

March 10, 2017

REQUEST FOR PROPOSAL (RFP)
COBRA, HIPAA AND RETIREE BILLING ADMINISTRATION BID
Bid # 1629

To Whom It May Concern:

The Village of Hinsdale is seeking proposals from organizations interested in providing COBRA and retiree administrative billing services. To obtain materials regarding this request, please contact me, as noted below. These materials include a description of the specification questions for proposals, current premium structure, and participation.

In order to be considered for the award of this contract, all requested information must be submitted no later than 4:30 p.m., Friday, March 31, 2017. Three copies of the proposal must be delivered in a sealed envelope clearly marked **"Response to RFP to Provide COBRA, HIPAA and Retiree Billing Administration for the Village of Hinsdale Bid # 1629** Proposals are to be submitted to:

Emily Wagner, HR Manager
Village of Hinsdale
19 E. Chicago Avenue
Hinsdale, IL 60521

Deadline for questions or written requests for clarification is Friday, March 24, 2017, at 4:30 p.m. CST. To obtain the complete RFP, or to request information/clarification, you may contact:

Emily Wagner, HR Manager
Village of Hinsdale
19 E. Chicago Avenue
Hinsdale, IL 60521

If you need additional information, please contact me at (630) 789-7005 or ewagner@villageofhinsdale.org.

Sincerely,

Emily Wagner
HR Manager

**REQUEST FOR PROPOSAL
COBRA, HIPAA, & RETIREE BILLING ADMINISTRATION
OUTSOURCING
FOR
VILLAGE OF HINSDALE**

The Village of Hinsdale is soliciting proposals for the outsourcing of COBRA, HIPAA and Retiree Billing Administrative Services. We expect that transition to the selected vendor will commence on or about May 1, 2017.

Emphasis will be placed on the following characteristics in selecting the winning vendor:

- Clients of similar size
- Existing online transactional and reporting capabilities (reports available, online access, etc.)
- Ability to administer eligible retiree premiums
- Flexibility of System, ability to handle various premiums structures with rate changes at points in time determined by the Village and not necessarily tied to existing COBRA time lines.

Background and History

The Village of Hinsdale and the Hinsdale Public Library provides fully insured medical benefits for approximately 100 Village and Library employees plus their eligible elected dependents.

The objectives of this RFP are as follows:

1. To ensure compliance with COBRA regulations;
2. To ensure accurate and timely COBRA administration, including premium collection/remittance, issuance of notices to newly-eligible employees and participants subject to qualifying events, and termination of COBRA coverage for failure to pay premiums; and
3. To facilitate accurate reporting of COBRA and retiree status to the Village and its insurance partner via a complete set of online management reports/queries.
4. To facilitate accurate payment and reporting of COBRA and retiree coverage premiums.
5. To ensure accurate retiree billing, premium collection from various sources, and accurate premium payment and reporting plus

reconciliation of premium collected with billing for various benefit providers.

Instructions on RFP

In order to make our evaluation process more efficient, we are asking that your RFP response include the question first, followed by your answer. Also include your financial components of required services in Exhibit A. If you have other items that are not listed on Exhibit A, please include in the "other" line that is provided and if necessary insert additional page to complete your list. Any attachments to your responses should be clearly and individually labeled. Failure to respond to questions/requests in the format noted may result in a proposal being rejected as non-compliant.

Due Date for Proposals

Proposals must be received no later no later than 4:30 p.m., Friday, March 31, 2017, CST. Please provide 3 copies of your proposal in a sealed envelope clearly marked

"Response to RFP to Provide COBRA, HIPAA and Retiree Billing Administration for the Village of Hinsdale Bid # 1629 to:

Emily Wagner, HR Manager
Village of Hinsdale
19 E. Chicago Avenue
Hinsdale, IL 60521

Faxed or E-mailed submissions will not be entertained. All materials must be received by the noted time and date; materials received after 4:30 p.m. on the due date will not be opened or acknowledged.

Questions on RFP Content

It is our hope that this RFP will be self-explanatory, however, if you have questions please call or e-mail Emily Wagner at (630) 789-7005 or ewagner@villageofhinsdale.org.

