



REQUEST FOR PROPOSALS
For
Employee Health Benefits
and
Third-Party Administration of Plan

RFP 18-14

Issued by:
City of Kingsville Human Resources Department
400 W. King Ave
Kingsville, TX 78363

Sealed Request for Proposals (RFP) addressed to Charlie Sosa, Purchasing Manager, City of Kingsville will be received on **June 12** until **2:00 pm**, at the City of Kingsville City Hall (3rd Floor) located at 400 W. King Avenue, Kingsville, TX. RFP's must be in the City of Kingsville's possession on or before the aforementioned date and time (no late submissions will be accepted).

Employee Health Benefits & Third-Party Administration of Plan

RFP's received past the aforementioned deadline will not be considered. The City will evaluate RFP's and make a selection based on the firm's technical ability, experience, and ability to perform the work. The City will not provide compensation or defray any costs incurred by any firm related to the response to this request. The City reserves the right to negotiate with any and all persons or companies. The City also reserves the right to reject any or all RFP's, or to accept any deemed most advantageous, or to waive any irregularities or informalities in the RFP's received, and to revise the process schedule as circumstances arise.

Submittals must be clearly marked: **RFP 18-14**

Submitted to: Charlie Sosa
Purchasing Manager
City of Kingsville
400 W. King Avenue
Kingsville, TX 78363

CITY OF KINGSVILLE INSTRUCTIONS TO RESPONDENTS

I. DEVIATION FROM SPECIFICATION/ REQUIREMENTS

Please read the requirements thoroughly and be sure that your response complies with all requirements/specifications noted. Any variation from the solicitation requirements/specifications must be clearly indicated by letter, on a point-by-point basis, attached to and made a part of the RFP. If no exceptions are noted, and you are the successful respondent, the City of Kingsville will require that the service(s) be provided as specified.

II. PURPOSE

The purpose of these specifications/requirements and RFP documents are to award a Service Agreement for: **Employee Health Benefits and Third-Party Administration of Plan**

III. INTENT

The services to be provided under the RFP/Proposals shall be in accordance with and shall meet all specifications and/or requirements as shown in this solicitation for Request for Proposals (RFP). There is no intention to disqualify any respondent who can meet the requirements.

IV. SUBMITTAL OF RFP

RFP shall be submitted in a sealed envelope as referenced on the attached solicitation. One (1) signed original marked “**ORIGINAL**”, **three (3)** complete sets marked “**COPY 1**”, “**COPY 2**”, etc. RFP **WILL** be accepted in person or by United States Mail. RFP **WILL NOT** be accepted via oral communication, telephone, electronic mail, telegraphic transmission, or facsimile transmission. RFP may be withdrawn prior to the above scheduled time set for closing. Alterations made before RFP closing must be initiated by respondents guaranteeing authenticity. Submittal of a response to this RFP constitutes an offer by the respondent. Once submitted, the RFP becomes the property of the City of Kingsville and as such the City reserves the right to use any ideas contained in any response regardless of whether that respondent/firm is selected. Submission of a proposal in response to this solicitation, by any respondent, shall indicate that the respondent(s) has accepted the conditions contained in the RFP, unless clearly and specifically noted in the RFP submitted and confirmed in the contract between the City and the successful respondent. RFP which do not comply with these requirements may be rejected at the option of the City. RFP must be filed with the City of Kingsville before the deadline day and hour. No late RFP will be accepted. They will be returned to respondent unopened (if properly identified). Failure to meet RFP requirements may be grounds for disqualifying a proposal.

Address Delivery: Charlie Sosa
Purchasing Manager
City of Kingsville
400 W. King Ave.
Kingsville, Texas 78363

V. ASSIGNMENT

Respondents are advised that the City of Kingsville shall not allow the successful respondent to sell, assign, transfer, or convey any part of any contract resulting from this RFP in whole or in part, to a third party without the written approval of the City Manager for the City of Kingsville.

VI. PREPARATION OF RFP

Responses **MUST** give full firm name and address of respondent and be manually signed. Failure to do so will disqualify your submittal. The person signing the response must show title or **AUTHORITY TO BIND FIRM IN A CONTRACT**. Firm name and authorized signature must appear on each page that calls for this information. The legal status of the Respondent/Bidder whether corporation, partnership, or individual, shall also be stated in the submittal. A corporation shall execute the submittal by its duly authorized officers in accordance with its corporate by-laws and shall also list the state in which it is incorporated. A partnership Respondent/Bidder shall give full names and business addresses of all partners. All partners shall execute the submittal. Partnership and Individual Respondent/Bidder shall state in the submittal the names and addresses of all persons with a vested interest therein. The place of residence of each respondent/ bidder, or the office address in the case of a firm or company, with county and state and telephone number, shall be given after the signature. Any costs associated with assembling this submittal will be at the sole expense of the respondent.

