBD

Selection Committee

Maria Carballeira, DPM, Non-Voting Chairperson
Daniel Gonzales, GSA
Merrie Gonzalez, GSA
Sonia S. Bridges, MDAD
Damita Surita-Polanco, Public Health Trust
Angel Maldonado, SBD
Leonard Elias, CSD (Alternate)

Employee Group Life Insurance Program

Contract No. RFP721

THIS AGREEMENT made and entered into as of this _____ day of _____ by and between Metropolitan Life Insurance Company, a corporation organized and existing under the laws of the State of New York, having its principal office at 200 Park Avenue, New York, NY 10166 (hereinafter referred to as the "Contractor"), and Miami-Dade County, a political subdivision of the State of Florida, having its principal office at 111 N.W. 1st Street, Miami, Florida 33128 (hereinafter referred to as the "County"),

WITNESSETH:

WHEREAS, the Contractor has offered to provide an Employee Group Life Insurance Program , on a non-exclusive basis, that shall conform to the Scope of Services (Appendix A); Miami-Dade County's Request for Proposals (RFP) No. 721 and all associated addenda and attachments, incorporated herein by reference; and the requirements of this Agreement; and,

WHEREAS, the Contractor has submitted a written proposal dated April 13, 2010, hereinafter referred to as the "Contractor's Proposal" which is incorporated herein by reference; and,

WHEREAS, the County desires to procure from the Contractor such Employee Group Life Insurance Program for the County, in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

The following words and expressions used in this Agreement shall be construed as follows, except when it is clear from the context that another meaning is intended:

- a) The words "Contract" or "Contract Documents" or "Agreement" to mean collectively these terms and conditions, the Scope of Services (Appendix A), Price Schedule (Appendix B), RFP No. 721 and all associated addenda and attachments, the Contractor's Proposal, the Group Policy and all other attachments hereto and all amendments issued hereto.
- b) The words "Contract Date" to mean the date on which this Agreement is effective.
- c) The words "Contract Manager" to mean Miami-Dade County's Director, Department of Procurement Management, or the duly authorized representative designated to manage the Contract.
- d) The word "Contractor" to mean Metropolitan Life Insurance Company and its permitted successors and assigns.
- e) The word "Days" to mean Calendar Days.
- f) The word "Deliverables" to mean all documentation and any items of any nature submitted by the Contractor to the County's Project Manager for review and approval pursuant to the terms of this Agreement.
- g) The words "directed", "required", "permitted", "ordered", "designated", "selected", "prescribed" or words of like import to mean respectively, the direction, requirement, permission, order, designation, selection or prescription of the County's Project Manager; and similarly the words "approved", "acceptable", "satisfactory", "equal", "necessary", or words of like import to mean respectively, approved by, or acceptable or satisfactory to, equal or necessary in the opinion of the County's Project Manager.
- h) The words "Change Order" or "Extra Work" or "Additional Work" resulting in additions or deletions or modifications to the amount, type or value of the Work and Services as required in this Contract, as directed and/or approved by the County.
- i) The words "Project Manager" to mean the County Manager or the duly authorized representative designated to manage the Project.
- j) The words "Scope of Services" to mean the document appended hereto as Appendix A, which details the work to be performed by the Contractor.
- k) The word "subcontractor" or "subconsultant" to mean any person, entity, firm or corporation, other than the employees of the Contractor, who furnishes labor and/or materials, in connection with the Work, whether directly or indirectly, on behalf and/or under the direction of the Contractor and whether or not in privity of Contract with the Contractor.
- l) The words "Work", "Services" "Program", or "Project" to mean all matters and things required to be done by the Contractor in accordance with the provisions of this Contract.
- m) The words "Group Policy" shall mean the group life insurance contract (including the insurance certificate) issued by Contractor or an affiliate of Contractor prior to the effective date of coverage and approved by the County.

ARTICLE 2. ORDER OF PRECEDENCE

If there is a conflict between or among the provisions of this Agreement, the order of precedence is as follows: 1) these terms and conditions, 2) Appendices to these terms and conditions (the Scope of Service and Price Schedule), 3) the Miami-Dade County's RFP No. 721 and any associated addenda and attachments thereof, and 4) the Contractor's Proposal. If there is a conflict among the provisions of this Agreement and the Group Policy, the provisions of the Group Policy take precedence.

ARTICLE 3. RULES OF INTERPRETATION

- a) References to a specified Article, section or schedule shall be construed as reference to that specified Article, or section of, or schedule to this Agreement unless otherwise indicated.
- b) Reference to any agreement or other instrument shall be deemed to include such agreement or other instrument as such agreement or other instrument may, from time to time, be modified, amended, supplemented, or restated in accordance with its terms.
- c) The terms "hereof", "herein", "hereinafter", "hereby", "herewith", "hereto", and "hereunder" shall be deemed to refer to this Agreement.
- d) The titles, headings, captions and arrangements used in these Terms and Conditions are for convenience only and shall not be deemed to limit, amplify or modify the terms of this Contract, nor affect the meaning thereof.

ARTICLE 4. NATURE OF THE AGREEMENT

- a) This Agreement incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained in this Agreement. The parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained in this Agreement, and that this Agreement contains the entire agreement between the parties as to all matters contained herein. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written. It is further agreed that any oral representations or modifications concerning this Agreement shall be of no force or effect, and that this Agreement may be modified, altered or amended only by a written amendment duly executed by both parties hereto or their authorized representatives.
- b) The Contractor shall issue the Group Policy and shall administer the Group Policy consistent with the terms and conditions thereof and the Scope of Services. The Contractor shall provide full and prompt cooperation with the County in all aspects of the Services performed hereunder.
- c) The Contractor acknowledges that this Agreement requires the performance of all things necessary for or incidental to the effective and complete performance of all Work and Services under this Contract. All things not expressly mentioned in this Agreement but necessary to carrying out its intent are required by this Agreement, and the Contractor shall perform the same as though they were specifically mentioned, described and delineated.

- d) The Contractor shall furnish all labor, materials, tools, supplies, and other items required to perform the Work and Services that are necessary for the completion of this Contract. All Work and Services shall be accomplished at the direction of and to the satisfaction of the County's Project Manager.

- e) The Contractor acknowledges that the County shall be responsible for making all policy decisions regarding the Scope of Services. The Contractor agrees to provide input on policy issues in the form of recommendations. The Contractor agrees to implement any and all changes in providing Services hereunder as a result of a policy change implemented by the County that the Contractor is willing and able to perform. The Contractor agrees to act in an expeditious and fiscally sound manner in providing the County with input regarding the time and cost to implement said changes and in executing the activities required to implement said changes.

ARTICLE 5. CONTRACT TERM

The Contract shall become effective on the date set forth on the first page of this Agreement and shall continue through December 31, 2015. The County, at its sole discretion, reserves the right to exercise the option to renew this Contract for a period of two (2) additional years. The County reserves the right to exercise its option to extend this Contract for up to one hundred-eighty (180) calendar days beyond the current Contract period and will notify the Contractor in writing of the extension. This Contract may be extended beyond the initial one hundred-eighty (180) calendar day extension period by mutual agreement between the County and the Contractor, upon approval by the Board of County Commissioners.

ARTICLE 6. NOTICE REQUIREMENTS

All notices required or permitted under this Agreement shall be in writing and shall be deemed sufficiently served if delivered by Registered or Certified Mail, with return receipt requested; or delivered personally; or delivered via fax or e-mail (if provided below) and followed with delivery of hard copy; and in any case addressed as follows:

(1) to the County

- a) to the Project Manager:

Miami-Dade County
General Services Administration – Risk Management Division
111 N. W. 1 Street, Suite 2340
Miami, FL 33128
Attention: GSA Risk Management Division Director
Phone: (305) 375-4281
Fax: (305) 375-4255
e-mail: MB16@miamidade.gov
with a copy to: HGRACE@miamidade.gov

and,

- b) to the Contract Manager:

Miami-Dade County
Department of Procurement Management

111 N.W. 1st Street, Suite 1375
Miami, FL 33128-1974
Attention: Director
Phone: (305) 375-5548
Fax: (305) 375-2316

(2) To the Contractor

Metropolitan Life Insurance Company
1200 South Pine Island Road, Suite 770
Plantation, FL 33324
Attention: Kevin Murphy
Phone: 954-626-5169
Fax: 800-576-6576
E-mail: kmurphy7@metlife.com

Either party may at any time designate a different address and/or contact person by giving notice as provided above to the other party. Such notices shall be deemed given upon receipt by the addressee.