Effective Date of Contract

It is anticipated that the contract will be effective on or around May 1, 2017.

Award of Contract

The selected provider will be notified as soon as practicable after analysis of all proposals required in compliance with this request. The Village reserves the right to review details of services with potential vendors to ensure system compatibility prior to contract award. **The Village may also request a demonstration of your system and its capabilities.**

Confidentiality of RFP and Responses

Information provided in your response to this RFP is a matter of public record. Should you wish to provide any information which you consider to be proprietary, please so note in the proposal response and send under separate cover designated as “**Confidential – Proprietary information NOT FOR PUBLIC DISCLOSURE**”. Any such requests must be accompanied by a redacted copy of those materials which will be subject to the FOIA. Requests for exclusion must include specific explanation for the exclusion request other than company preference for not releasing the information.

PROGRAM DESCRIPTION

The Village of Hinsdale complies with the requirements of COBRA for continuation of Health Care Coverage including all required notifications. In addition, the Village offers retirees to continue coverages for which they were eligible during employment. Retirees electing such coverage must pay the full premium.

The Village has operated or participated in multiple retirement systems which may allow retiree premium amounts to be deducted from retirement payments. Currently, these amounts are forwarded to HR staff for reporting and allocation to the various providers.

HR staff wishes to simplify processes to the extent possible while adding additional safeguards against improperly expending Village funds.

QUESTIONNAIRE

Company Information

1. What is the full business name of your organization?
2. What is your business address? Are all services provided from this location?
3. How long have you been providing COBRA and related Administration services?
4. How many COBRA administration clients do you have?
5. Approximately how many COBRA participants are you currently serving through your programs?
6. Approximately how many COBRA Eligibility Notifications do you mail monthly?
7. Please describe your type of organization and ownership.
8. Please provide an overview of your management and staffing.
9. Who will be the Village's primary and secondary contacts within your organization? Please provide professional background/qualifications for the primary contact/account manager and key back-up representatives.
10. Please provide biographical information on Senior Management in your organization.

System Information

11. Please provide a description of your COBRA administrative system, including the platform, development (i.e., purchased or developed internally), recent enhancements, planned enhancements, etc.
12. Please provide a description of your management reporting capabilities and provide copies of standard management reports and available ad hoc reports.
13. Do you have online or Internet capabilities for COBRA continuants, plan sponsor and insurance carriers to access eligibility information, participant

- payment history, administrative activities and related reports? Does your system allow COBRA/retiree participants to schedule payments by electronic draft, direct deposit or other automatic mechanism? If yes, please describe.
14. Please provide detailed descriptions of your service delivery model(s). You may use flowcharts. Responses should include the following:
 - Continuant Services, to include telephone and online support as well as mailing of COBRA Eligibility Notifications; invoicing; collection and handling of premiums; and notification of Eligibility Updates to TPA and other health plan vendors.
 - Turnaround time for posting of premiums and reporting to employer of changes and additions.

Samples

15. Please provide samples of your COBRA Eligibility Notification package and any other forms you use to communicate with COBRA qualified beneficiaries.
16. Please provide a sample Service Agreement.
17. Please provide a sample of a Retiree Invoice Statement

Other Information

18. Do you provide HIPAA Administrative Services? If so, please provide a description of those services and a sample of your Certificate of Creditable Coverage and other notification forms.

Administration Fees

19. Do you have an implementation fee related to your services? What does this fee cover? Note: Fee quotations are to be provided in a sealed envelope (Exhibit A) not in this portion of the response.
20. For implementation can your system accept data from current carrier to populate your database? If so, what format will be required? If manually loaded, what is the fee if any? Please send your implementation check list and timeline.
21. How do you bill for your COBRA services? Can you separately bill any Village affiliated agencies? Please provide a sample of your billing statement.