VII. TIME ALLOWED FOR ACTION TAKEN

The City of Kingsville may hold RFP responses 120 days after submittal deadline without taking action. Respondents are required to hold their proposals firm for same period of time.

VIII. RIGHT TO REJECT/ AWARD

The City of Kingsville reserves the right to reject any or all RFPs, to waive any or all formalities or technicalities, and to make such awards of contract as may be deemed to be the best value and most advantageous to the City of Kingsville.

IX. AWARD

Award shall be made to the respondent whose proposal, in the opinion of the City of Kingsville, is the most advantageous to the City and can provide the best service and value for the City.

X. ALTERATIONS/AMENDMENTS TO RFP

Request for Proposals **CANNOT** be altered or amended after the opening deadline. Alterations made before opening time must be initialed by respondent guaranteeing authenticity. No RFP may be withdrawn after opening time without reasonable exception in writing and only after approval by the City of Kingsville.

XI. LIST OF EXCEPTIONS

The respondent shall attach to the RFP a list of any exceptions to the specifications/requirements, on a point-by-point basis.

XII. INTERPRETATIONS

Any questions concerning the requirements or scope of work with regards to this solicitation for Request for Proposals shall be directed to the designated individuals as outlined in the RFP. Such interpretations, which may affect the eventual outcome of this solicitation for Request for Proposals, shall be furnished in writing to all prospective respondents via Addendum. No interpretation shall be considered binding unless provided in writing by the City of Kingsville in accordance with paragraph entitled “**Addenda and Modifications**”.

XIII. CONSIDERATION OF PROPOSALS

Discussions may be conducted with responsible Proposers qualified to be selected for award for the purpose of clarification to assure full understanding of and responsiveness to requirements in the RFP. In discussions, there shall not be disclosure of any information derived from proposals submitted by competing Proposers. Until award of the Contract is made by the City, the City reserves the right to reject any or all proposals, to waive technicalities, to re-advertise for new proposals or to proceed with the work in any manner as may be considered in the best interest of the City. Should the City require clarification from the Proposer, the City shall contact the individual named as the organization’s contact person. The City may elect to conduct post-submission reference checks.

XIV. RECOMMENDATION FOR AWARD

The City will review proposals submitted in response to this RFP. If an award is made, City staff will recommend to the City Manager that award be made to the **Responsible Proposer(s) meeting the MINIMUM REQUIREMENTS of the RFP providing The Best Value to the City**. In determining the Best Value to the City Proposer(s), the City may take into consideration the quality of the product, the adaptability to the particular use required, and the ability, capacity, experience, efficiency and integrity of the Proposers as well as their financial responsibility. The City will then negotiate applicable terms and conditions into the final form of the Contract(s) with Best Value to the City Proposer(s) meeting the MINIMUM REQUIREMENTS of the RFP. If contract negotiations are not successful with the Best Value to the City Proposer meeting the MINIMUM REQUIREMENTS of the RFP, the City will begin negotiations with the Next- Best Value to the City Proposer meeting the MINIMUM REQUIREMENTS of the RFP, etc. The City will award one contract to one Proposer. The City reserves the right to not award a contract at all.

XV. TERM

The service agreement (also referred to herein as the “Contract”) will be for a term of one (1) year with an option to extend for up to three (3) additional one-year periods, subject to the approval of the City Manager or his designee. By submission of its proposal, the Proposer agrees that the pricing quoted in its proposal is fixed and firm for the duration of the initial one-year term of the contact.

**EMPLOYEE HEALTH CARE AND THIRD PARTY ADMINISTRATION
RFP# 18-14**

A. Background

The City of Kingsville, Texas serves a population of approximately 26,312, including many young families and residents with active life styles. The City is the County Seat for Kleberg County.

The City of Kingsville has a self-funded health plan with co-pays, a monthly deductible and 100% co-insurance. The current plan design has been utilized since the plan's inception in 2001 with minimal modifications. The RFP process has been utilized multiple times requesting proposals based on the original plan design and has maintained ENTRUST, Inc. as its Third-party Administrator. In 2001 the plan design had two options for employees but due to participation levels the plan was reduced to one option in 2012. See current plan description (**Attachment 1**) and plan document (**Attachment 2**).