ARTICLE 7. PAYMENT FOR SERVICES/AMOUNT OBLIGATED

The Contractor warrants that it has reviewed the County's requirements and has asked such questions and conducted such other inquiries as the Contractor deemed necessary in order to determine the price the Contractor will charge to provide the Work and Services to be performed under this Contract. The compensation for all Work and Services performed under this Contract, including all costs associated with such Work and Services, shall be in accordance with Price Schedule, Appendix B, herein. The County shall have no obligation to pay the Contractor any additional sum in excess of this amount, except for a change and/or modification to the Contract, which is approved and executed in writing by the County and the Contractor.

All Services undertaken by the Contractor before County's approval of this Contract shall be at the Contractor's risk and expense.

ARTICLE 8. PRICING

Plan year prices shall remain firm and fixed for the initial term of the Contract (through December 31, 2015). Any option or extension period prices will be determined pursuant to Price Schedule, Appendix B. However, the Contractor may offer incentive discounts to the County at any time during the Contract term, including any renewal or extension thereof.

ARTICLE 9. METHOD AND TIMES OF PAYMENT

The County will remit applicable premiums to the Contractor on a prepaid monthly basis for Basic Life/Accidental Death & Dismemberment and bi-weekly, in arrears, for Optional Life, after the County either deducts the employee contributions through its payroll process or receives payment from employees on an updated leave of absence and retirees. The County will remit premium payments based on its records.

ARTICLE 10. INDEMNIFICATION AND INSURANCE

The Contractor shall indemnify and hold harmless the County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature made by a third party arising out of, relating to or resulting from the Contractor's breach of this Agreement or the negligence or willful misconduct in the performance of this Agreement by the Contractor or its employees, agents, servants, partners principals or subcontractors. The Contractor shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. The Contractor expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by the Contractor shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County or its officers, employees, agents and instrumentalities as herein provided.

Upon County's notification, the Contractor shall furnish to the Department of Procurement Management, Certificates of Insurance that indicate that insurance coverage has been obtained, which meets the requirements as outlined below:

1. Worker's Compensation Insurance for all employees of the Contractor as required by Florida Statute 440.
2. Commercial General Liability Insurance on a comprehensive basis in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage. **Miami-Dade County must be shown as an additional insured with respect to this coverage. The mailing address of Miami-Dade County 111 N.W. 1st Street, Suite 1300, Miami, Florida 33128-1974, as the certificate holder, must appear on the certificate of insurance.**
3. Automobile Liability Insurance covering all owned, non-owned, and hired vehicles used in connection with the Services, in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage.
4. Professional Liability Insurance in an amount not less than \$1,000,000.

The insurance coverage required shall include those classifications, as listed in standard liability insurance manuals, which most nearly reflect the operation of the Contractor. All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida with the following qualifications:

The company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, according to the latest edition of Best's Insurance Guide published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the County Risk Management Division.

OR

The company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida", issued by the State of

30

Florida Department of Insurance and are members of the Florida Guaranty Fund.

Certificates of Insurance must indicate that for any cancellation of coverage before the expiration date, the issuing insurance carrier will endeavor to mail thirty (30) day written advance notice to the certificate holder. In addition, the Contractor hereby agrees not to modify the insurance coverage without thirty (30) days written advance notice to the County.

NOTE: MIAMI-DADE COUNTY CONTRACT NUMBER AND TITLE MUST APPEAR ON EACH CERTIFICATE OF INSURANCE.

Compliance with the foregoing requirements shall not relieve the Contractor of this liability and obligation under this section or under any other section in this Agreement.

Award of this Contract is contingent upon the receipt of the insurance documents, as required, within fifteen (15) calendar days after County notification to Contractor to comply before the award is made. If the insurance certificate is received within the specified time frame but not in the manner prescribed in this Agreement, the Contractor shall be verbally notified of such deficiency and shall have an additional five (5) calendar days to submit a corrected certificate to the County. If the Contractor fails to submit the required insurance documents in the manner prescribed in this Agreement within twenty (20) calendar days after County notification to comply, the Contractor shall be in default of the contractual terms and conditions and award of the Contract will be rescinded, unless such time frame for submission has been extended by the County.

The Contractor shall be responsible for assuring that the insurance certificates required in conjunction with this Section remain in force for the duration of the contractual period of the Contract, including any and all option years or extension periods that may be granted by the County. If insurance certificates are scheduled to expire during the contractual period, the Contractor shall be responsible for submitting new or renewed insurance certificates to the County at a minimum of thirty (30) calendar days in advance of such expiration. In the event that expired certificates are not replaced with new or renewed certificates which cover the contractual period, the County shall suspend the Contract until such time as the new or renewed certificates are received by the County in the manner prescribed herein; provided, however, that this suspended period does not exceed thirty (30) calendar days. Thereafter, the County may, at its sole discretion, terminate this contract.

ARTICLE 11. MANNER OF PERFORMANCE

- a) The Contractor shall provide the Services described herein in a competent and professional manner satisfactory to the County in accordance with the terms and conditions of this Agreement. The County shall be entitled to a satisfactory performance of all Services described herein and to full and prompt cooperation by the Contractor in all aspects of the Services. At the request of the County the Contractor shall promptly address any complaints made by the County regarding any employee, Subcontractor or any other person performing Services, hereunder to ensure a high level of service.
- b) The Contractor agrees to defend, hold harmless and indemnify the County and shall be liable and responsible for any and all claims, suits, actions, damages and costs (including attorney's fees and court costs) made against the County, occurring on account of, arising from or in connection with the removal and replacement of any Contractor's personnel performing services hereunder at the behest of the County. Removal and replacement of any Contractor's personnel as used in this Article shall not require the termination and or demotion of such Contractor's personnel.

- c) The Contractor agrees that at all times it will employ, maintain and assign to the performance of the Services a sufficient number of competent and qualified professionals and other personnel to meet the requirements to which reference is hereinafter made. The Contractor agrees to adjust its personnel staffing levels as reasonably necessary to address a determination by the County that staffing was insufficient.
- d) The Contractor warrants and represents that its personnel have the proper skill, training, background, knowledge, experience, rights, authorizations, integrity, character and licenses as necessary to perform the Services described herein, in a competent and professional manner.
- e) The Contractor shall at all times cooperate with the County and coordinate its respective work efforts to most effectively and efficiently maintain the progress in performing the Services.
- f) The Contractor shall comply with all provisions of all federal, state and local laws, statutes, ordinances, and regulations that are applicable to the performance of this Agreement.

ARTICLE 12. EMPLOYEES ARE THE RESPONSIBILITY OF THE CONTRACTOR

All employees of the Contractor shall be considered to be, at all times, employees of the Contractor under its sole direction and not employees or agents of the County. The Contractor shall supply competent employees. Miami-Dade County may request the Contractor to remove an employee it deems careless, incompetent, insubordinate or otherwise objectionable and whose continued employment on County property is not in the best interest of the County. Each employee shall have and wear proper identification.

ARTICLE 13. INDEPENDENT CONTRACTOR RELATIONSHIP

The Contractor is, and shall be, in the performance of all work services and activities under this Agreement, an independent contractor, and not an employee, agent or servant of the County. All persons engaged in any of the work or services performed pursuant to this Agreement shall at all times, and in all places, be subject to the Contractor's sole direction, supervision and control. The Contractor shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the Contractor's relationship and the relationship of its employees to the County shall be that of an independent contractor and not as employees and agents of the County.

The Contractor does not have the power or authority to bind the County in any promise, agreement or representation other than specifically provided for in this Agreement.

ARTICLE 14. AUTHORITY OF THE COUNTY'S PROJECT MANAGER

- a) The Contractor hereby acknowledges that the County's Project Manager will determine in the first instance all questions of any nature whatsoever arising out of, under, or in connection with, or in any way related to or on account of, this Agreement including without limitations: questions as to the value, acceptability and fitness of the Services; questions as to either party's fulfillment of its obligations under the Contract; negligence, fraud or misrepresentation before or subsequent to acceptance of the Proposal;

questions as to the interpretation of the Scope of Services; and claims for damages, compensation and losses.

