



DANE COUNTY
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION

REQUEST FOR PROPOSAL (RFP)

Revised 06/2021

RFP NUMBER: 121082

**RFP TITLE: Short Term/Long
Term Disability &
Long Term Disability Only**

**RFP DEADLINE: November 19, 2021
2:00 p.m. (CST)**

**PROPOSALS
MUST BE
UPLOADED TO: Purchasing Bid Dropbox
www.danepurchasing.com**

Late, faxed, mailed, hand-delivered or unsigned proposals will be rejected

DIRECT ALL INQUIRES TO:	Pete Patten Purchasing Officer (608) 267-3523 patten.peter@countyofdane.com www.danepurchasing.com
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PROPOSAL SUBMISSION CHECKLIST

- Update Vendor Registration
- Read Entire RFP Document

- RFP Response
(Separate from Cost Proposal)
- Cost Proposal
(Separate from RFP Response)

- Upload RFP Response
and Cost Proposal to
Purchasing Bid
Dropbox

DATE ISSUED | October 18, 2021

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1.0 RFP OVERVIEW

1.1 Introduction

The purpose of this document is to provide interested parties with information to enable them to prepare and submit a proposal according to the specifications set forth within this document.

The County intends to use the results of this process to award a contract or issue of purchase order for the product(s) and or services(s) stated.

The Dane County Purchasing Division is the sole point of contact for questions and issues that may arise during the RFP process.

1.2 Clarification of the Specifications

All inquiries concerning this RFP must be **emailed** to the **person indicated on the cover page** of the RFP Document.

Any questions concerning this RFP must be submitted in writing by e-mail on or before the stated date on the **Calendar of Events** (Section 1.4).

Proposers are expected to raise any questions, exceptions, or additions they have concerning the RFP document at this point in the RFP process. If a proposer discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the proposer should immediately notify the contact person of such error and request modification or clarification of the RFP document.

Proposers are prohibited from communicating directly with any employee of Dane County, except as described herein. No County employee or representative other than those individuals listed as County contacts in this RFP is authorized to provide any information or respond to any question or inquiry concerning this RFP.

1.3 Vendor Conference

There will not be a vendor conference.

1.4 Calendar of Events

Listed below are specific and estimated dates and times of actions related to this RFP. The actions with specific dates must be completed as indicated unless otherwise changed by the County. In the event that the County finds it necessary to change any of the specific dates and times in the calendar of events listed below, it will do so by issuing an addendum to this RFP and posting such addendum on the Dane County [website](#). There may or may not be a formal notification issued for changes in the estimated dates and times.

DATE	EVENT
October 18, 2021	RFP Issued
October 29, 2021	Last day to submit written inquiries (2:00 p.m. CST)
November 5, 2021	Addendums or supplements to the RFP posted on the Purchasing Division website
November 19, 2021	Proposals due (2:00 p.m. CST)

November 24, 2021	Proposal Evaluations Completed (top 2 vendors identified)
December 8, 2021	Insurance Advisory Meeting Presentation (top 2 vendors)
Dec 2021-Feb 2022	Contract Phase
May 1, 2022	Contract Start Date

1.5 Evaluation Criteria

The proposals will be scored using the following criteria:

Proposal Requirements	Percent
Organizational Capabilities (Section 3.3)	15%
Payment of Premiums (Section 3.4)	15%
General Requirements (Section 3.5)	25%
Reporting Requirements (Section 3.6)	5%
Insurance Questionnaire (Attachment B)	10%
Cost	Percent
Cost Proposal	30%
Total	100%

1.6 Submittal Instructions

Proposals must be received in the Purchasing – Bid Dropbox located on the www.danepurchasing.com website no later than the date and time indicated within the RFP Deadline field on the RFP Cover Page or addenda. Late, faxed, mailed, hand-delivered, or unsigned proposals will be rejected unless otherwise specified. Dane County is not liable for any cost incurred by proposers in replying to this RFP.

All proposals must be saved in PDF format unless otherwise specified within the RFP document and the file name shall include the RFP# and name of business submitting proposal.

Example of how to name the files:

121082 – Vendor Name – RFP Response

121082 – Vendor Name – Cost Proposal

To Submit a Proposal:

1. Go to www.danepurchasing.com and click on Purchasing – Bid Dropbox or click on the Open RFP’s and Bids page link.
2. Click on the Submit a Bid button within the green Purchasing Bid Dropbox.
3. Type in the Email, First Name, Last Name and Company information and click Continue.
4. Drag and drop the RFP files one at a time into the “Drag files here” box.

SECTION 1 – RFP OVERVIEW

5. After all files have been placed into the “Drag files here” box, click on the blue Upload button.
 - a. The file upload status can be seen for each document uploaded.
 - b. After each document reaches 100%, it will say “Uploaded”.
6. Confirm all files have been uploaded and then close out of the window.

2.0 PROJECT OVERVIEW AND SCOPE OF SERVICES

2.1 **Definitions and Links**

The following definitions and links are used throughout the RFP.

County: Dane County

County Agency: Department/Division utilizing the service or product.

Dane County Purchasing website: www.danepurchasing.com

Fair Labor Practices websites: www.nlr.gov and <http://werc.wi.gov>

Purchasing

Proposer/Vendor/Firm/Contractor: a company submitting a proposal in response to this RFP.

2.2 **Project Overview**

The county intends to use the results of this Request for Proposals (RFP) to award a contract for group short term/long term disability and long term disability only for Dane County's employees.

The County wishes to contract with an insurance carrier(s) commencing May 1, 2022 for a guaranteed rate, three (3) year contract with an option to renew annually for up to two (2) years or a five (5) year fixed contract.

The contract resulting from this RFP will be administered by Dane County, Department of Administration, Employee Relations Division.