The current plan has four (4) which includes designated tiers but only two (2) rate structures of Employee Only (EE) and Employee with Dependents [Employee Spouse (ES), Employee Child (EC) and Employee Family (EF)]. See FY 2017-2018 renewal information (**Attachment 3**) and funding levels (**Attachment 4**). It is the City's desire to have four (4) separate tiers with differing rates to more accurately depict its employee population costs.

The City is reviewing plan design options to possibly move to an annual deductible with some percentage of co-insurance, to be determined, and availability of an HSA for employees. Multiple plan design option scenarios are requested for City's review. Modifications to scenarios may occur upon final preparation of new plan document.

To evaluate the proposal, all rate proposals must be based on the following employee numbers:

- 99 EE - Employee Only
- 31 EC - Employee Child(ren)
- 31 ES - Employee Spouse
- 119 EF - Employee Family
- 7 RR - Retirees

B. DESIGNS, SPECIFICATION AND SCOPE OF WORK
(1) PLAN DESIGN SCENARIOS

ITEM	Current Plan	Scenario A & B	Scenario C & D	Scenario E & F	Scenario G & H
Annual Deductible Out of Network 2 times In Network	\$250 Family Monthly Deductible	\$750 Ind. / \$1,500 Fam.	\$ 1,350 Ind. / \$2,700 Fam.	\$ 1,350 Ind. / \$2,700 Fam.	\$ 1,500 Ind. / \$ 3,000 Fam.
Co-Insurance	100% No Out of Network	100% In / 50% Out & 90% In / 60% Out	100% In / 50% Out & 90% In / 60% Out	100% In / 50% Out & 90% In / 60% Out	100% In / 50% Out & 90% In / 60% Out
Annual Out of Pocket Maximums Out of Network 2 times In Network	\$6,600 / \$ 13,200 Fam.	\$6,650 Ind. / \$13,300 Fam.	\$7,350 Ind. / \$14,700 Fam.	\$7,350 Ind. / \$14,700 Fam.	\$7,350 Ind. / \$14,700 Fam.
Hospital Services	100% after deductible	100% & 90% after deductible	100% & 90% after deductible	100% & 90% after deductible	100% & 90% after deductible
Emergency Room Treatment	\$75 co-pay, 100% to \$300 per visit, then covered at 100% after deductible	\$100 copay then 100% or 90% after deductible	\$100 copay then 100% or 90% after deductible	100% & 90% after deductible	100% & 90% after deductible
Urgent Care Center Services (additional services/supplies may incur additional fees)	100% after deductible	\$ 75 copay	\$ 100 copay	100% & 90% after deductible	100% & 90% after deductible
Convenience Care Clinic (additional services/supplies may incur additional fees)	\$ 10 co-pay, then covered at 100% up to \$100 per visit	\$ 25 copay	\$ 30 copay	100% & 90% after deductible	100% & 90% after deductible
Physician Visits - Primary Care Physician - Specialist	\$ 25 co-pay covers first \$200 of visit then 100% after deductible	\$ 25 copay \$ 50 copay	\$ 30 copay \$ 60 copay	100% & 90% after deductible 100% & 90% after deductible	100% & 90% after deductible 100% & 90% after deductible
Preventative Care	100%	100%	100%	100%	100%
Office & Outpatient Surgery	100% after deductible	100% & 90% after deductible	100% & 90% after deductible	100% & 90% after deductible	100% & 90% after deductible
Diagnostic Lab & X-Ray (Outpatient)	\$ 15 co-pay covers first \$150 of visit then 100% after deductible	100%	100%	100% & 90% after deductible	100% & 90% after deductible
Major Diagnostic	\$ 15 co-pay covers first \$150 of visit then 100% after deductible	100% & 90% after deductible	100% & 90% after deductible	100% & 90% after deductible	100% & 90% after deductible
Health Savings Account (HSA) Eligible	No	No	No	Yes	Yes
Prescription Drug Program Maximum Rx Out-of-pocket Individual Family	Integrated with Medical	Integrated with Medical	Integrated with Medical	Integrated with Medical	Integrated with Medical
Generic	\$ 10 copay	\$ 10 copay	\$ 20 copay	100% & 90% after deductible	100% & 90% after deductible
Preferred Brand Name	30%	\$ 30 copay	\$ 40 copay		
Non-Preferred Brand Name	30%	\$ 50 copay	\$ 70 copay		
Specialty Rx	30%	30%	30%		
Mail Order Options for up to 90-day supply	3 x copay	2.5 x copay	2.5 x copay		
Note: Chart representative of major categories of covered services only for comparison purposes					