- b) The Contractor shall be bound by all determinations or orders and shall promptly obey and follow every order of the Project Manager, including the withdrawal or modification of any previous order and regardless of whether the Contractor agrees with the Project Manager's determination or order. Where orders are given orally, they will be issued in writing by the Project Manager as soon thereafter as is practicable.
- c) The Contractor must, in the final instance, seek to resolve every difference concerning the Agreement with the Project Manager. In the event that the Contractor and the Project Manager are unable to resolve their difference, the Contractor may initiate a dispute in accordance with the procedures set forth in this Article. Exhaustion of these procedures shall be a condition precedent to any legal proceeding.
- d) In the event of such dispute, the parties to this Agreement authorize the County Manager or designee, who may not be the Project Manager or anyone associated with this Project, acting personally, to decide all questions arising out of, under, or in connection with, or in any way related to or on account of the Agreement (including but not limited to claims in the nature of breach of contract, fraud or misrepresentation arising either before or subsequent to execution hereof) and the decision of each with respect to matters within the County Manager's purview as set forth above shall be conclusive, final and binding on parties. Any such dispute shall be brought, if at all, before the County Manager within 10 days of the occurrence, event or act out of which the dispute arises.
- e) The County Manager may base this decision on such assistance as may be desirable, including advice of experts, but in any event shall base the decision on an independent and objective determination of whether Contractor's performance or any Deliverable meets the requirements of this Agreement and any specifications with respect thereto set forth herein. The effect of any decision shall not be impaired or waived by any negotiations or settlements or offers made in connection with the dispute, whether or not the County Manager participated therein, or by any prior decision of others, which prior decision shall be deemed subject to review, or by any termination or cancellation of the Agreement. All such disputes shall be submitted in writing by the Contractor to the County Manager for a decision, together with all evidence and other pertinent information in regard to such questions, in order that a fair and impartial decision may be made. Whenever the County Manager is entitled to exercise discretion or judgement or to make a determination or form an opinion pursuant to the provisions of this Article, such action shall be fair and impartial when exercised or taken. The County Manager, as appropriate, shall render a decision in writing and deliver a copy of the same to the Contractor. Except as such remedies may be limited or waived elsewhere in the Agreement, Contractor reserves the right to pursue any remedies available under law after exhausting the provisions of this Article.
- f) Nothing in this Article 14 shall affect the right of the Contractor to determine, in its sole discretion, all matters relating to coverage under the Group Policy.

ARTICLE 15. MUTUAL OBLIGATIONS

- a) The Group Policy and this Agreement, including attachments and appendixes to the Agreement, shall constitute the entire Agreement between the parties with respect hereto and supersedes all previous communications and representations or agreements,

whether written or oral, with respect to the subject matter hereto unless acknowledged in writing by the duly authorized representatives of both parties.

- b) Nothing in this Agreement shall be construed for the benefit, intended or otherwise, of any third party that is not a parent or subsidiary of a party or otherwise related (by virtue of ownership control or statutory control) to a party.
- c) In those situations where this Agreement imposes an indemnity obligation on the Contractor, the County may, at its expense, elect to participate in the defense if the County should so choose. Furthermore, the County may at its own expense defend or settle any such claims if the Contractor fails to diligently defend such claims, and thereafter seek indemnity for costs from the Contractor.

ARTICLE 16. QUALITY ASSURANCE/QUALITY ASSURANCE RECORD KEEPING

The Contractor shall maintain, and shall require that its subcontractors and suppliers maintain, complete and accurate records to substantiate compliance with the requirements set forth in the Scope of Services. The Contractor and its subcontractors and suppliers, shall retain such records, and all other documents relevant to the Services furnished under this Agreement for a period of no less than three (3) years from the expiration date of this Agreement and any extension thereof.

ARTICLE 17. AUDITS

The County, or its duly authorized representatives or governmental agencies shall, until the expiration of three (3) years after the expiration of this Agreement and any extension thereof, have access to and the right to examine and reproduce any of the Contractor's books, documents, papers and records and of its subcontractors and suppliers which apply to all matters of the County. Such records shall subsequently conform to Generally Accepted Accounting Principles requirements, as applicable, and shall only address those transactions related to this Agreement.

Pursuant to County Ordinance No. 03-2, the Contractor will grant access to the Commission Auditor to all financial and performance related records, property, and equipment purchased in whole or in part with government funds. The Contractor agrees to maintain an accounting system that provides accounting records that are supported with adequate documentation, and adequate procedures for determining the allowability and allocability of costs.

ARTICLE 18. SUBSTITUTION OF PERSONNEL

In the event the Contractor wishes to substitute personnel for the key personnel identified by the Contractor's Proposal, the Contractor must notify the County in writing and request written approval for the substitution at least ten (10) business days prior to effecting such substitution.

ARTICLE 19. CONSENT OF THE COUNTY REQUIRED FOR ASSIGNMENT

The Contractor shall not assign, transfer, convey or otherwise dispose of this Agreement, including its rights, title or interest in or to the same or any part thereof without the prior written consent of the County.

ARTICLE 20. SUBCONTRACTUAL RELATIONS

- a) If the Contractor will cause any part of this Agreement to be performed by a Subcontractor, the provisions of this Contract will apply to such Subcontractor and its officers, agents and employees in all respects as if it and they were employees of the Contractor; and the Contractor will not be in any manner thereby discharged from its obligations and liabilities hereunder, but will be liable hereunder for all acts and negligence of the Subcontractor, its officers, agents, and employees, as if they were employees of the Contractor. The services performed by the Subcontractor will be subject to the provisions hereof as if performed directly by the Contractor.
- b) The Contractor, before making any subcontract for any portion of the services, will state in writing to the County the name of the proposed Subcontractor, the portion of the Services which the Subcontractor is to do, the place of business of such Subcontractor, and such other information as the County may require. The County will have the right to approve the award of any subcontract, which approval shall not be unreasonably withheld.
- c) Before entering into any subcontract hereunder, the Contractor will inform the Subcontractor fully and completely of all provisions and requirements of this Agreement relating either directly or indirectly to the Services to be performed. Such Services performed by such Subcontractor will strictly comply with the requirements of this Contract.
- d) In order to qualify as a Subcontractor satisfactory to the County, in addition to the other requirements herein provided, the Subcontractor must be prepared to prove to the satisfaction of the County that it has the necessary facilities, skill and experience, and ample financial resources to perform the Services in a satisfactory manner. To be considered skilled and experienced, the Subcontractor must show to the satisfaction of the County that it has satisfactorily performed services of the same general type which is required to be performed under this Agreement.
- e) The County shall have the right to withdraw its consent to a subcontract if it appears to the County that the subcontract will delay, prevent, or otherwise impair the performance of the Contractor's obligations under this Agreement. All Subcontractors are required to protect the confidentiality of the County's and County's proprietary and confidential information. Contractor shall furnish to the County copies of all subcontracts between Contractor and Subcontractors and suppliers hereunder. Within each such subcontract, there shall be a clause for the benefit of the County permitting the County to request completion of performance by the Subcontractor of its obligations under the subcontract, in the event the County finds the Contractor in breach of its obligations, the option to pay the Subcontractor directly for the performance by such subcontractor. Notwithstanding, the foregoing shall neither convey nor imply any obligation or liability on the part of the County to any subcontractor hereunder as more fully described herein.

ARTICLE 21. ASSUMPTION, PARAMETERS, PROJECTIONS, ESTIMATES AND EXPLANATIONS

The Contractor understands and agrees that any assumptions, parameters, projections, estimates and explanations presented by the County were provided to the Contractor for evaluation purposes only. However, since these assumptions, parameters, projections, estimates and explanations represent predictions of future events the County makes no representations or guarantees; and the County shall not be responsible for the accuracy of the assumptions presented; and the County shall not be responsible for conclusions to be drawn

therefrom; and any assumptions, parameters, projections, estimates and explanations shall not form the basis of any claim by the Contractor. The Contractor accepts all risk associated with using this information.

ARTICLE 22. SEVERABILITY

If this Agreement contains any provision found to be unlawful, the same shall be deemed to be of no effect and shall be deemed stricken from this Agreement without affecting the binding force of this Agreement as it shall remain after omitting such provision.

ARTICLE 23. TERMINATION AND SUSPENSION OF WORK

- a) The County may terminate this Agreement if an individual or corporation or other entity attempts to meet its contractual obligation with the County through fraud, misrepresentation or material misstatement.
- b) The County may, as a further sanction, terminate or cancel any other contract(s) that such individual or corporation or other entity has with the County.
- c) The foregoing notwithstanding, any individual, corporation or other entity which attempts to meet its contractual obligations with the County through fraud, misrepresentation or material misstatement may be debarred from County contracting for up to five (5) years in accordance with the County debarment procedures. The Contractor may be subject to debarment for failure to perform and all other reasons set forth in Section 10-38 of the County Code.