22. Are there any additional charges applicable to COBRA administration? Please provide a menu of services and charges that the Village may wish to consider.
23. Please provide a menu of your fees for HIPAA administration, if applicable. (In Exhibit A).
24. Please provide a menu of service fees for taking over administration and billing for retiree coverage. (In Exhibit A).
25. Please advise if your system has the capability to accommodate various COBRA and retiree premium payment structures that the Village currently has in place. There are currently five different classes with three benefits (medical, dental and vision) each with separate rates. (All Village paid, all retiree paid, partial Village/balance retiree, lump sum check from retirement system, premium variances depending on affiliate for dental and other medical, dental and vision variances.)

General

26. How do you differentiate your services against the competition?
27. Are you amenable to performance guarantees for the services contemplated under this RFP?
28. What metrics would form the basis of measurement against the guaranteed levels of performance?
29. Do you indemnify your clients? Please include your standard indemnification language with your response.

RESPONSE FORMAT

For each item in the questionnaire, restate the question followed by a complete response along with any required sample reports, forms or documents.

Pricing data is to be provided on the attached EXHIBIT A. Please note any additional categories as noted. All pricing information must be provided in a SEPARATE SEALED ENVELOPE. Any item in the questionnaire noting fees must be included in Exhibit A in a separate sealed envelope.

SELECTION PROCESS

Village staff will review responses to the questionnaire to determine which, if any, responses meet requirements for the services needed. All firms providing an adequate response to at least 90% of the questionnaire items will be reviewed for pricing. For those firms meeting that requirement, pricing will become the key element in the final selection. Total price will be determined by using an average number of activities for the noted categories multiplied by the pricing noted and those totals summed.

EXHIBIT A

Schedule of Services & Fees

SERVICE ITEM LIST	FEE
<u>ONE TIME COSTS:</u>	
Initial Set Up Fee	<hr/> \$ <hr/> \$
Data Load	
<u>AS NEEDED:</u>	
COBRA Notice and Plan Alternative	<hr/> \$
(Qualifying Event Notice) Includes Proof of Mail, instructions, etc.	
COBRA General Notice	<hr/> \$
(Sent to new Employees)	
HIPAA Certificate Initial Rights	<hr/> \$
(Sent to new Employees)	
HIPAA Certificates of Coverage	<hr/> \$

HIPAA Special Enrollment Notice

\$

MONTHLY:

\$

\$

\$

\$

Monthly Maintenance Fee

\$

Past Due Notices

Termination Notices

COBRA Invoice Cost

Retiree Invoice Cost

Other (itemize - use second page if needed)

TOTAL DUE

\$

REQUEST FOR PROPOSAL (RFP)

FOR

**FAMILY AND MEDICAL LEAVE ACT (FMLA) ADMINISTRATION
SERVICES FOR THE VILLAGE OF HINSDALE**

Specification No.: 1629

Issued by:

VILLAGE OF HINSDALE

**Three (3) COPIES OF THE REQUEST FOR PROPOSAL (RFP), INCLUDING ONE
SIGNATURE SET, MUST BE PROVIDED,
AND ONE (1) ELECTRONIC COPY (MS WORD OR ADOBE ACROBAT FORMAT)**

ALL RFP RESPONSES SHALL BE ADDRESSED AND DELIVERED TO:

**Emily Wagner
Human Resources Manager
Village of Hinsdale
19 E. Chicago Avenue
Hinsdale, IL 60521**

**RESPONSES ARE TO BE SEALED AND MUST BE RECEIVED NO LATER THAN,
Friday, March 31, 2017, 4:30 p.m. CENTRAL STANDARD TIME AT THE ABOVE
ADDRESS.**

**The outside of the package must clearly indicate the name of the project “RFP
– Family and Medical Leave Act (FMLA) Administration Services for the Village
of Hinsdale”, for Human Resources Manager, the time and date specified for
receipt and the name and address of the Respondent.**

**THIS REQUEST FOR PROPOSAL DOES NOT CONSTITUTE A SOLICITATION
FOR BIDS OR PROPOSALS**

I. GENERAL INVITATION

The Village of Hinsdale, is issuing a Request for Proposals (“RFP”) for its FMLA Administration Services. If your firm has demonstrated experience in the areas specified in the Scope of Services (Section III of this RFP), and you are interested in providing information about your services, you are invited to respond to this RFP. This is not an invitation for bids or request for proposals; therefore, no standard Village terms and conditions or contractual language is contained herein, nor is it required in your response. **No contract award will result from this solicitation.**

For the purpose of the RFP, the term “Respondent” means the vendor providing a written response to this RFP.