(2) SPECIFICATIONS

STOP LOSS (Medical & Prescription) & ADMINISTRATIVE SERVICES PROPOSAL FORM

<u>ITEM</u>	<u>RATE</u>	<u>Number</u>	<u>MONTHLY</u>	<u>ANNUAL</u>
Aggregate Premium – (Per Person Per Month)	\$ _____	# _____	\$ _____	\$ _____
Loss Limit per Person \$ 75,000				
EE	\$ _____	# _____	\$ _____	\$ _____
EC	\$ _____	# _____	\$ _____	\$ _____
ES	\$ _____	# _____	\$ _____	\$ _____
EF	\$ _____	# _____	\$ _____	\$ _____
Total Aggregate Stop Loss			\$ _____	\$ _____
Minimum Aggregate Attachment Point				\$ _____
Specific Premium (Individual) (\$ 75,000) Contract 12/15				
EE	\$ _____	# _____	\$ _____	\$ _____
EC	\$ _____	# _____	\$ _____	\$ _____
ES	\$ _____	# _____	\$ _____	\$ _____
EF	\$ _____	# _____	\$ _____	\$ _____
Total Individual Stop Loss			\$ _____	\$ _____
Total Stop Loss (Reinsurance Premium)			\$ _____	\$ _____
Implementation/Set-Up Fee	\$ _____		\$ _____	\$ _____
Plan Admin. Services Fee	\$ _____		\$ _____	\$ _____
ACA Fee	\$ _____		\$ _____	\$ _____
COBRA Administration Fee	\$ _____		\$ _____	\$ _____
Ask-A-Nurse/Utilization Review Fee	\$ _____		\$ _____	\$ _____
Network PPO Fee (Medical)	\$ _____		\$ _____	\$ _____
Medical Claim Transaction Fee (per claim processed)	\$ _____		\$ _____	\$ _____
Network Fee (Prescription)	\$ _____		\$ _____	\$ _____
Prescription Transaction Fee (per claim processed)	\$ _____		\$ _____	\$ _____
Broker Fee	\$ _____		\$ _____	\$ _____
EAP	\$ _____		\$ _____	\$ _____
Generic Drug Carve-out Fee (if applicable)	\$ _____		\$ _____	\$ _____
Telemedicine Fee	\$ _____		\$ _____	\$ _____
Transplant Center/Network Fee	\$ _____		\$ _____	\$ _____
Case Management (Fee and/or Hourly Rate)	\$ _____	Hourly Rate: _____	\$ _____	\$ _____
Wellness Product(s)	\$ _____		\$ _____	\$ _____
TOTAL ADMINISTRATION	\$ _____		\$ _____	\$ _____
TOTAL FIXED COSTS			\$ _____	\$ _____

	<u>RATE</u>	<u>Number</u>	<u>MONTHLY</u>	<u>ANNUAL</u>
<u>Expected Claims Funding Option</u>				
EE	\$ _____	# _____	\$ _____	\$ _____
EC	\$ _____	# _____	\$ _____	\$ _____
ES	\$ _____	# _____	\$ _____	\$ _____
EF	\$ _____	# _____	\$ _____	\$ _____
EXPECTED LIABILITY			\$ _____	\$ _____
<u>Maximum Claims Funding Option</u>				
EE	\$ _____	# _____	\$ _____	\$ _____
EC	\$ _____	# _____	\$ _____	\$ _____
ES	\$ _____	# _____	\$ _____	\$ _____
EF	\$ _____	# _____	\$ _____	\$ _____
MAXIMUM LIABILITY			\$ _____	\$ _____

Stop Loss Qualifications:

Any Costs Not Included Above:

(3) SCOPE OF WORK

General Requirements

- A. Transitional Process: The selected carrier shall be responsible for all claims incurred on/or after October 1, 2018. It is imperative any exclusion, limitations or any other deviation be clearly outlined and discussed. A proposer is expected to explain, in detail any limitations.
- B. Commission: No commissions or service fees shall be paid to any party without full disclosure.
- C. Wellness Programs: Include any wellness initiatives/programs provided by vendors for no cost, reduced cost and/or fee based.
- D. Each proposer should quote the multiple plan design options and/or alternative plan proposals.