In addition to cancellation or termination as otherwise provided in this Agreement, the County may at any time, in its sole discretion, with or without cause, terminate this Agreement by written notice to the Contractor and in such event:

- d) The Contractor shall, upon receipt of such notice, unless otherwise directed by the County:
 - i. stop work on the date specified in the notice ("the Effective Termination Date");
 - ii. take such action as may be necessary for the protection and preservation of the County's materials and property;
 - iii. cancel orders;
 - iv. assign to the County and deliver to any location designated by the County any noncancelable orders for Deliverables that are not capable of use except in the performance of this Agreement and has been specifically developed for the sole purpose of this Agreement and not incorporated in the Services;
 - v. take no action which will increase the amounts payable by the County under this Agreement; and
- e) In the event that the County exercises its right to terminate this Agreement pursuant to this Article, the Contractor will be compensated as stated in the payment Articles. All premiums payable under the Group Policy shall be accepted by the Contractor in full

satisfaction of all claims against the County arising out of the termination.

- i. portion of the Services completed in accordance with the Agreement up to the Effective Termination Date; and
 - ii. noncancelable Deliverables that are not capable of use except in the performance of this Agreement and has been specifically developed for the sole purpose of this Agreement but not incorporated in the Services.
- f) All compensation pursuant to this Article are subject to audit.

ARTICLE 24. EVENT OF DEFAULT

- a) An Event of Default shall mean a breach of this Agreement by the Contractor. Without limiting the generality of the foregoing and in addition to those instances referred to herein as a breach, an Event of Default, shall include the following:
- i. the Contractor has not delivered Deliverables on a timely basis.
 - ii. the Contractor has refused or failed, except in case for which an extension of time is provided, to supply enough properly skilled Staff Personnel;
 - iii. the Contractor has failed to make prompt payment to subcontractors or suppliers for any Services;
 - iv. the Contractor has become insolvent (other than as interdicted by the bankruptcy laws), or has assigned the proceeds received for the benefit of the Contractor's creditors, or the Contractor has taken advantage of any insolvency statute or debtor/creditor law or if the Contractor's affairs have been put in the hands of a receiver;
 - v. the Contractor has failed to obtain the approval of the County where required by this Agreement;
 - vi. the Contractor has failed to provide "adequate assurances" as required under subsection "b" below;
 - vii. the Contractor has failed in the representation of any warranties stated herein.
- b) When, in the opinion of the County, reasonable grounds for uncertainty exist with respect to the Contractor's ability to perform the Services or any portion thereof, the County may request that the Contractor, within the timeframe set forth in the County's request, provide adequate assurances to the County, in writing, of the Contractor's ability to perform in accordance with terms of this Agreement. Until the County receives such assurances the County may request an adjustment to the compensation received by the Contractor for portions of the Services which the Contractor has not performed. In the event that the Contractor fails to provide to the County the requested assurances within the prescribed time frame, the County may:
- i. treat such failure as a repudiation of this Agreement;
 - ii. resort to any remedy for breach provided herein or at law, including but not limited to, taking over the performance of the Services or any part thereof either by itself or through others.

- c) In the event the County shall terminate this Agreement for default, the County or its designated representatives, may immediately take possession of all applicable equipment, materials, products, documentation, reports and data.

ARTICLE 25. NOTICE OF DEFAULT - OPPORTUNITY TO CURE

If an Event of Default occurs, in the determination of the County, the County may so notify the Contractor ("Default Notice"), specifying the basis for such default, and advising the Contractor that such default must be cured immediately or this Agreement with the County may be terminated. Notwithstanding, the County may, in its sole discretion, allow the Contractor to rectify the default to the County's reasonable satisfaction within a thirty (30) day period. The County may grant an additional period of such duration as the County shall deem appropriate without waiver of any of the County's rights hereunder, so long as the Contractor has commenced curing such default and is effectuating a cure with diligence and continuity during such thirty (30) day period or any other period which the County prescribes. The default notice shall specify the date the Contractor shall discontinue the Services upon the Termination Date.

ARTICLE 26. REMEDIES IN THE EVENT OF DEFAULT

If an Event of Default occurs, the Contractor shall be liable for all damages resulting from the default, including but not limited to:

- a) lost revenues;
- b) the difference between the cost associated with procuring Services hereunder and the amount actually expended by the County for procurement of Services, including procurement and administrative costs; and,
- c) such other direct damages.

The Contractor shall also remain liable for any liabilities and claims related to the Contractor's default. The County may also bring any suit or proceeding for specific performance or for an injunction.

ARTICLE 27. PATENT AND COPYRIGHT INDEMNIFICATION

- a) The Contractor warrants that all Deliverables furnished hereunder, including but not limited to: equipment programs, documentation, software, analyses, applications, methods, ways, processes, and the like, do not infringe upon or violate any patent, copyrights, service marks, trade secret, or any other third party proprietary rights.
- b) The Contractor shall be liable and responsible for any and all claims made against the County for infringement of patents, copyrights, service marks, trade secrets or any other third party proprietary rights, by the use or supplying of any programs, documentation, software, analyses, applications, methods, ways, processes, and the like, in the course of performance or completion of, or in any way connected with, the Work, or the County's continued use of the Deliverables furnished hereunder. Accordingly, the Contractor at its own expense, including the payment of attorney's fees, shall indemnify, and hold harmless the County and defend any action brought against the County with respect to any claim, demand, cause of action, debt, or liability.

- c) In the event any Deliverable or anything provided to the County hereunder, or portion thereof is held to constitute an infringement and its use is or may be enjoined, the Contractor shall have the obligation to, at the County's option to (i) modify, or require that the applicable subcontractor or supplier modify, the alleged infringing item(s) at its own expense, without impairing in any respect the functionality or performance of the item(s), or (ii) procure for the County, at the Contractor's expense, the rights provided under this Agreement to use the item(s).
- d) The Contractor shall be solely responsible for determining and informing the County whether a prospective supplier or subcontractor is a party to any litigation involving patent or copyright infringement, service mark, trademark, violation, or proprietary rights claims or is subject to any injunction which may prohibit it from providing any Deliverable hereunder. The Contractor shall enter into agreements with all suppliers and subcontractors at the Contractor's own risk. The County may reject any Deliverable that it believes to be the subject of any such litigation or injunction, or if, in the County's judgment, use thereof would delay the Work or be unlawful.
- e) The Contractor shall not infringe any copyright, trademark, service mark, trade secrets, patent rights, or other intellectual property rights in the performance of the Work.

ARTICLE 28. CONFIDENTIALITY

- a) All Developed Works and other materials, data, transactions of all forms, financial information, documentation, inventions, designs and methods obtained from the County in connection with the Services performed under this Agreement, made or developed by the Contractor or its subcontractors in the course of the performance of such Services, or the results of such Services, or which the County holds the proprietary rights, constitute Confidential Information and may not, without the prior written consent of the County, be used by the Contractor or its employees, agents, subcontractors or suppliers for any purpose other than for the benefit of the County, unless required by law. In addition to the foregoing, all County employee information and County financial information shall be considered confidential information and shall be subject to all the requirements stated herein. Neither the Contractor nor its employees, agents, subcontractors or suppliers may sell, transfer, publish, disclose, display, license or otherwise make available to others any part of such Confidential Information without the prior written consent of the County. County employee information shall be treated in accordance with all applicable laws and shall be treated with the same care and diligence as Contractor treats all employee information. Additionally, the Contractor expressly agrees to be bound by and to defend, indemnify and hold harmless the County, and their officers and employees from the breach of any federal, state or local law in regard to the privacy of individuals.
- b) The Contractor shall advise each of its employees, agents, subcontractors and suppliers who may be exposed to such Confidential Information of their obligation to keep such information confidential and shall promptly advise the County in writing if it learns of any unauthorized use or disclosure of the Confidential Information by any of its employees or agents, or subcontractor's or supplier's employees, present or former. In addition, the Contractor agrees to cooperate fully and provide any assistance necessary to ensure the confidentiality of the Confidential Information.
- c) It is understood and agreed that in the event of a breach of this Article damages may not be an adequate remedy and the County shall be entitled to injunctive relief to restrain any such breach or threatened breach. Unless otherwise requested by the County,

45

upon the completion of the Services performed hereunder, the Contractor shall, to the extent feasible, immediately turn over to the County all such Confidential Information existing in tangible form, and no copies thereof shall be retained by the Contractor or its employees, agents, subcontractors or suppliers without the prior written consent of the County except for Contractor's record retention requirements. A certificate evidencing compliance with this provision and signed by an officer of the Contractor shall accompany such materials.

ARTICLE 29. PROPRIETARY INFORMATION

As a political subdivision of the State of Florida, Miami-Dade County is subject to the stipulations of Florida's Public Records Law.

