

***This document is a draft Scope of Services for a future solicitation and is subject to change without notice.***

***This is not an advertisement.***

***Miami-Dade County, Florida***

***RFP No.***

**SCOPE OF SERVICES**

**2.1 Background**

The County's Employee Benefits Program, administered by the Benefits and Compensation Division of the Human Resources Department, provides a wide array of benefits to eligible employees, retirees, COBRA participants, and eligible dependents. Benefit plans include group medical, dental, vision, term life, supplemental life, disability, legal, Florida Retirement System administered pension benefits, and Internal Revenue Service (IRS) Section 125 flexible spending accounts and Sections 457(b) and 401(a) tax-deferred retirement plans. The County operates on a fiscal year beginning October 1 and continuing through September 30. The majority of the County's plan benefits are currently offered on a calendar/plan year basis (January 1 through December 31). Please refer to **Attachments 1-4** for highlights of benefits and bi-weekly rates and premiums.

**2.2 Objective**

The County is committed to providing comprehensive, high quality, and cost-effective benefit plans and programs that provide optimum value to the County, its employees and retirees. The County, through this solicitation, intends to establish a strategic partnership with a consulting firm that will support a methodical and outcome-based approach for the continued development and forecasting of the County's Employee Benefit Program, including the expansion of performance standards and effectiveness of all cost controls, while maintaining State and Federal regulatory requirements.

**2.3 Preferred Qualification**

The Proposer and its consultants should possess a minimum of ten (10) years of continuous experience providing health and welfare benefits consulting and similar services to those listed in Section 2.5 of the Solicitation, for public sector groups of 10,000 employees or greater. Additionally, a Senior Consultant should have a minimum of 7 years in a progressively more complex professional services (actuarial and/or consulting services with oversight of public sector benefits and governmental and Florida state regulations).

**2.4 Program Overview and Plan Benefits**

The County currently offers eligible employees the following:

<b>Plan Type</b>	<b>Plan Description</b>	<b>Plan Providers</b>	<b>Plan Payment</b>
<b>*Medical</b>	One self-funded Point of Service (POS) Plan	AvMed, Inc.	County pays 97% of the cost for the "employee only" coverage in the POS plan
	One self-funded Health Maintenance Organization (HMO) with High, Low and Select Network*** Options	AvMed, Inc.	County pays 100% of the cost for the "employee only" coverage in the HMO plans

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<b>Dental</b>	One Dental Preferred Provider Organization (DPPO) (Standard & Enriched)	Delta Dental Insurance Company	County pays 100% of the cost for the "employee only" coverage in the standard DPPO plan
	Two Dental Health Maintenance Organizations (DHMO) <ul style="list-style-type: none"> <li>✓ Safeguard Dental Plan</li> <li>✓ Oral Health Services</li> </ul> Each plan includes a standard and enriched option	Humana Dental Insurance Co. and Metropolitan Life Insurance Co.	County pays 100% of the cost for the "employee only" coverage in the standard DHMO plan
<b>Vision</b>	One Vision Plan (MetLife Vision)	Metropolitan Life Insurance Company	100% paid for by the employee
<b>Flexible Spending Accounts</b>	Health Care Flexible Spending Account Dependent Care Flexible Spending Account	Fringe Benefits Management Company	100% paid for by the employee
<b>Group Legal Services</b>	Fully insured legal services plan	ARAG Insurance Company	100% paid for by the employee
<b>**Group Term Life Insurance</b>	Basic Life/Accidental Death & Dismemberment	Metropolitan Life Insurance Company	<ul style="list-style-type: none"> <li>✓ Basic Life is non-contributory for employees. The County pays the full cost.</li> <li>✓ Basic Life is fully contributory for all retirees.</li> <li>✓ The County does not contribute towards the cost for retiree basic life coverage.</li> </ul>
	Optional Life	Metropolitan Life Insurance Company	<ul style="list-style-type: none"> <li>✓ The Optional Life is fully contributory for employees.</li> <li>✓ The employee pays the full cost.</li> </ul>
<b>Deferred Compensation</b>	457(b) and 401(a) Plans	Nationwide Retirement Solutions and ICMA Retirement Corp.	100% employee contributions for 457(b) plan and employee and employer contributions for 401(a) plan

\* Exempt, non-bargaining employees under the purview of the County Mayor, contributed 5% of their base salaries on a pre-tax basis, if eligible for benefits, towards the County's cost of health insurance through September 30, 2014. All other employees under a union contract are subject to their respective bargaining unit agreement. Medicare eligible retirees/dependents may elect to participate in one of three self-funded medical supplement plans.

\*\* At retirement, employees are eligible to purchase a conversion term life policy.

\*\*\* Select Network is effective January 1, 2015.