Necessary Services

- A. Maintain a fully automated claims adjudication system in compliance with electronic transmission standards and security requirements and all other regulations as required by HIPAA, provide WEB access to plan participants allowing for claims status and offers various customer service functions.
- B. Maintain records and management reports, including claims and accounting information as required by the contract.
- C. Provide timely response to inquiries from plan participants and providers regarding eligibility and status of claims, correspondence, payment, and any other information requested by such parties in a manner that will limit the City's involvement in day-to-day inquiries.
- D. Prepare and review with the Human Resources staff the summary plan documents and enrollment materials. In addition, print summary plan documents and enrollment materials, claim forms, and any other communication material as required by the contract.
- E. Respondent shall mail identification cards (ID cards) to the home address of the employee.
- F. Deliver utilization reports. The City and its consultants need to be able to access standard reports online, preferably in Excel format.
- G. Provide online access to additional standard or ad hoc reports as needed by the City. If a specific report cannot be generated online, prepare and provide such to the City electronically.
- H. Meet with representatives of the City's Human Resources Department as often as deemed necessary by the City.
- I. Make a representative available monthly for on-site employee assistance with plan.
- J. Attend annual Open Enrollment meetings. The Respondent may be required to give employees additional information on plan types and make presentations about types of plans offered to City employees.

XVI. ANTICIPATED TERM OF CONTRACT

The anticipated term for the proposed contract is 45 days after execution.

XVII. EVALUATION PROCESS

After the RFP receipt deadline, an evaluation committee will review submitted terms and conditions (as specified in the RFP), pricing and deductibles and markets.

XVIII. EVALUATION CRITERIA

The following criteria and weight factors will generally be used to evaluate the RFP:

- Experience in providing services to the City of Kingsville or any other government entity and success ratio in performing this service. Include a list of work previously completed for the City.
- Capability to perform all services required by this RFP, including personnel availability and current workload.
- Respondents past performance will be taken into consideration in the evaluation of the RFP submittal.
- Best's Ratings of Insurance Markets provided in quotes.
- Cost will be considered in the initial ranking of offers and should include information concerning the offeror's requested fees and prices for fulfilling the RFP general conditions.

A. Cost

Cost will be an important but not overriding factor, considering the following components:

- Premium rate;
- Variable costs including but not limited to costs stated as a percentage of paid claims, cost management (i.e., shifting of more/less workload to City staff);
- Conversion costs due to changing carriers;
- Fixed costs including but not limited to insurance costs and administrative costs;
- Ability to reduce claims expense and provide network discounts while maintaining a high level of network access; and
- Financial stability including but not limited to AM Best rating and financials.

B. Cost Containment/Innovative Solutions

Proposer's demonstrated and proposed ability to implement innovative cost containment solutions is a significant factor to provider selection, including but not limited to:

- Provider cost and quality solutions;
- Value based benefit solutions; and
- Health risk management solutions.

C. Population Health Management Programs

Proposer's demonstrated and proposed abilities to improve health of the covered population and to contain and prevent health plan costs are critical factors in provider selection, including but not limited to the following factors:

- Utilization review programs;
- Case management programs;
- Disease management programs;
- Wellness programs, tools and resources; and
- Dedicated wellness consultant and coordinator.

D. Communication

Based on Proposer's ability to communicate with the City including, but not limited to:

- Educational material for employees;
- Summary plan description capabilities;
- On-line resources and tools; and
- Administrative kits for City.

E. Claims Processing

Evaluation will be based on, but not limited to, the following factors as detailed in proposal:

- Turnaround time excluding medical review of claims;
- Pended claims procedures;
- Statistical accuracy;
- General service procedures;
- Dedicated service team; and
- Willingness to contractually establish performance criteria.

F. Past Performance and References

As demonstrated by:

- Active and terminated references;
- Past relationship with the City; and
- Recognitions / reputation of Proposer.

XIX. SELECTION PROCESS

Based on the Evaluation Committee review, Responders may be required to submit supplemental information and/or an interview or make presentation. The City reserves the right to reject all submissions.

XX. ADDITIONAL REQUIRED INFORMATION

The following items must be included as part of the RFP submittal:

I. Executive Summary

- List of local office(s) and resources.
- Overview of services proposed.

II. Description of Organization Personnel

- Specify the number of full-time employees.

III. References

- Provide at least three (3) references (entities) for which you have provided like services. These references should include the name of the contact person, address, phone number, and other information you consider pertinent to this RFP.