The Contractor acknowledges that all computer software in the County's possession may constitute or contain information or materials which the County has agreed to protect as proprietary information from disclosure or unauthorized use and may also constitute or contain information or materials which the County has developed at its own expense, the disclosure of which could harm the County's proprietary interest therein.

During the term of the contract, the Contractor will not use directly or indirectly for itself or for others, or publish or disclose to any third party, or remove from the County's property, any computer programs, data compilations, or other software which the County has developed, has used or is using, is holding for use, or which are otherwise in the possession of the County (hereinafter "Computer Software"). All third-party license agreements must also be honored by the contractors and their employees, except as authorized by the County and, if the Computer Software has been leased or purchased by the County, all hired party license agreements must also be honored by the contractors' employees with the approval of the lessor or Contractors thereof. This includes mainframe, minis, telecommunications, personal computers and any and all information technology software.

The Contractor will report to the County any information discovered or which is disclosed to the Contractor which may relate to the improper use, publication, disclosure or removal from the County's property of any information technology software and hardware and will take such steps as are within the Contractor's authority to prevent improper use, disclosure or removal.

ARTICLE 30. PROPRIETARY RIGHTS

- a) The Contractor hereby acknowledges and agrees that the County retains all rights, title and interests in and to all materials, data, documentation and copies thereof furnished by the County to the Contractor hereunder or furnished by the Contractor to the County and/or created by the Contractor for delivery to the County, even if unfinished or in process, as a result of the Services the Contractor performs in connection with this Agreement, including all copyright and other proprietary rights therein, which the Contractor as well as its employees, agents, subcontractors and suppliers may use only in connection of the performance of Services under this Agreement. The Contractor shall not, without the prior written consent of the County, use such documentation on any other project in which the Contractor or its employees, agents, subcontractors or suppliers are or may become engaged. Submission or distribution by the Contractor to meet official regulatory requirements or for other purposes in connection with the performance of Services under this Agreement shall not be construed as publication in derogation of the County's copyrights or other proprietary rights.

46

- b) All rights, title and interest in and to certain inventions, ideas, designs and methods, specifications and other documentation related thereto developed by the Contractor and its subcontractors specifically for the County, hereinafter referred to as "Developed Works" shall become the property of the County.
- c) Accordingly, neither the Contractor nor its employees, agents, subcontractors or suppliers shall have any proprietary interest in such Developed Works. The Developed Works may not be utilized, reproduced or distributed by or on behalf of the Contractor, or any employee, agent, subcontractor or supplier thereof, without the prior written consent of the County, except as required for the Contractor's performance hereunder.
- d) Except as otherwise provided in subsections a, b, and c above, or elsewhere herein, the Contractor and its subcontractors and suppliers hereunder shall retain all proprietary rights in and to all Licensed Software provided hereunder, that have not been customized to satisfy the performance criteria set forth in the Scope of Services. Notwithstanding the foregoing, the Contractor hereby grants, and shall require that its subcontractors and suppliers grant, if the County so desires, a perpetual, irrevocable and unrestricted right and license to use, duplicate, disclose and/or permit any other person(s) or entity(ies) to use all such Licensed Software and the associated specifications, technical data and other Documentation for the operations of the County or entities controlling, controlled by, under common control with, or affiliated with the County, or organizations which may hereafter be formed by or become affiliated with the County. Such license specifically includes, but is not limited to, the right of the County to use and/or disclose, in whole or in part, the technical documentation and Licensed Software, including source code provided hereunder, to any person or entity outside the County for such person's or entity's use in furnishing any and/or all of the Deliverables provided hereunder exclusively for the County or entities controlling, controlled by, under common control with, or affiliated with the County, or organizations which may hereafter be formed by or become affiliated with the County. No such License Software, specifications, data, documentation or related information shall be deemed to have been given in confidence and any statement or legend to the contrary shall be void and of no effect.
- e) Notwithstanding anything else in this Agreement to the contrary, for any materials developed by Contractor that are the same or similar to materials that Contractor develops for use with its other customers, the County shall have no proprietary interest which would prevent Contractor from using such materials (excluding information unique to the County) with other clients.

ARTICLE 31. VENDOR REGISTRATION AND FORMS/CONFLICT OF INTEREST

a) Vendor Registration

The Contractor shall be a registered vendor with the County – Department of Procurement Management, for the duration of this Agreement. In becoming a Registered Vendor with Miami-Dade County, the Contractor confirms its knowledge of and commitment to comply with the following, to the extent applicable to the Contractor:

- | | |
|---|--|
| 1. Miami-Dade County Ownership Disclosure Affidavit
(Section 2-8.1 of the County Code) | 3. Miami-Dade Employment Drug-free Workplace Certification
(Section 2-8.1.2(b) of the County Code) |
| 2. Miami-Dade County Employment Disclosure Affidavit
(Section 2.8-1(d)(2) of the County Code) | 4. Miami-Dade Disability and Nondiscrimination Affidavit
(Section 2-8.1.5 of the County Code) |

47

- 5. **Miami-Dade County Debarment Disclosure Affidavit**
(Section 10.38 of the County Code)
- 6. **Miami-Dade County Vendor Obligation to County Affidavit**
(Section 2-8.1 of the County Code)
- 7. **Miami-Dade County Code of Business Ethics Affidavit**
(Section 2-8.1(j) and 2-11(b)(1) of the County Code through (6) and (9) of the County Code and Section 2-11.1(c) of the County Code)
- 8. **Miami-Dade County Family Leave Affidavit**
(Article V of Chapter 11 of the County Code)
- 9. **Miami-Dade County Living Wage Affidavit**
(Section 2-8.9 of the County Code)
- 10. **Miami-Dade County Domestic Leave and Reporting Affidavit**
(Article 8, Section 11A-60 11A-67 of the County Code)
- 11. **Subcontracting Practices**
(Ordinance 97-35)
- 12. **Subcontractor /Supplier Listing**
(Section 2-8.8 of the County Code)
- 13. **Environmentally Acceptable Packaging**
(Resolution R-738-92)
- 14. **W-9 and 8109 Forms**
(as required by the Internal Revenue Service)
- 15. **FEIN Number or Social Security Number**

In order to establish a file, the Contractor's Federal Employer Identification Number (FEIN) must be provided. If no FEIN exists, the Social Security Number of the owner or individual must be provided. This number becomes Contractor's "County Vendor Number". To comply with Section 119.071(5) of the Florida Statutes relating to the collection of an individual's Social Security Number, be aware that the County requests the Social Security Number for the following purposes:

- Identification of individual account records
- To make payments to individual/Contractor for goods and services provided to Miami-Dade County
- Tax reporting purposes
- To provide a unique identifier in the vendor database that may be used for searching and sorting departmental records

- 16. **Office of the Inspector General**
(Section 2-1076 of the County Code)
- 17. **Small Business Enterprises**
The County endeavors to obtain the participation of all small business enterprises pursuant to Sections 2-8.2, 2-8.2.3 and 2-8.2.4 of the County Code and Title 49 of the Code of Federal Regulations.
- 18. **Antitrust Laws**
By acceptance of any contract, the Contractor agrees to comply with all antitrust laws of the United States and the State of Florida.

b) Conflict of Interest

Section 2-11.1(d) of Miami-Dade County Code requires that any County employee or any member of the employee's immediate family who has a controlling financial interest, direct or indirect, with Miami-Dade County or any person or agency acting for Miami-Dade County, competing or applying for a contract, must first request a conflict of interest opinion from the County's Ethic Commission prior to their or their immediate family member's entering into any contract or transacting any business through a firm, corporation, partnership or business entity in which the employee or any member of the employee's immediate family has a controlling financial interest, direct or indirect, with Miami-Dade County or any person or agency acting for Miami-Dade County. Any such contract or business engagement entered in violation of this subsection, as amended, shall be rendered voidable. For additional information, please contact the Ethics Commission hotline at (305) 579-2593.

ARTICLE 32. INSPECTOR GENERAL REVIEWS

Independent Private Sector Inspector General Reviews

Pursuant to Miami-Dade County Administrative Order 3-20, the County has the right to retain the services of an Independent Private Sector Inspector General (hereinafter "IPSIG"), whenever the County deems it appropriate to do so. Upon written notice from the County, the Contractor shall make available to the IPSIG retained by the County, all requested records and documentation pertaining to this Agreement for inspection and reproduction. The County shall be responsible for the payment of these IPSIG services, and under no circumstance shall the Contractor's prices and any changes thereto approved by the County, be inclusive of any charges relating to these IPSIG services.

