

# DEPARTMENTAL INPUT CONTRACT/PROJECT MEASURE ANALYSIS AND RECOMMENDATION

Rev 1

**New contract**   
  **OTR**   
  **CO**   
  **SS**   
  **BW**   
  **Emergency**

Previous Contract/Project No.  
RFP834

**Re-Bid**   
  **Other**

LIVING WAGE APPLIES:  YES  NO

Requisition/Project No: ROID1700069                      TERM OF CONTRACT: 2 year with 2 one-year options-to-renew

Requisition/Project Title: RFP-00576, AD&D and PBA Survivor's Benefit Insurance Programs

Description: AD&D and PBA Survivor's Benefit Insurance Programs

User Department(s): Internal Services, Risk Management Division

Issuing Department: Procurement                      Contact Person: Michelle Loren Rapaport    Phone: 305-375-4029

Estimated Cost: \$1,600,000                      Funding Source: General Fund, Municipalities and Employee Contributions    REVENUE GENERATING: N/A

### ANALYSIS

Commodity/Service No:	953 Insurance, All Types	SIC:
<b>Trade/Commodity/Service Opportunities</b>		
Contract/Project History of Previous Purchases For Previous Three (3) Years Check Here <input type="checkbox"/> if this is a New Contract/Purchase with no Previous History		
	EXISTING	2 <sup>ND</sup> YEAR
Contractor:	AON Consulting, Inc.	
Small Business Enterprise:		
Contract Value:	\$1,600,000	
Comments:		
Continued on another page (s): <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

### RECOMMENDATIONS

SBE	Set-Aside	Sub-Contractor Goal	Bid Preference	Selection Factor
		%		
		%		
		%		
		%		

Basis of Recommendation:

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Signed: Michelle Loren Rapaport

Date to SBD: 04-25-2017

Date Returned to PM: \_\_\_\_\_

## **2.0 SCOPE OF SERVICES**

### **2.1 Background/Objectives**

The purpose of this Solicitation is to procure the services of an insurance carrier or broker to establish replacement programs for 1) AD&D benefit coverage for County employees and eighteen (18) participating municipalities and 2) PBA Survivors' Benefit insurance for members of the Miami-Dade County PBA Bargaining Unit.

Please refer to Section 6.0 Attachments.

### **2.2 Minimum Qualification Requirement**

The minimum qualification requirement for this Solicitation is:

Provide documentation that demonstrates Proposer's ability to satisfy the minimum qualification requirement. Proposers who do not meet the minimum qualification requirement or who fail to provide supporting documentation may be deemed non-responsive. The minimum qualification requirement for this Solicitation is:

If Proposer is a broker:

Proposer's key individual primarily responsible for the County's account shall be a licensed insurance agent in the State of Florida at the time of the proposal due date. A current copy of the Life Insurance license issued by State of Florida, Department of Financial Services must be provided in the proposal.

If Proposer is a carrier:

A copy of the Life Insurance Company license issued by the State of Florida, Department of Financial Services must be provided.

*(Note: This is a continuing requirement throughout contract award and term of the agreement.)*

### **2.3 Requirements and Services to be Provided**

#### **A. ACCIDENTAL DEATH and DISMEMBERMENT (AD&D) INSURANCE PROGRAM**

##### **Required Limits, Terms and Conditions**

The Program shall be for the benefits specified by Florida Statutes Section 112.18, 112.181, 112.19 and 112.191. **Policy shall be endorsed to show conformance with these statutes.**

The Board of County Commissioners (Board) has authorized extension of the AD&D coverage for all full-time Miami-Dade County employees, including Board members. Participating municipalities (**see Attachment 1**) may elect to cover all full-time employees also.

##### **Payment of Premiums:**

Premiums shall be paid on an annual basis, based on enrollment at policy inception and each policy anniversary date thereafter. The County will not be required to report additions and deletions throughout the policy period.