XXI. CONTRACT AWARD

The City does not guarantee a contract (or contracts) will be awarded as a result of the RFP. In the event a contract award is made, but the contract is not executed, the City does not guarantee that the contract will be re-awarded.

XXII. RESPONSE DEADLINE

Responses to the RFP must be addressed to Charlie Sosa, Purchasing Manager, City of Kingsville, and received at 400 W King Avenue, Kingsville, Texas 78363, by **2:00 PM on June 12** for consideration. Please refer to section above (“Submittal of RFP”) for specific submission requirements. RFP responses received after the

published deadline will not be accepted or considered.

XXIII. CLARIFICATION OF REQUIREMENTS

All requests for additional information or clarification concerning this RFP must be submitted **in writing** no later than 1:30 pm on **May 29** to:

City of Kingsville

Attn: Diana Gonzales

400 W King Avenue

Kingsville, Texas 78363

Phone: (361)595-8017

Email: dgonzales@cityofkingsville.com

With a copy of the request to Carlisle-Corrigan Benefits, LLC

Attn: Sarah Parkey

500 N. Water Street, Suite 900

Corpus Christi, Texas 78401

Phone: (361) 884-2775

Email: sarahp@carlisleins.com

XXIV. ADDENDA AND MODIFICATIONS

Any changes, additions, or clarifications to the RFP are made by amendments (addenda) and will be posted on the City of Kingsville website. Any respondent in doubt as to the true meaning of any part of the RFP or other documents may request an interpretation from the Purchasing Manager. At the request of the respondent, or in the event the Purchasing Manager deems the interpretation to be substantive, the interpretation will be made by written addendum issued by the Purchasing Manager. Such addendum will be attached to the original RFP in the City of Kingsville website and will become part of the RFP package having the same binding effect as provisions of the original RFP. It shall be the respondent(s) responsibility to ensure that they have received all Addenda in respect to this project. Furthermore, respondents are advised that they must recognize, comply with, and attach a signed copy of each Addendum which shall be made part of their Submittal. Respondent(s) signature on Addenda shall be interpreted as the respondent's recognition and compliance to official changes as outlined by the City of Kingsville and as such are made part of the original RFP documents. Failure of any respondent to receive any such addendum or interpretation shall not relieve such Respondent from its terms and requirements. Addendums are available online at City of Kingsville website. No verbal explanations or interpretations will be binding. The City does not assume responsibility for the receipt of any addendum sent to respondents.

XXV. REQUEST FOR PROPOSALS PREPARATION COSTS

Issuance of this RFP does not commit the City of Kingsville, in any way, to pay any costs incurred in the preparation and submission of an RFP. All costs related to the preparation and submission of this RFP shall be borne by the respondent.

XXVI. EQUAL EMPLOYMENT OPPORTUNITY

Respondent agrees that it will not discriminate in hiring, promotion, treatment, or other terms and conditions of employment based on race, sex, national origin, age, disability, or in any way violate Title VII of 1964 Civil Rights Act and amendments, except as permitted by said laws.

XXVII. ANTI-LOBBYING PROVISION

During the period between RFP submission date and the contract award, respondents, including their agents and representatives, shall not directly discuss or promote their RFP with any member of the Kingsville City Commission or City staff except in the course of City-sponsored inquiries, briefings, interviews, or presentations. Violation of this provision shall result in the rejection of the respondent's RFP and disqualification from future consideration of a similar RFP.