The terms of this provision herein, apply to the Contractor, its officers, agents, employees, subcontractors and assignees. Nothing contained in this provision shall impair any independent right of the County to conduct an audit or investigate the operations, activities and performance of the Contractor in connection with this Agreement. The terms of this Article shall not impose any liability on the County by the Contractor or any third party.

Miami-Dade County Inspector General Review

According to Section 2-1076 of the Code of Miami-Dade County, as amended by Ordinance No. 99-63, Miami-Dade County has established the Office of the Inspector General which may, on a random basis, perform audits on all County contracts, throughout the duration of said contracts, except as otherwise provided below. The cost of the audit for this Contract shall be one quarter (1/4) of one (1) percent of the total contract amount which cost shall be included in the total contract amount. The audit cost will be deducted by the County from progress payments to the Contractor. The audit cost shall also be included in all change orders and all contract renewals and extensions.

Exception: The above application of one quarter (1/4) of one percent fee assessment shall not apply to the following contracts: (a) IPSIG contracts; (b) contracts for legal services; (c) contracts for financial advisory services; (d) auditing contracts; (e) facility rentals and lease agreements; (f) concessions and other rental agreements; (g) insurance contracts; (h) revenue-generating contracts; (i) contracts where an IPSIG is assigned at the time the contract is approved by the Commission; (j) professional service agreements under \$1,000; (k) management agreements; (l) small purchase orders as defined in Miami-Dade County Administrative Order 3-2; (m) federal, state and local government-funded grants; and (n) interlocal agreements. ***Notwithstanding the foregoing, the Miami-Dade County Board of County Commissioners may authorize the inclusion of the fee assessment of one quarter (1/4) of one percent in any exempted contract at the time of award.***

Nothing contained above shall in any way limit the powers of the Inspector General to perform audits on all County contracts including, but not limited to, those contracts specifically exempted above. The Miami-Dade County Inspector General is authorized and empowered to review past, present and proposed County and Public Health Trust contracts, transactions, accounts, records and programs. In addition, the Inspector General has the power to subpoena witnesses, administer oaths, require the production of records and monitor existing projects and programs. Monitoring of an existing project or program may include a report concerning whether the project is on time, within budget and in conformance with plans, specifications and applicable law. The Inspector General is empowered to analyze the necessity of and reasonableness of proposed change orders to the Contract. The Inspector General is empowered to retain the services of independent private sector inspectors general (IPSIG) to audit, investigate, monitor, oversee, inspect and review operations, activities, performance and procurement process, including but not limited to project design, specifications, proposal submittals, activities of the Contractor, its officers, agents and employees, lobbyists, County staff and elected officials to ensure compliance with contract specifications and to detect fraud and corruption.

Upon written notice to the Contractor from the Inspector General or IPSIG retained by the Inspector General, the Contractor shall make all requested records and documents available to the Inspector General or IPSIG for inspection and copying. The Inspector General and IPSIG shall have the right to inspect and copy all documents and records in

the Contractor's possession, custody or control which, in the Inspector General's or IPSIG's sole judgment, pertain to performance of the contract, including, but not limited to original estimate files, change order estimate files, worksheets, proposals and agreements form and which successful and unsuccessful subcontractors and suppliers, all project-related correspondence, memoranda, instructions, financial documents, construction documents, proposal and contract documents, back-charge documents, all documents and records which involve cash, trade or volume discounts, insurance proceeds, rebates, or dividends received, payroll and personnel records, and supporting documentation for the aforesaid documents and records.

ARTICLE 33. LOCAL, STATE, AND FEDERAL COMPLIANCE REQUIREMENTS

Contractor agrees to comply, subject to applicable professional standards, with the provisions of any and all applicable Federal, State and the County orders, statutes, ordinances, rules and regulations which may pertain to the Services required under this Agreement, including but not limited to:

- a) Equal Employment Opportunity (EEO), in compliance with Executive Order 11246 as amended and applicable to this Contract.
- b) Miami-Dade County Florida, Department of Small Business Development Participation Provisions, as applicable to this Contract.
- c) Environmental Protection Agency (EPA), as applicable to this Contract.
- d) Miami-Dade County Code, Chapter 11A, Article 3. All contractors and subcontractors performing work in connection with this Contract shall provide equal opportunity for employment because of race, religion, color, age, sex, national origin, sexual preference, disability or marital status. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous place available for employees and applicants for employment, such notices as may be required by the Dade County Fair Housing and Employment Commission, or other authority having jurisdiction over the work setting forth the provisions of the nondiscrimination law.
- e) "Conflicts of Interest" Section 2-11 of the County Code, and Ordinance 01-199.
- f) Miami-Dade County Code Section 10-38 "Debarment".
- g) Miami-Dade County Ordinance 99-5, codified at 11A-60 et. seq. of Miami-Dade Code pertaining to complying with the County's Domestic Leave Ordinance.
- h) Miami-Dade County Ordinance 99-152, prohibiting the presentation, maintenance, or prosecution of false or fraudulent claims against Miami-Dade County.

Notwithstanding any other provision of this Agreement, Contractor shall not be required pursuant to this Agreement to take any action or abstain from taking any action if such

action or abstention would, in the good faith determination of the Contractor, constitute a violation of any law or regulation to which Contractor is subject, including but not limited to laws and regulations requiring that Contractor conduct its operations in a safe and sound manner.

ARTICLE 34. NONDISCRIMINATION

During the performance of this Contract, Contractor agrees to not discriminate against any employee or applicant for employment because of race, religion, color, sex, handicap, marital status, age or national origin, and will take affirmative action to ensure that they are afforded equal employment opportunities without discrimination. Such action shall be taken with reference to, but not limited to: recruitment, employment, termination, rates of pay or other forms of compensation, and selection for training or retraining, including apprenticeship and on the job training.

By entering into this Contract, the Contractor attests that it is not in violation of the Americans with Disabilities Act of 1990 (and related Acts) or Miami-Dade County Resolution No. R-385-95. If the Contractor or any owner, subsidiary or other firm affiliated with or related to the Contractor is found by the responsible enforcement agency or the County to be in violation of the Act or the Resolution, such violation shall render this Contract void. This Contract shall be void if the Contractor submits a false affidavit pursuant to this Resolution or the Contractor violates the Act or the Resolution during the term of this Contract, even if the Contractor was not in violation at the time it submitted its affidavit.

ARTICLE 35. CONFLICT OF INTEREST

The Contractor represents that:

- a) No officer, director, employee, agent, or other consultant of the County or a member of the immediate family or household of the aforesaid has directly or indirectly received or been promised any form of benefit, payment or compensation, whether tangible or intangible, in connection with the grant of this Agreement.
- b) There are no undisclosed persons or entities interested with the Contractor in this Agreement. This Agreement is entered into by the Contractor without any connection with any other entity or person making a proposal for the same purpose, and without collusion, fraud or conflict of interest. No elected or appointed officer or official, director, employee, agent or other consultant of the County, or of the State of Florida (including elected and appointed members of the legislative and executive branches of government), or a member of the immediate family or household of any of the aforesaid:
 - i) is interested on behalf of or through the Contractor directly or indirectly in any manner whatsoever in the execution or the performance of this Agreement, or in the services, supplies or work, to which this Agreement relates or in any portion of the revenues; or
 - ii) is an employee, agent, advisor, or consultant to the Contractor or to the best of the Contractor's knowledge any subcontractor or supplier to the Contractor.

- c) Neither the Contractor nor any officer, director, employee, agency, parent, subsidiary, or affiliate of the Contractor shall have an interest which is in conflict with the Contractor's faithful performance of its obligation under this Agreement; provided that the County, in its sole discretion, may consent in writing to such a relationship, provided the Contractor provides the County with a written notice, in advance, which identifies all the individuals and entities involved and sets forth in detail the nature of the relationship and why it is in the County's best interest to consent to such relationship.
- d) The provisions of this Article are supplemental to, not in lieu of, all applicable laws with respect to conflict of interest. In the event there is a difference between the standards applicable under this Agreement and those provided by statute, the stricter standard shall apply.
- e) In the event Contractor has no prior knowledge of a conflict of interest as set forth above and acquires information which may indicate that there may be an actual or apparent violation of any of the above, Contractor shall promptly bring such information to the attention of the County's Project Manager. Contractor shall thereafter cooperate with the County's review and investigation of such information, and comply with the instructions Contractor receives from the Project Manager in regard to remedying the situation.