Limits to be Provided:

	<u>ADD Benefit</u>	<u>Fresh Pursuit</u>	<u>Unlawful &amp; Intentional</u>
I. Police	\$66,041.74*	\$66,041.74*	\$198,669.21*
II. Firefighters	\$66,041.74*	\$66,041.74*	\$198,669.21*
III. Clerical, Administrative Managerial & Supervisory	\$25,000		
IV. All Others	\$25,000		

\*Benefit Levels as of July 2016. Benefits increase July 1<sup>st</sup> of each year in accordance with Florida Statutes. No change in rates will be made during the policy period.

Benefits shall be provided for accidental injuries resulting in loss of life, loss of two or more members, or irrevocable loss of sight in both eyes. One half of the benefit shall be paid for accidental injuries resulting in loss of one member or loss of sight in one eye. One quarter of the principal sum shall be paid for loss of thumb and index finger of either hand.

Required Endorsements:

Insured shall not be deemed to have received notice of occurrence nor be required to report it to the Insurance Company until Miami-Dade County's Program Manager has been made aware of the occurrence.

Cancellation provisions of the policy shall give no less than ninety (90) days written notice to the named insured in the event of cancellation by the company except for nonpayment of premiums.

Policy shall be extended to include the provisions of Florida Statutes, Section 112.18, 112.181, 112.19 and 112.191.

Changes in Florida Statutes that may affect coverage shall be incorporated into the policy.

Coverage shall be provided for any insured person while flying as a member of the crew or a passenger on any aircraft while a) working for the policyholder, and b) on a trip authorized by the policyholder.

Required Carrier Rating:

Insurance carrier shall be rated "A-" or better as to management and Class "VII" or better as to financial strength by Best's Insurance Guide, or the equivalent.

**Underwriting Information**

Effective Date of Coverage:

January 1<sup>st</sup>, 2018 at 12:01 A.M. (local time)

Coverage for new employees will be effective on the 1<sup>st</sup> day of the calendar month coinciding with or following ninety (90) days from date of hire.

Name and Address of Policyholder:

Board of County Commissioners, Miami-Dade County  
C/o Internal Services Department - Risk Management  
111 NW 1<sup>st</sup> Street, Suite 2340  
Miami, Florida 33128-1987

**B. PBA SURVIVORS' BENEFIT INSURANCE PROGRAM**

**Required Limits, Terms and Conditions**

Coverage shall be for AD&D on a twenty-four (24) hour basis for eligible Miami-Dade County employees (members of the PBA Bargaining Unit and their supervisors). This group includes, but is not limited to police officers, correctional officers, communications operators, other employees and their supervisors.

The County currently matches the contribution for Sworn Bargaining Unit employees up to \$46 per employee. Non-sworn Bargaining Unit employees that select this benefit make the entire contribution per Article 24, Section B of the PBA Collective Bargaining Agreement.

Payment of Premiums:

Premiums shall be paid on an annual basis based on enrollment at policy inception or policy anniversary date. The County, on a pro-rata basis, shall pay additional premiums for new enrollees added during the policy period. Retiring or terminated employees shall remain covered until the next policy anniversary date.

Limits to be Provided:

Enrollees, at their option, will be allowed to select a benefit level (principal sum) of either \$50,000 or \$100,000. This principal sum shall be payable for accidental injuries resulting in loss of life, loss of two or more members, or irrevocable loss of sight in both eyes. One half of the benefit shall be paid for accidental injuries resulting in loss of one member or loss of sight in one eye. One quarter of the principal sum shall be paid for loss of thumb and index finger of either hand.

Required Endorsements:

1. Insured shall not be deemed to have received notice of occurrence nor be required to report it to the Insurance Company until Miami-Dade County's Program Manager has been made aware of the occurrence.
2. Cancellation provisions of the policy shall give no less than ninety (90) days written notice to the named insured in the event of cancellation by the company except for nonpayment of premiums.
3. Coverage shall be provided for any insured person while flying as a member of the crew or a passenger on any aircraft while a) working for the policyholder, and b) on a trip authorized by the policyholder.

4. Coverage shall include riding as a passenger in any transport aircraft operated by the Military Airlift Command (MAC) or any civilian aircraft, provided that such aircraft:
  - (a) Is operated by a properly certified pilot;
  - (b) Has a current and valid unrestricted airworthiness certificate; and
  - (c) Is not being used for, or in connection with, any test or experimental purpose, unless previously consented to in writing by the carrier, as applicable.
5. Coverage shall be provided in accordance with conditions described in Florida Statutes 112.18 and 112.181.