INQUIRIES: All inquiries for information shall be directed to Emily Wagner, HR Manager, at (630) [789-7005](tel:789-7005)/ewagner@villageofhinsdale.org. Phone inquiries will be accepted for general questions. Specific technical questions will only be addressed in writing and must be forwarded to the attention of Emily Wagner, HR Manager, at ewagner@villageofhinsdale.org by Friday, March 24, at 4:30 p.m. CST.

If a determination is made that a clarification or change to the Request for Proposal (“RFP”) document is required, a written addendum will be mailed or faxed by the Department of Procurement Services to all RFP document holders. Respondents are responsible for obtaining all RFP materials.

RESPONSES: Responses will be received no later than **Friday, March 31, 2017, at 4:30 p.m., Central Standard Time**. All information packages shall be delivered to the following address:

Village of Hinsdale
19 E. Chicago Avenue
Hinsdale, IL 60521

Respondents must submit three (3) copies of their responses, including one (1) original signature set. In addition, Respondents must provide one (1) electronic copy (MS Word or Adobe Acrobat format) of their responses. Any literature used to illustrate Respondent’s services must be included with each copy of the responses submitted. **Please provide the information below as a document submittal cover sheet for—Family and Medical Leave Act (FMLA) Administration Services for the Village of Hinsdale, Specification Number 1629:**

Name of Firm:_____

By: (Signature in Ink):_____

Address:_____

Title: _____

Village/State/Zip Code: _____

Telephone Number: _____

Date: _____

Fax Number: _____

II. PROJECT BACKGROUND

The Village of Hinsdale is a municipal corporation with approximately 100 employees.

The Human Resources Department facilitates the effective delivery of Village services by maintaining professional human resources practices and programs.

The Village's FMLA procedures are centralized and managed by the Department of Human Resources and is responsible for receiving and processing FMLA requests, as well as documenting or coding FMLA time in the Village's Time and Attendance system.

The FMLA notices, forms and employee "Rights and Responsibilities" are available to Village employees upon receipt from the Human Resources Department.

The Village administers FMLA on a rolling year beginning on the first day the employee takes FMLA qualifying leave.

Accurate tracking of FMLA "Intermittent Leave" and the time required to effectively manage FMLA issues is of concern.

The Village has a Third Party Administrator on contract for the administration of workers compensation. The Village currently provides disability coverage to its employees through the respective pension funds.

III. SCOPE OF SERVICES

This RFP is being issued to conduct research to identify firms capable of providing FMLA administration services for the Village of Hinsdale ("Village"). The objective of this RFP is to gather information from qualified firms to outsource FMLA administration to a third party administrator. After receipt of the responses to this RFP, meetings may be scheduled by the Village to review and/or discuss the information received.

The Village's administration of FMLA claims are centralized and managed by the Human Resources departments. In an effort to reduce employee abuse of FMLA

leave, and improve the efficiency and management of FMLA-related absences, the Village requests information from respondents in their ability to provide FMLA administration services which includes the following:

CLAIM MANAGEMENT AND PROCESSING

1. Issuance of initial FMLA claim package to employee
2. Determination of FMLA leave eligibility
3. Preparation of approval and denial correspondence to employees
4. Verification of medical certification
5. Notification to employer and employee of FMLA end date
6. Detailed case management
7. Efficient FMLA claim processing
8. Access to FMLA medical specialists and attorneys
9. Action plan to address sick leave abuses
10. Improved communication to management and employees on FMLA issues
11. Customer service, call center and/or help desk; including bilingual services