ARTICLE 36. PRESS RELEASE OR OTHER PUBLIC COMMUNICATION

Under no circumstances shall the Contractor without the express written consent of the County:

- a) Issue or permit to be issued any press release, advertisement or literature of any kind which refers to the County, or the Work being performed hereunder, unless the Contractor first obtains the written approval of the County. Such approval may be withheld if for any reason the County believes that the publication of such information would be harmful to the public interest or is in any way undesirable; and
- b) Communicate in any way with any contractor, department, board, agency, commission or other organization or any person whether governmental or private in connection with the Services to be performed hereunder except upon prior written approval and instruction of the County; and
- c) Except as may be required by law, the Contractor and its employees, agents, subcontractors and suppliers will not represent, directly or indirectly, that any product or service provided by the Contractor or such parties has been approved or endorsed by the County.

ARTICLE 37. BANKRUPTCY

The County reserves the right to terminate this contract, if, during the term of any contract the Contractor has with the County, the Contractor becomes involved as a debtor in a bankruptcy proceeding, or becomes involved in a reorganization, dissolution, or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of the Contractor under federal bankruptcy law or any state insolvency law.

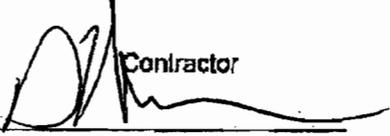
ARTICLE 38. GOVERNING LAW

This Contract, including appendices, and all matters relating to this Contract (whether in contract, statute, tort (such as negligence), or otherwise) shall be governed by, and construed in accordance with, the laws of the State of Florida. Venue shall be Miami-Dade County.

ARTICLE 39. SURVIVAL

The parties acknowledge that any of the obligations in this Agreement will survive the term, termination and cancellation hereof. Accordingly, the respective obligations of the Contractor and the County under this Agreement, which by nature would continue beyond the termination, cancellation or expiration hereof, shall survive termination, cancellation or expiration hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the contract date herein above set forth.

By:  Contractor

Miami-Dade County

Name: Donald Swanson

By: _____

Title: Vice-President

Name: _____

Date: June 17, 2010

Title: _____

Attest: 
Corporate Secretary/Notary Public

Date: _____

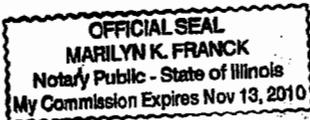
State of Florida

Attest: _____

Clerk of the Board

Corporate Seal/Notary Seal

Approved as to form and legal sufficiency



Assistant County Attorney

APPENDIX A
SCOPE OF SERVICES

1. INTRODUCTION/BACKGROUND

Miami-Dade County and the Public Health Trust/Jackson Health System, hereinafter referred to as the County, as represented by the Miami-Dade County General Services Administration, Risk Management Division, is contracting for a fully insured Employee Group Life Insurance Program to include a Basic Life/Accidental Death & Dismemberment (AD&D) Insurance Plan ("Basic Life") and an Optional (*also referred to as Supplemental*) Life Insurance Plan ("Optional Life").

The County employs over 40,000 individuals throughout South Florida. Covered groups include employees of Miami-Dade County, Public Health Trust/Jackson Health System, Industrial Development Authority, Miami-Dade Expressway Authority, Town of Miami Lakes, and retirees under and over the age of 65, as well as approximately 100 judges.

Additionally, the International Association of Firefighters Local 1403 ("IAFF") offers a basic life insurance plan to its members. IAFF members will continue to be offered the opportunity to select from the County's basic life plan, the optional life plan, or if eligible, select from the union's plan.

The Basic Life and Optional Life Insurance Plan (the "Plan") shall duplicate the County's 2010 existing plan design and benefits provision language. All Plan changes must be approved by the County.

2. REQUIREMENTS

- A. Contractor shall be licensed by the State of Florida, Office of Insurance Regulation, to provide the plan services.
- B. Contract shall hold a minimum "A-" insurance rating from A.M. Best or a comparable financial rating organization (i.e. Moody's, Standard & Poor's or Weiss) and a Financial Classification of "VII" or higher.

3. GENERAL REQUIREMENTS AND SERVICES TO BE PROVIDED

A. Plan Requirements

1. General Information

- a. Contract situs is Florida.
- b. The Plan effective date shall be January 1, 2011, with initial open enrollment scheduled for the Fall of 2010 (for Basic Life) and late Spring of 2011 (for Optional Life).
- c. The Plan shall be funded on a fully insured, non-participating basis.
- d. All full-time and part-time employees are eligible for insurance benefits the first of the month following or coincident to 90 days of active employment (if actively at work). There is a 30 day grace period following the eligibility date. Part-time employees must

- have consistently worked a minimum of 60 hours biweekly for 90 days and continue to consistently work at least 60 hours biweekly to maintain eligibility.
- e. Key executives, as identified by the County, are eligible for coverage as of their hire date.
 - f. Life insurance is not offered to dependents.
 - g. The County will remit premiums to the Contractor on a prepaid monthly basis for Basic Life and bi-weekly, in arrears, for Optional Life after the County either deducts the employee contributions through its payroll process or receives payment from retirees or employees on an unpaid leave of absence. The County retains the right, at all times, to self-bill. The County will remit premium payments based on its records.
 - h. The County will retain original beneficiary designations (online or hardcopies) and submit photocopies with claims filed.
 - i. The Plan does not include a portability feature.
 - j. There shall be no minimum participation requirements.

2. Basic Life

- a. Basic Life is non-contributory for employees. The County pays the full cost.
- b. Basic Life is fully contributory for all retirees. The County does not contribute towards the cost for retiree basic life coverage.
- c. All existing benefit amounts in-force as of December 31, 2010 are guaranteed issue. The value of the Basic Life coverage is one times base annual salary.
- d. AD&D coverage is provided, with the basic coverage, for up to an additional one times base annual salary.
- e. Retirees under age 65 may maintain the same level of Basic Life coverage, as active employees, to age 65 at the same group rates.
- f. Retirees age 65 and over shall have the option of either a \$15,000 or \$20,000 Basic Life insurance policy and a conversion option.
- g. Any minimum requirements for Basic Life shall be waived.
- h. County Commissioners, regardless of salary, are eligible for \$100,000 basic life coverage. Commissioners, at retirement, may elect to continue full coverage without age limitation providing timely premium payments are made.

3. Optional Life

- a. The Optional Life is fully contributory for employees. The employee pays the full cost.
- b. The Optional Life is not available to retirees. At retirement, employees are eligible to purchase a conversion policy.
- c. Optional Life premiums shall be guaranteed regardless of enrollment or percentage participation.
- d. County Commissioners, regardless of salary, shall have the option to elect an optional life volume of \$100,000 in coverage.
- e. Employees may purchase Optional Life coverage to provide an additional one, two, three, four or five times their base annual salary to a maximum of \$2,000,000.
- f. AD&D coverage is not provided with Optional Life.
- g. Any minimum requirements for Optional Life shall be waived.
- h. The Optional Life coverage shall include will preparation services to the extent offered by the Contractor.

B. Administrative and Related Services

The Contractor shall perform the following administrative services:

1. Assume full risk on the Plan effective date for all lives that are insured by the current carrier as of December 31, 2010 with "no actively at work" exclusion.
2. Assume full risk for all lives effective on or after the Plan effective date.
3. Pay benefits on a "no loss – no gain" basis as provided in Florida Statutes thereby no one will lose coverage due to a change in vendor.
4. Administer the Plan in accordance with the life insurance Summary Plan Description/Policy unless different provisions are subsequently agreed to in writing by the County.
5. Pay death benefits to beneficiaries of terminated employees who die within 31 days following termination of employment and who were insured at the time of termination.
6. Pay death benefits to beneficiaries of employees who die while on a County approved leave of absence provided premiums are paid, if applicable, without any time limit.
7. Provide an accelerated death benefit up to 80% not to exceed \$500,000, with certification of impending death (not to exceed 6 months).
8. Accept court appointed guardians for minor beneficiary designations.
9. Allow employees losing Basic Life and/or Optional Life coverage, due to termination and/or reduction in hours or who are no longer in an eligible class, to purchase a conversion policy regardless of period of time covered.
10. Accept the use of the County's Discontinuance of Life Insurance/Conversion Notice as notification to the Contractor of eligibility for Basic Life and Optional Life conversion.
11. Accept applications for Basic Life and Optional Life conversion within 31 days from loss of coverage (example: termination or reduction in hours) or 15 days from the date the County provided notification, whichever is later. (However, the maximum number of days allowed to purchase a conversion policy is 90 days from loss of coverage.)
12. Accept the use of the County's Evidence of Insurability/Statement of Health Form for medical underwriting.
13. Grandfather all current amounts of life insurance.
14. Provide a toll-free number to promptly answer all telephone inquiries during the County's regular business hours, Monday through Friday from 8am to 5pm (local time.)
15. Comply with the following Performance Guarantee Provisions:

