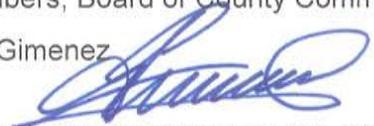


Date: November 16, 2015

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Status of Request for Proposals No. RFP-00196, Self-Funded Employee Group Healthcare Program

This memorandum serves as an update to the Board of County Commissioners (Board) on the status of Request for Proposals No. RFP-00196 (RFP), Self-Funded Employee Group Healthcare Program. This procurement remains under the Cone of Silence until I make a recommendation of award to the Board.

On May 5, 2015, the Board approved Resolution No. R-396-15, which authorized the advertisement of RFP-00196, seeking firms to provide third party administration services for the County's Self-Funded Employee Group Healthcare Program. The solicitation was issued under full and open competition the following day, May 6, 2015. As directed by the Board, not less than six (6) weeks were provided for Proposer submissions. Four (4) proposals were received on June 18, 2015. Immediately upon receipt of proposals, the County's consultant, Gallagher Benefit Services, Inc. (Gallagher) commenced their independent analysis and actuarial study of each of the proposals in preparation for presentation to, and review by, the appointed Competitive Selection Committee. Gallagher has provided technical assistance to the Committee throughout the evaluation process.

The project timeline was expedited in anticipation of service implementation taking effect on January 1, 2016. However, the depth of the qualitative analysis of technical and financial criteria required, as well as the numerous scheduling conflicts resulting from the individual Committee members' advanced organizational commitments, delayed the completion of the evaluation phase. The Committee conducted scoring in accordance with the criteria outlined within the RFP as summarized below:

- June 12, 2015 (Kick-Off Meeting)
- July 17, 2015 (Technical Evaluation Meeting)
- July 23, 2015 (Technical Evaluation Meeting)
- August 31, 2015 (Technical Evaluation, Scoring, Oral Presentations and Re-Scoring)
- September 28, 2015 (Price Discussion and Evaluation, and Scoring and Recommendation)

Over the past several weeks, the Internal Services Department's Procurement Management Division has conducted thorough due diligence on the recommended proposal, and has been preparing the Competitive Selection Committee Chairperson's report to recommend proceeding to negotiations. Following successful negotiations, I will approve the resultant award recommendation for Board consideration and the Cone of Silence will be lifted.

To that end, I intend to continue with the current contract for the next plan year. I have directed staff to proceed with negotiating a one-year renewal period with the County's current contractor, AvMed, Inc. for plan year 2016 (January 1 – December 31, 2016). We considered a shorter renewal period than the one year which is the subject of our negotiations. However, I have determined that a shortened renewal term would necessitate multiple open enrollment periods and may be disruptive to employees, retirees and their eligible dependents. Another significant element in my decision to exercise a one-year renewal period was my commitment to engaging and negotiating any changes and/or additions to the existing plan design with the labor unions. The County will need time to work through these negotiations, regardless of which proposer is selected.

I will keep you apprised of our progress as we continue with the competitive process. If you have any questions or concerns, please feel free to contact Deputy Mayor Edward Marquez at (305) 375-1451.

c: Abigail Price-Williams, County Attorney
Office of the Mayor Senior Staff
Tara C. Smith, Director, Internal Services Department
Arleene Cuellar, Director, Human Resources Department
Miriam Singer, Senior Assistant Director, Internal Services Department
Helena Denham-Carter, Division Director, Human Resources Department
Clerk of the Board