

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 BENEFITS PROGRAM

COMMITTEE: FISCAL ACCOUNTABILITY

LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES

RFP 17-001-AG, Consulting Services, Employee Benefits 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 45/75 actuarial report
- Plan funding and premium contribution strategies
- Assistance with the drafting of RFP's 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 a presentation with the Selection Committee able to ask follow-up questions regarding the proposals.

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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 by both firms, the selection committee voted unanimously to award RFP 17-001-AG, Consulting Services, Employee Benefits Program to Aon Consulting, Inc. effective February 1, 2018, for a three-year period 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	\$300	\$310	\$320
Senior Consultant	\$275	\$275	\$285	\$295
Consultant	\$225	\$225	\$230	\$240
Fellow Actuary	\$275	\$275	\$285	\$295
Associate Actuary	\$225	\$225	\$235	\$240
Legal Consultant	\$360	\$360	\$370	\$380
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 annual Self-Insured State Filings, medical and pharmacy audits, annual/quarterly actuarial projections as well as development and analysis of various Requests for Proposals. Over the three-year contract period, expected expenditures for all projects are approximately \$650,000.

RECOMMENDED:

That The School Board of Miami-Dade County:

1. award its contract for employee benefit consulting services to Aon Consulting, Inc., pursuant to RFP 17-001-AG, Consulting Services, Employee Benefits Program, effective February 1, 2018 for a three-year period at the following rate structure:

Position	Year 1	Year 2	Year 3
Lead Consultant	\$300	\$310	\$320
Senior Consultant	\$275	\$285	\$295
Consultant	\$225	\$230	\$240
Fellow Actuary	\$275	\$285	\$295
Associate Actuary	\$225	\$235	\$240
Legal Consultant	\$360	\$370	\$380
Clerical	\$0	\$0	\$0

2. 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 Benefits Program.

RYS:mf