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For informational purposes, the Dade County Firefighters Local 1403 ("DCFF") Union also offers its eligible members, medical, dental and basic life insurance plans. Members may participate in either the Union or County offered plans. The contributions made to the Union's plans are established in the collective bargaining agreements and are subject to negotiations. Effective January 1, 2015, the Jackson Hospital System will offer its eligible members separate medical insurance plans. Members may not participate in County offered plans. However, continues to offer its employees County also offers its eligible members, dental and basic life insurance plans.

**2.5 General Requirements and Services to be Provided**

The selected Proposer's responsibilities shall include, but are not limited to, the following:

**A. Financial and Actuarial Services**

1. Provide an evaluation of the actuarial soundness of the County's self-funded medical plans and supplemental plans for Medicare eligible retirees (e.g., comprehensive health coverage, which covers the majority of out-of-pocket costs for health care services.)
2. Prepare an annual Actuarial Certification filing and other exhibits of the self-funded medical plans, as required by the State of Florida's Department of Financial Services, Office of Insurance Regulations.
3. Provide annual financial forecasting of the self-funded medical plans, to include the supplemental plans, and prepare renewal projections reports.
4. Validate proposed rates based on underwriting methodology and assist the County in negotiating rate renewals with fully-insured plan providers.
5. Analyze financial data provided to the County by third party administrator for self-funded medical plans, and other fully-insured benefit plans provided, for accuracy.
6. Conduct various financial studies, as necessary and requested by the County, including those required by the Governmental Accounting Standards Board (GASB).
7. Prepare data driven analysis (i.e., numerical, historical, demographic, actuarial, etc.) and present findings through the annual Executive Summary Rate Analysis Report to the County's Executive Insurance Committee. Selected Proposer shall provide recommendations to the Committee that support total program costs and proposed employer and employee annual medical insurance renewal rates.
8. Provide to the County required data for the accurate and timely reporting under the Patient Protection and Affordable Care Act (PPACA). At the County's request, the selected Proposer shall provide advice and interpretation of federal benefit regulation to complete task.
9. Provide actuarially based cost projections for various plan design alternatives and improvements based on the review of current plan experience, as well as industry trends, variable enrollment assumptions and contribution strategies.

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**B. Self-funded Plan Performance Monitoring and Auditing**

1. Monitor the performance of, and compliance with, all established contractual requirements of the self-funded medical plans.
2. Secure statistical reports, etc., directly from the self-funded medical plan administrator's depository to evaluate and ensure compliance with contracted performance standards levels. Selected Proposer shall ascertain that non-compliance financial penalties have been properly demonstrated by plan administrator.
3. Conduct annual onsite claims audit of self-funded plans at administrator's facility, as deemed necessary by the County, to include review and compliance with contractually-established:
  - Performance standards;
  - Payment accuracy of claims;
  - Coding accuracy of claims;
  - Claims turnaround time, and
  - Plan provisions accuracy.

Any errors identified by selected Proposer must be properly classified as financial or non-financial and presented in a written findings report annually, or upon completion of the audit, to the County's Project Manager.

4. Conduct annual audit of the Pharmacy Benefits Management (PBM) Program agreement for the review and compliance of all formulary rebates to determine if the County receives guaranteed rebate amounts, in accordance with contractual obligations.
5. Request and review quarterly rebate reports and annual reconciliation report directly from the administrator and brief the County's Project Manager on findings and conclusions.

**C. Strategic Review of Benefit Plan Designs**

1. Analyze current County plan designs and recommend changes as necessary, based on market analysis, legislation and availability, to better meet the County's Employee Benefits Program service objectives and provide opportunities for cost containment.
2. Assist in the preparation for, and participate in, meetings held between labor bargaining units and the County to discuss benefit contract issues such as cost estimates for new or upgraded/downgraded benefit programs and methodology for rate calculations. The selected Proposer shall facilitate discussions on emerging trends, critical success factors, and potential impact to the County. Selected Proposer shall also be available to conduct educational workshops/presentations on key legislation affecting employee benefits to HR employees, union officials, fiduciaries, administrators and other services providers, as specified by the County
3. Provide technical support, as deemed necessary, to the County' Employee Benefits Program, in identifying and incorporating best plan and funding designs for all group benefits offered to County employees.

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4. Provide professional legal consulting support and advice on the review of recommended plan amendments and for other benefits-related matters, as necessary, to ensure compliance with federal and state legislation.
5. Advise the County on short-term and long-term direction of benefits plan design and funding and explain any significant variations that would warrant redesign.
6. Advise the County in establishing strategic goals with respect to employee benefits and the Employee Wellness Management Program for the purpose of improving the overall health of employee population, and managing cost effectiveness.

