

Financial Services  
Mr. Ron Y. Steiger, Chief Financial Officer

**SUBJECT: REQUEST FOR AUTHORIZATION TO AWARD REQUEST FOR PROPOSALS (RFP) #17-001-AG, CONSULTING SERVICES, EMPLOYEE BENEFIT PROGRAM**

**COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS**

**LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

RFP 17-001-AG, Consulting Services, Employee Benefit Program was released and posted on the School Board's Procurement website as well as the DemandStar website on August 22, 2017.

The purpose of the RFP was to solicit proposals for the following services:

- Plan review, including plan design evaluation and benchmarking
- Renewal evaluations and negotiations, including review of claims and the ability to provide the Board assistance in the review of vendor administrative costs
- Validation of Benefits Audits
- Prepare annual GASB actuarial report
- Plan funding and premium contribution strategies
- Assistance with the drafting of RFPs and subsequent comparison of proposals for all employee benefit programs
- Negotiation of stop-loss coverage renewal terms
- Legal consulting services through an attorney or law firm knowledgeable about employee benefit issues including, but not limited to tax law; collective bargaining; Florida law pertaining to employee benefits; Federal laws such as HIPAA, COBRA, and Health Care Reform

Proposals were received on October 26, 2017, from the following firms:

- Aon Consulting, Inc.
- Gallagher Benefit Services, Inc.
- Willis Towers Watson

The Selection Committee met on November 16, 2017, to listen to oral presentations from the three firms and to review the proposals received. The three vendors were provided 20 minutes for an oral presentation followed by a 10 minute question and answer period.

After all three firms presented, the committee discussed the presentations and proposals and then voted unanimously to eliminate Willis Towers Watson as they were unable to provide certain services outlined in the RFP. The Selection Committee voted to request best and final offers from the remaining two proposers, Aon Consulting, Inc. and Gallagher Benefit Services, Inc.

Based on the revised pricing of the best and final offers received from both firms, the selection committee voted unanimously to award RFP 17-001-AG, Consulting Services, Employee Benefit Program to Aon Consulting, Inc., effective February 1, 2018, for a three-year period with the ability to extend for two additional one-year periods with any changes in fees or conditions to be brought back to the Board for approval at the following hourly rates as stipulated in their proposal and as negotiated by the Selection Committee.

Position	Current	Year 1	Year 2	Year 3
Lead Consultant	\$300	\$297	\$297	\$297
Senior Consultant	\$275	\$272	\$272	\$272
Consultant	\$225	\$223	\$223	\$223
Fellow Actuary	\$275	\$272	\$272	\$272
Associate Actuary	\$225	\$223	\$223	\$223
Legal Consultant	\$360	\$356	\$356	\$356
Clerical	\$0	\$0	\$0	\$0

Staff structured the RFP to include set pricing for specific projects as well as hourly rates for other services as needed. This platform allows the Board to contain costs associated with known projects such as the annual State Filing for the Self-Insured Plan, medical and pharmacy audits, annual/quarterly actuarial projections as well as development and analysis of various Requests for Proposals. Aon Consulting's best and final pricing for identified projects is listed below:

Project Description	Year 1	Year 2	Year 3
A State Filing for the Self-Insured Plan (annual)	\$8,300	\$8,500	\$8,700
B GASB OPEB Valuation Report (annual)	\$18,700	\$19,300	\$19,800
C GASB Valuation Report for SERP (annual)	\$13,500	\$13,900	\$14,300
D Quarterly IBNR Valuation Report	\$12,800	\$13,200	\$13,500
E Quarterly Financial Projections	\$64,100	\$66,100	\$68,000
Project Description	One Time Projects		
F Employee Benefit Related RFP's	\$174,400		
G Long Term Care RFP	\$40,000		
H Voluntary Flexible Benefits RFP	\$75,000		
I Medical Claims Audit	\$0*		
J Pharmacy (Rx) Audit	\$0*		

\* Paid directly by Cigna

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida:

- award its contract for employee benefit consulting services to Aon Consulting, Inc., pursuant to RFP 17-001-AG, Consulting Services, Employee Benefit Program, effective February 1, 2018 for a three-year period with the ability to extend for two additional one-year periods with any changes in fees, terms or conditions to be brought back to the Board for approval at the following hourly rate structure:

Position	Current	Year 1	Year 2	Year 3
Lead Consultant	\$300	\$297	\$297	\$297
Senior Consultant	\$275	\$272	\$272	\$272
Consultant	\$225	\$223	\$223	\$223
Fellow Actuary	\$275	\$272	\$272	\$272
Associate Actuary	\$225	\$223	\$223	\$223
Legal Consultant	\$360	\$356	\$356	\$356
Clerical	\$0	\$0	\$0	\$0

- approve firm fixed prices for specific actuarial services, audits and development and analysis of RFP projects, effective February 1, 2018 for a three-year period with the ability to extend for two additional one-year periods with any changes in fees, terms or conditions to be brought back to the Board for approval:

Project Description	Year 1	Year 2	Year 3
A State Filing for the Self-Insured Plan (annual)	\$8,300	\$8,500	\$8,700
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J Pharmacy (Rx) Audit		\$0*	

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3. authorize the Superintendent to enter into a contact with Aon Consulting, Inc. for services to be performed, pursuant to RFP 17-001-AG, Consulting Services, Employee Benefit Program.

RYS:mf