CLAIM TRACKING, DOCUMENTATION, AND REPORTING

1. Tracking of all employee FMLA requests and absences
2. Tracking of FMLA utilization by employees including, re-certification, intermittent, etc.
3. Complete documentation for each FMLA claim, including documentation of communications with employees
4. Ability to track FMLA leave concurrently with disability claims
5. Track reduction in absenteeism and lost time to control absenteeism cost
6. Technology or automated tracking tools and resources
7. Detailed reports on employee FMLA usage
8. Reports to review program results
9. Data backup, security and disaster recovery plan

FMLA COMPLIANCE

1. Compliance with state and federal FMLA laws
2. Compliance with HIPAA privacy requirements
3. Impact on employee productivity and morale by fair and consistent application of FMLA requirements
4. Reduction in absence-related expenses through more efficient, automated administration and closer communication with the interested parties
5. Best practices in absence management

IV. SUBMITTAL REQUIREMENTS

A. Format

Responses should be prepared on 8 ½" X 11" letter size paper

B. Required Content of Response

All Respondents must include the following information in their responses.

1. Cover Letter

A cover letter signed by an authorized representative of the Respondent indicating the Respondent is interested in providing information about its FMLA administration services to the Village. The letter should include the name and contact information for the authorized representative, and a brief summary of the response submitted.

2. Company Background

Describe the structure of your company's services and operations. Include a description of your firm's capabilities nationally, in Illinois, and in the Chicagoland area.

3. Qualifications and Experience

Provide a summary of your FMLA administration qualifications and experience for the past five (5) years. Please detail your experience with public sector organizations, and experience with a unionized workforce.

4. Similar Engagements

Provide two (2) examples of programs of similar scope and magnitude for which the Respondent is currently providing services similar to the services described herein.

5. Methodology and Approach

Please provide detail of your methodology and approach for managing FMLA administration services (both implementation and ongoing services) described in the RFP. Methodology should include project management and controls, risks/issues management, quality management, customer service, training, and reporting and security protocols. Please describe the resources available (facilities, equipment, personnel, technology) to the Village through your methodology. Please indicate the resources needed from the Village to effectively administer FMLA administration services through your methodology.

6. Scope of Services

Please provide detailed information in the areas specified in the Scope of Services, Section III of this RFP.

7. Cost

Please describe the cost options or approaches associated with the implementation and ongoing FMLA administration services using your methodology, which may include but not limited to cost per claim, cost per employee, fixed management fee, or a combination thereof. Please segregate costs associated with any technology integration, maintenance, upgrades and ongoing technical support. Please describe any potential cost savings resulting from implementation.

8. Company Profile Page

The Company Profile Page, included as Appendix A, must be appropriately completed. Additional pages may be used if necessary.

V. **General Terms**

A. Confidentiality

All responses are subject to the Illinois Freedom of Information Act.

B. Incurred Costs

The Village of Hinsdale will not be liable in any way for any costs incurred by Respondents in replying to this RFP, including, but not limited, to costs associated with preparing the response and of participating in any demonstrations, conferences or oral presentations.

C. Technology Demonstration

If a Respondent has a technology solution that can be demonstrated on the Internet, please provide the URL with the response. If a demonstration CD is available, please furnish it with the response. In addition, the Village reserves the right to request a presentation and/or demonstration of the technology.

D. Evaluation of Responses

The Village reserves the right to request clarification or additional information from any Respondent at any time during the evaluation of responses to this RFP.

Appendix A - COMPANY PROFILE

Name of Firm:

Headquarters Address:

Village, State, Zip Code:

Web Site Address:

Business Organization: Sole Proprietor Partnership Limited Liability Company

Corporation; State of Incorporation:

Number of Years in Business: _____

Total Number of Employees: _____

Total Annual Revenues separated by last 3 full fiscal years:

Number of Municipal Clients: _____

Major Products and/or Services Offered by your Firm:

References (List 3 Clients – FMLA Products):

Client #1

Name: _____

Address: _____

Contact Person & Telephone #: _____

Product & Date of Service _____

Client #2

Name: _____

Address: _____

Contact Person & Telephone #: _____

Product & Date of Service _____

Client #3

Name: _____

Address: _____

Contact Person & Telephone #: _____

Product & Date of
Service _____