Performance Criteria	Performance Standards	Measurement	Premium at Risk for Plan Years 2011-2015 and all options to renew/extensions
Implementation of Employee Group Life Insurance Program	Contractor shall fully implement group life insurance plan for the effective date of January 1, 2011.	Measured and reported based on all deliverables and implementation schedule identified by the County to the County's satisfaction.	\$5,000 for Plan Year 2011 N. A. for Plan Years 2012-15, renewals and extensions
Life Claim Turnaround Time	95% of all death claims are authorized within 10 business days of receipt of all information necessary to process the claim.	Measured and reported based on County specific claims. Reviewed monthly; reported on an annual basis.	\$25,000 per Plan year
Life Claim Financial Accuracy	99% financial accuracy on all death claims paid.	Random sampling of all claims paid, based on County specific claims. Reviewed monthly; reported on an annual basis	\$25,000 per Plan year

These performance guarantee provisions shall be measured on an annual basis utilizing statistical data gathered throughout the plan year by the Contractor. Any payment due to the County in accordance with the performance guarantee provisions shall be made in the form of a check within thirty (30) days of results based on the Contractor's reports. Contractor shall self report within sixty (60) calendar days from plan year end. The reports and administration may be subject to an independent third party audit at the County's discretion. If the County finds it necessary to conduct such an audit, stipulated performance guarantee provisions shall apply to the results of said audit.

16. Fulfill, upon expiration or termination of this Contract, all responsibilities of the Plan year.
17. Accept that any reinsurance agreements or joint administration arrangements are subject to approval by the County.
18. Prepare language for amendments to the Summary Plan Description/Policy due to legislative or other changes.
19. Prepare a customized Policies and Procedures Manual for services requested herein, which will be utilized by the Contractor and the County.

C. Enrollment

The Contractor shall:

1. Provide for an online annual enrollment period for all eligible employees/retirees, subject to evidence of insurability, directly on the Contractor's website. This usually occurs during the Fall (for Basic Life) and late Spring (for Optional Life). The Contractor shall notify the County, via electronic feed, of all approvals to facilitate payroll deductions. At the County's discretion, the Contractor shall allow for an "evergreen" application process with evidence of insurability, instead of an annual optional life open enrollment.
2. Review and make a determination on all evidence of insurability forms.
3. Accept the use of the County's Enrollment and Beneficiary Change Form for the purpose of completing the enrollment process. In some instances, paper forms may be utilized for employees unable to complete online enrollment. The County shall retain final approval authority of the enrollment form to be utilized.
4. Accept the County's online beneficiary designation process.
5. Accept new enrollees, applying within their eligibility period, without evidence of insurability. Enrollees may select up to three times base annual salary. (This coverage is in addition to County provided Group Life.) Coverage for 4 and 5 times base annual salary is subject to evidence of insurability.

D. Certificates/Communication Materials

The Contractor shall:

1. Present initial drafts of the life insurance certificates to the County's Benefits Manager or designee for review and approval at least 60 days prior to effective date.
2. At initial enrollment, mail (directly to homes of employee/retiree) certificates of coverage to all Optional Life participants as well as certificates to all retirees enrolled in the Basic Life. The Contractor shall pay all applicable postage.
3. Provide a sufficient quantity of certificates to the County for new enrollees during the year with a PDF copy available through the County's benefits website.
4. Submit all communications intended for employees to the County's Benefits Manager or designee for approval, in writing, prior to printing.

E. Reporting

As requested by the County, the Contractor shall provide a Premium versus Paid Claims Activity report and Detailed Death Claim report segregated by County agency sub-groups. Reports shall be provided to the County within 48 hours of request, unless otherwise approved by the County.

A handwritten mark or signature, possibly a stylized '78' or a similar symbol, located at the bottom right of the page.

**Appendix B
PRICE SCHEDULE**

A. PREMIUM STRUCTURE:

The following are the monthly rates to provide the Employee Group Life Insurance Program which includes all services specified in the Scope of Services (Appendix A) in accordance with the tables below.

**Basic Life/AD&D – Active Employees & Retirees under age 65
Monthly Premium Rate Summary**

Active Employees and Retirees <65	Monthly Rate Per \$1,000
Basic Life (1x salary)	\$0.155
Basic AD&D (1x salary)	\$0.015

**Basic Life - Retirees age 65 and over
Monthly Premium Rate Summary**

Retirees 65+ (Basic Life 1X Salary Only)	Monthly Rate Per \$1,000
Age 65 – 69	\$0.570
Age 70 – 74	\$0.940
Age 75+	\$1.300

**Optional Life
Monthly Premium Rate Summary (1x Base Annual Salary)**

Age	Monthly Rate Per \$1,000
Under 35	\$0.032
35 – 39	\$0.047
40 – 44	\$0.073
45 – 49	\$0.110
50 – 54	\$0.169
55 – 59	\$0.297
60 – 64	\$0.468
65+	\$0.718

For Optional Life two, three, four and five times base annual salary, the rates will be two, three, four or five times the listed rate, respectively.

Notes:

- (1) Compensation to the Contractor shall be based on the actual enrollment of employees/retirees in the plan. The County does not guarantee any enrollment figures or participation.
- (2) The monthly rates are guaranteed and not subject to increase during the initial term of the Contract (through December 31, 2015).

- (3) For all Plan Years, the Contractor shall evaluate the rates by June 30th and advise the County whether there is a potential to reduce rates for the next plan year based on actual utilization. The Contractor shall also advise the County of its recommended reduced rates, if any. If there is a potential to reduce the rates, the Contractor and the County shall negotiate the new reduced rates. Rate reductions will not take place anytime during the plan year unless Miami-Dade County requests and agrees to off-anniversary changes in writing.
- (4) The rates for the two-year option to renew period (Plan Years 2016 and 2017) shall be negotiated with the following stipulations:

A) Basic Life/AD&D – Active Employees & Retirees under age 65

Provided that the aggregate loss ratio for the previous four plan years (effective January 31, 2011) of trended experience is less than 95.1%, the rates shall remain the same.

Provided that the aggregate loss ratio for the previous four plan years (effective January 31, 2011) of trended experience is 95.1% or greater, the Contractor may recommend a price increase adjustment capped at the percentage rates listed below:

<u>Incurred Loss Ratios</u>	<u>Rate Increase Cap</u>
95.1 - 100%	up to 5%
100.1 – 105%	up to 10%
105.1% or greater	up to 20%

B) Basic Life – Retirees over age 65

Provided that the aggregate loss ratio for the previous four plan years (effective January 1, 2011) of trended experience is less than 83.7%, the rates shall remain the same.

Provided that the aggregate loss ratio for the previous four plan years (effective January 1, 2011) of trended experience is 83.7% or greater, the Contractor may recommend a price increase adjustment capped at the percentage rates listed below:

<u>Incurred Loss Ratios</u>	<u>Rate Increase Cap</u>
83.7 – 88.8%	up to 5%
88.9 – 93.8%	up to 10%
93.9% or greater	up to 20%

C) Optional Life

Provided that the aggregate loss ratio for the previous four plan years (effective January 1, 2011) of trended experience is less than 83.8%, the rates shall remain the same.

Provided that the aggregate loss ratio for the previous four plan years (effective January 1, 2011) of trended experience is 83.8% or greater, the Contractor may recommend a price increase adjustment capped at the percentage rates listed below:

<u>Incurred Loss Ratios</u>	<u>Rate Increase Cap</u>
83.8 – 88.8%	up to 5%

88.9 – 93.8%
93.9% or greater

up to 10%
up to 20%

The recommended increase, if any, must be provided by the Contractor to the Project Manager by January 31st of the year prior to the start of the effected plan year (i.e., January 31, 2015 for plan years 2016-17) along with a justification of the Contractor's underwriting/actuarial methodology used to determine the new rates. Supporting loss ratio claims experience data shall be provided as requested by the County to facilitate the County's renewal process. If no recommended increase is received by the set date, the rates shall remain the same for the two year option period. The County reserves the right to negotiate the amount of the increase (up to the cap) with the Contractor. Any extensions pursuant to Article 5 of the Agreement will be at the then current rates.

(5) The rates are all-inclusive; no add-on charges for services are allowed.

(6) Commissions shall not be included in the County rates.

B. CONVERSION

The charge for Basic Life and Optional Life conversion upon termination is included in the above rates.