**D. Federal, State and Local Legal Compliance, Research Services and Related Requirements**

1. Provide research, advice and interpretation of federal, state and local benefit regulations and legislation. The selected Proposer shall provide written legal opinions regarding interpretation of regulation and legislation, upon the County's request.
2. Provide professional legal consulting support and advice on specific service research, compliance related issues, and other general matters, as deemed necessary by the County.
3. Provide timely updates of proposed and effectuated changes in the legal environment that affect employee benefits (i.e., *Employee Retirement Income Security Act (ERISA)*, PPACA, Consolidated Omnibus Budget Reconciliation (COBRA), Health Insurance Portability and Accountability Act (HIPAA), Internal Revenue Service (IRS) Sections 125, 457(b), 401(a)), including any tax law newsletters or special advisories released.
4. Review plan design documents of self-funded medical and IRS Section 125 flexible benefits plans, and Sections 457(b) and 401(a) tax-deferred retirement plans for compliance with applicable governing laws.
5. Obtain IRS private letter rulings for the County, as necessary and applicable, at the discretion of the County, in consultation with the selected Proposer.
6. Ensure compliance with all provisions/requirements of the PPACA.

**Note:** Selected Proposer's personnel performing these services must possess knowledge of Florida law as it pertains to employee benefits for political subdivisions of the State.

**E. Development of Request for Proposals (RFP), Proposal Review and Negotiations**

1. Provide assistance and technical expertise in reviewing competitive RFPs, including the establishment of appropriate performance standards, in development by the County.
2. Assist in the formulation of technical responses to inquiries received by prospective vendors and to be issued via addenda to an RFP.
3. Provide assistance in assessing qualifications and analyzing data provided in proposals received

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from prospective vendors. Selected Proposer may be required to participate in the Evaluation/Selection Committee meetings as deemed necessary by the County, at its sole discretion.

4. Test the adequacy of proposed' provider and pharmacy networks, analyze hospital, physician and pharmacy discounts, perform geographic-access match studies, and conduct medical provider/prescription disruption analyses.
5. Provide negotiations assistance to the County, as deemed necessary by the County, in assessing the rates and fees proposed by the prospective vendors – and in negotiating competitive rates, discounts and services for current and future projects.

**F. Other Related Duties**

1. Provide ongoing support, review, and interpretation of plan provisions and IRS regulations for Section 125 flexible benefits plan.
2. Provide ongoing support, review, and interpretation of plan provisions and IRS regulations for Sections 457(b) and 401(a) tax-deferred retirement plans. Selected Proposer will provide the County with key observations from the portfolio information.
3. Develop employee communications, including formulation of employee surveys and focus groups, as deemed necessary by the County. All findings and statistical analysis conducted shall be presented, in writing, to the County's Project Manager upon completion.
4. Assist with retirement, investment, and annuity placement consulting for executive level management, as deemed necessary by the County.
5. Provide specialized actuarial studies for supplemental retirement benefits.
6. Conduct Benefit Plan Modeling, as requested by the County.
7. Work collaboratively with other County consultants and the County Attorney's Office.
8. Attend meetings with various providers under County contract, or with County staff, not directly involved with the Employee Benefits Program, at the County Project Manager's request.
9. At the County's request, but not more than bi-annually, the selected Proposer shall present to the County for consideration, a list of three (3) to five (5) critical topics that are relevant to employee benefit programs and health and welfare. The County will identify the topics that best align with its objectives, at the County's sole discretion. The selected Proposer will prepare an analysis that identifies observations and recommendations for the County to consider.
10. Provide Ad-hoc analysis and reporting to the County, as deemed necessary by the County.

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**2.4 Work Order Assignments**

When the need arises, the County will prepare a work assignment and provide the selected Proposer with information regarding the anticipated deliverables for each particular project. All work to be performed under any contract, as a result of this Solicitation, requires that the County issue a Work Order. The County reserves the right to develop an alternative, streamlined process for work assignments. The County, at its sole discretion, may modify, suspend, or cancel the Work Order at any time and shall only pay for work actually performed by the selected Proposer.

After an assignment has been identified by the County, the selected Proposer shall prepare a written work plan/engagement letter for review and approval by the County. The work plan/engagement letter must be received by the County as defined in each request, and should include the following:

- a. Description of the proposed approach and specific deliverables
- b. Project schedule and completion date
- c. Proposed staff to perform the work, including job title, hourly rate and estimated number of hours each will spend on the assignment
- d. Breakdown of the cost per staff person (not to exceed maximum contracted rates)
- e. Total not-to-exceed cost for the assignment (including staff costs, out of pocket, travel, etc.), where applicable

The County anticipates issuing Work Orders based on approved work plans/engagement letters (which may require negotiations on the assignment with the selected Proposer), and the County may modify, suspend, or cancel a request for a work plan/engagement letter at any time at no cost to the County. All costs associated with estimating a project shall be borne by the selected Proposer; and the selected Proposer shall not have any claim, financial or otherwise, against the County as a result of the County modifying or canceling a project/assignment.