XXVIII. INDEMNIFICATION CLAUSE

THE RESPONDENT HEREBY AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD THE CITY AND ITS EMPLOYEES, AGENTS, OFFICERS AND SERVANTS FREE AND HARMLESS FROM ALL LOSSES, CLAIMS, LIENS, DEMANDS AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER INCLUDING, BUT NOT LIMITED TO, THE AMOUNTS OF JUDGMENTS, PENALTIES, INTERESTS, COURT COSTS, LEGAL FEES, AND ALL OTHER EXPENSES INCURRED BY THE CITY ARISING IN FAVOR OF ANY PARTY, INCLUDING CLAIMS, LIENS, DEBTS, PERSONAL INJURIES, INCLUDING EMPLOYEES OF THE CITY, DEATH OR DAMAGES TO PROPERTY (INCLUDING PROPERTY OF THE CITY) AND WITHOUT LIMITATION BY ENUMERATION, ALL OTHER CLAIMS OR DEMANDS OF EVERY CHARACTER OCCURRING OR IN ANY WAYS INCIDENT TO, IN CONNECTION WITH OR ARISING DIRECTLY OR INDIRECTLY OUT OF THIS CONTRACT. THE RESPONDENT AGREES TO INVESTIGATE, HANDLE, RESPOND TO, PROVIDE DEFENSE FOR AND DEFEND ANY SUCH CLAIMS, DEMAND, OR SUIT AT THE SOLE EXPENSE OF THE RESPONDENT. IN ADDITION, THE RESPONDENT AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD THE CITY AND ITS EMPLOYEES, AGENTS, OFFICERS AND SERVANTS FREE AND HARMLESS FROM ALL LOSSES, CLAIMS, LIENS, DEMANDS AND CAUSES OF ACTION RELATING TO, FOR, OR ON ACCOUNT OF THE USE OF PATENTED APPLIANCES, PRODUCTS OR PROCESSES, AND THE RESPONDENT SHALL PAY ALL ROYALTIES AND CHARGES WHICH ARE LEGAL AND EQUITABLE. EVIDENCE OF SUCH PAYMENT OR SATISFACTION SHALL BE SUBMITTED UPON REQUEST OF THE DIRECTOR OF FINANCE AS A NECESSARY REQUIREMENT IN CONNECTION WITH THE FINAL ESTIMATE FOR PAYMENT IN WHICH SUCH PATENTED APPLIANCE, PRODUCTS OR PROCESSES ARE USED. RESPONDENT ALSO AGREES TO BEAR ALL OTHER COSTS AND EXPENSES RELATED THERETO, EVEN IF THE CLAIM OR CLAIMS ALLEGED ARE GROUNDLESS, FALSE OR FRAUDULENT. THIS PROVISION IS NOT INTENDED TO CREATE ANY CAUSE OF ACTION IN FAVOR OF ANY THIRD PARTY AGAINST RESPONDENT OR THE CITY OR TO ENLARGE IN ANY WAY THE RESPONDENT'S LIABILITY BUT IS INTENDED SOLELY TO PROVIDE FOR INDEMNIFICATION OF THE CITY FROM LIABILITY FROM DAMAGES OR INJURIES TO THIRD PERSONS OR PROPERTY ARISING FROM RESPONDENT'S PERFORMANCE HEREUNDER.

XXIX. RESPONDENT'S EMPLOYEES

Neither the Respondent nor his/her employees engaged in fulfilling the terms and conditions of any awarded Service Contract shall be employees of the City. The method and manner of performance of such undertakings shall be under the exclusive control of the vendor on contract. The City shall have the right of inspection of said undertakings at any time.

XXX. HUB CERTIFICATION

State Certified HUB Vendor(s) are required to provide a copy of their certification, if they have not previously done so. Fax information to the Finance Department at 361-595-8035.

XXXI. VERBAL THREATS

Any threats made to any employee of the City, be it verbal or written, to discontinue the providing of item/material/services for whatever reason and/or reasons shall be considered a breach of contract and the City will immediately sever the contract with the vendor.

XXXII. CONFIDENTIAL INFORMATION

Any information deemed to be confidential by the respondent should be clearly annotated on the pages where confidential information is contained. The City cannot guarantee that it will not be required to disclose all or part of any public record under Texas Public Information Act, since information deemed to be confidential by the bidder may not be confidential under Texas Law, or pursuant to a Court order.

XXXIII. RIGHT TO AUDIT

The City of Kingsville reserves the right to audit the vendor's books and records relating to the performance of this contract. The City of Kingsville, at its own expense, shall have the right at all reasonable times during normal business hours and upon at least twenty-four (24) hours' advance notice, to audit, to examine, and to make copies of or extracts from the books of account and records maintained by the vendor(s) with respect to the Service Contract. If such audit shall disclose overpayment by City to vendor, written notice of such overpayment shall be provided to the vendor and the amount of the overpayment shall be promptly reimbursed to the City. In the event any such overpayment is not paid within ten (10) business days after receipt of such notice, the unpaid amount of such overpayment shall bear interest at the rate of one percent (1%) per month from the date of such notice until paid.

XXXIV. JURISDICTION

Contract(s) executed as part of this solicitation shall be subject to and governed under the laws of the State of Texas. Any and all obligations and payments are due and performable and payable in Kleberg County, Texas.

XXXV. VENUE

The parties agree that venue for purposes of any and all lawsuits, cause of action, arbitration, and/or any other dispute(s) shall be in Kleberg County, Texas.