**Required Carrier Ratings:**

Insurance carrier shall be rated "A-" or better as to management and Class "VII" or better as to financial strength by Best's Insurance Guide, or the equivalent.

**Underwriting Information**

**Effective date of coverage:**

**January 1<sup>st</sup>, 2018 at 12:01 A.M.** (local time)

All eligible employees may enroll during each open enrollment with an effective date of the anniversary of the Program. Coverage for new employees will be effective on the 1<sup>st</sup> day of the calendar month coinciding with or following ninety (90) days from date of hire into a qualifying classification

**Name and address of Policyholder**

Board of County Commissioners, Miami-Dade County  
c/o Internal Services Department - Risk Management  
111 NW 1<sup>st</sup> Street, Suite 2340  
Miami, Florida 33128-1987

**C. REQUIRED SERVICES**

**Accidental Death & Dismemberment and PBA Survivors' Benefit Insurance Programs**

**The selected Proposer shall:**

1. Administer placement of coverage as instructed by the County's Program Manager.
2. Provide binders, policies and endorsements as required in the timetable specified by the County's Program Manager.
3. Provide extensive review of binders and policies, including verification of conformity of specifications required by the Internal Services Department - Risk Management.
4. Provide a detailed manuscript wording analysis, as applicable.
5. Recommend coverage changes and improvements to provide the highest level of coverage at the least possible cost to the County.
6. Evaluate the financial stability of the insurance carrier and keep the County's Program Manager informed of any changes in rating. Make recommendations should ratings change during the policy term.
7. Oversee and coordinate all relevant services performed by insurance carrier/underwriters or any service agencies arranged for the County's Accidental Death and PBA Survivors' Insurance Programs.

8. Assist the County's Program Manager, as necessary, in all facets of claims handling to the resolution of any claims regardless of policy period.
9. Provide Internal Services Department - Risk Management, upon request, with a listing of all claims including such information as date and type of loss, amounts reserved and paid, etc.
10. Provide as needed, advice and consultation during County working hours, and as requested by the County's Program Manager.
11. Attend meetings with Internal Services Department - Risk Management and County staff as requested by the County's Program Manager.
12. Perform administrative and clerical services relative to account management including, but not limited to, certificate issuance and policy changes.
13. Electronically receive and transmit eligible employee information to be used during open enrollment.
14. Respond to any needs of the County related to the Programs, as deemed necessary by the County.

#### **D. ADDITIONAL SERVICES**

In addition to the required Services above, the selected Proposer shall provide the following Services for the

##### **PBA Survivors' Benefit Insurance Program:**

1. Meet with Internal Services Department - Risk Management in July/August of each year to determine key dates for open enrollment.
2. Create and maintain a database of eligible participants in the PBA Program.
3. Confirm and correct discrepancies regarding eligible employees with user County Departments.
4. Provide for an online annual enrollment period for all eligible employees, on the insurance carriers website.
5. Provide customer support services to the County. Selected Proposer's representative shall be available to respond to all questions regarding coverage, eligibility, benefit information, beneficiary designations by eligible employees throughout the contract term. Selected Proposer shall also provide detailed reports to each using County Department containing specific employee information for eligibility verification and sworn or non-sworn status, as requested by the County.
6. After eligibility and status are confirmed, determine the appropriate payroll deduction based on benefit level.
7. Provide the County with an updated electronic file no later than the first week in December in a System Data Format file (fixed length) that permits electronic data transfer of payroll deductions.
8. Provide premium calculations to Internal Services Department - Risk Management for payroll deductions based on information received directly from using County Department throughout the year for new enrollees.
9. Keep original enrollment/beneficiary forms and changes on file throughout the term of the agreement.
10. At the termination of the agreement, provide all beneficiary forms and most recent database to Internal Services Department - Risk Management.

The County will provide an electronic file to the selected Proposer by September of each year. Selected Proposer shall cross check their database with the County provided information to maintain a fully updated and accurate database