XXXVI. CONFLICT OF INTEREST

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity must disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. This questionnaire must be filed, by law, with the City Secretary of the City of Kingsville not later than the 7th business day after the date the person becomes aware of facts that require the statement be filed. See Section 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

For more information or to obtain the Questionnaire CIQ go to the Texas Ethics Commission web page at www.ethics.state.tx.us/forms/CIQ.pdf.

Additionally, Pursuant to House Bill 1295 passed by the 84th Texas Legislature (Section 2252.908, Texas Government Code, as amended) and formal rules released by the Texas Ethics Commission (TEC), all contracts with private business entities requiring approval by the Kingsville City Commission must be accompanied by a completed, executed, and notarized Certificate of Interested Parties, Form 1295. Form 1295 must be completed in accordance with TEC Rules (https://www.ethics.state.tx.us/rules/adopted_Nov_2015.html#Ch46) and Section 2252.908 of the Texas Government Code, as amended (<http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2252.htm#2252.908>).

Vendor must complete HB 1295 Form BEFORE the award is official and a Notice to Proceed is given.

IF YOU HAVE ANY QUESTIONS ABOUT COMPLIANCE, PLEASE CONSULT YOUR OWN LEGAL COUNSEL. COMPLIANCE IS THE INDIVIDUAL RESPONSIBILITY OF EACH PERSON OR AGENT OF A PERSON WHO IS SUBJECT TO THE FILING REQUIREMENT. AN OFFENSE UNDER CHAPTER 176 IS A CLASS C MISDEMEANOR.

XXXVII. CONFIDENTIALITY OF INFORMATION AND SECURITY

Should the successful respondent be awarded a contract and become the holder of, and have access to, confidential information, (in the process of fulfilling its responsibilities in connection with the contract), the successful respondent agrees that it shall keep such information confidential and will comply fully with the laws and regulations of the State of Texas, ordinances and regulations of the City, and any applicable federal laws and regulations relating to confidentiality.

XXXVIII. SUBSTITUTIONS/CANCELLATIONS OF QUALIFICATIONS

No substitutions or cancellations are permitted without written approval of City of Kingsville.

XXXIX. TIME ALLOWED FOR EXECUTION OF CONTRACT

Number of days required for the successful respondent to execute a contract for **Employee Health Benefits and Third-Party Administration of Plan** after receiving notification of award of contract shall be thirty (30) days.

XXXVIII. PERSONNEL

The successful respondent shall ensure that the work being performed in response to an executed agreement shall be performed by competent and qualified personnel. Such personnel must be licensed or certified within the State of Texas.

XL. CONTRACT

Successful Bidder shall be required to execute a Service Agreement with the City.

XLI. NO BOYCOT

The successful respondent must agree that it does not boycott Israel at the time the contract is executed and

that it will not boycott Israel during the term of the contract.

THE CITY OF KINGSVILLE RESERVES THE RIGHT TO REFUSE AND REJECT ANY OR ALL RFP AND TO WAIVE ANY OR ALL FORMALITIES OR TECHNICALITIES, AND TO MAKE SUCH AWARDS OF CONTRACT AS MAY BE DEEMED TO BE THE BEST VALUE AND MOST ADVANTAGEOUS TO THE CITY OF KINGSVILLE.

Questions - Bidder/Offeror/Proposer/Vendor with questions/concerns about the solicitation, the evaluation, and/or resulting contract should be directed to the City of Kingsville's Human Resources Director in writing with a simultaneous copy to Carlisle-Corrigan Benefits, LLC.

City of Kingsville

Attn: Diana Gonzales

400 W King Avenue

Kingsville, Texas 78363

Phone: (361)595-8017

Email: dgonzales@cityofkingsville.com

With a copy of the request to Carlisle-Corrigan Benefits, LLC

Attn: Sarah Parkey

500 N. Water Street, Suite 900

Corpus Christi, Texas 78401

Phone: (361) 884-2775

Email: sarahp@carlisleins.com

ATTACHMENTS

- 1 - Fiscal Year 2017-2018 Plan Description / Fiscal Year 2017-2018 Plan Document
- 2 - Renewal Information for FY 15/16, FY 16/17 and FY 17/18
- 3 - Funding Levels FY 15/16, FY 16/17, and FY 17/18
- 4 - Employee Count History and Expenses
- 5 - Employee Census – April 2018
- 6 - Large Claimant at 50% of the Specific & Participants in Case Management
- 7 - Pharmacy Detail Report 2016-2018
- 8 - Questionnaire