The contract administrator will be Amy Utzig, Human Resources Director. The County agent is M3 Insurance Solutions Inc. **This RFP is issued on behalf of Dane County by the Purchasing Division, which is the sole point of contact for the County during the procurement process.**

Covered Group

Active employees- The County currently has approximately 2,275 employees, 6 full-time elected officials, a 37 member County Board of Supervisors, and a 13 employee quasi-governmental group who are eligible to enroll in the disability plan.

Current Operations

The current disability carrier is The Standard.

2.3 **Scope of Services**

Process and pay all STD/LTD and LTD only eligible claims including, but not limited to, investigation, reserving and payment. The county offers two plan options to employees:

Group Long-Term Disability (LTD Only)

Group Short-Term/Long-Term Disability (STD/LTD)

The proposer will handle all claims from 'cradle to grave' including but not limited to investigation, adjusting, reserving, denying and payment in conformity with the plan document as adopted, except those receiving benefits from the current provider. The provider must be able to offer **both** the LTD Only and STD/LTD plans as it is the County's intent to issue one contract to one provider.

SECTION 2 – PROJECT OVERVIEW AND SCOPE OF SERVICES

2.4 **Objectives**

Dane county seeks a vendor to provide disability insurance for their employees. The proposer will follow the County's definition of 'Own Occupation' as defined as "Own Job" by the county. Please refer to the booklet for length of time the "own job" requirement remains in effect. Further, the ability of an employee to return to work will be based upon the County's "Own Job" definition and the specific job requirements an employee must meet. Total disability will be based upon an employee's ability to perform all the duties of their "own job" for the period of time stated in the current policy/booklets.

An example would be a county deputy whose "own job" is patrolling on a daily basis and performing all duties associated with that patrol job. If injured and unable to perform all duties of the patrol job ("own job"), those deputies would be eligible for benefits until they can return to that specific job. In essence, there would not be a "desk job" available while recovering.

2.5 **Needs**

The insurer must provide benefits that duplicate or exceed the two present plans described in the RFP. The insurer must allow for OPEN ENROLLMENT for all active employees, whether or not they are currently enrolled in a county plan, without undergoing any health underwriting. OPEN ENROLLMENT, without underwriting, shall be allowed thereafter at each contract renewal or contract extension, and for any new employee applying for the insurance within 30 days of hire.

2.6 **Payment of Premiums**

The County shall provide employees with Disability Insurance. No employee shall be eligible to participate in the disability plan during their first six (6) months of employment. Employees who enroll during an open enrollment will also have a six (6) month waiting period. For part-time employees all of the benefits shall be prorated based on the percent of time worked. For employees choosing to participate in the Disability Insurance Program, premiums shall be paid as follows (used sick hours refers to the prior year):

Sick Hours Used	Employee Share	County Share
0.0-- 32.0	0%	100%
32.1 -- 40.0	40%	60%
40.1 -- 48.0	60%	40%
48.1 -- 56.0	80%	20%
56.1 +	100%	0%

Employees will be given the option of joining a Taxable Disability/Sick Leave Program or a Nontaxable Disability/Sick Leave Program. The ability to change options will be available to each employee in March or April of each year.

1. **Taxable Disability/Sick Leave Program**

The employee will not be charged FICA expense, the premiums paid by the County will not be taxable and the benefits, which are sixty-five percent (65%) of salary, will be taxed to the extent of any payment of premiums by the County. If the employee pays the entire disability insurance premium, the benefit will not be taxed.

SECTION 2 – PROJECT OVERVIEW AND SCOPE OF SERVICES

2. Nontaxable Disability/Sick Leave Program

The employee will be charged FICA expense (currently 7.65%) on any of the County paid premiums and the premium will be taxable income to the employee. By paying the FICA expense and income tax the employee will receive a tax-free benefit.

3. Wellness Program

Employees selecting Short Term Disability/Long Term Disability insurance will be granted sixteen (16) wellness hours in the pay period in which May premiums are withheld. Employees selecting only LTD insurance will be granted eight (8) wellness hours in the pay period in which May premiums are withheld. Employees who used forty-eight (48) or less hours of sick leave during the preceding payroll year will be granted eight (8) additional wellness hours during the following year. The employee may use the wellness hours with the approval of the employee's supervisor. When wellness hours are not used within the payroll year in which they are earned they may be carried over but must be used by the last day of the succeeding payroll year or they shall be lost. Employees pay the entire premium for disability insurance. Any disability insurance benefits paid to the employee will be tax-free.

2.7 General Requirements

2.7.1 **Benefits**

Benefits must be equal to or exceed the current two benefit plans. You must be able to offer a STD/LTD and a standalone LTD policy. Any error or omission regarding compliance with this equivalency requirement is the sole responsibility of the proposer and to reduce risk of error, each proposer must familiarize itself with each of the existing plans. The successful proposer will be required to hold harmless and indemnify the county and its employees for any errors or omissions as a result of failure to meet the requirements as set forth.

2.7.2 **Licensure**

Proposer must be licensed to do business in the State of Wisconsin.

2.7.3 **Central Point of Contact**

Vendor must assign a central point of contact for the county and its subscribers.

2.7.4 **Transition Meetings**

Group meetings may be required if the County feels it is necessary to explain the transition to your company plan.

2.7.5 **ID Cards**

Either all employees shall receive ID cards, or no employees shall receive ID cards. If vendor does not currently use ID cards and later decides to use them, all employees must receive an ID card. ID cards must not use social security numbers.

2.7.6 **Self Billing**

Vendor must accept Dane County's self-billing.

2.7.7 **Booklets and Phone Number**

Vendor must provide employee booklets/plan documents duplicating the present plan in simple language as well as a toll-free number. Vendor must provide necessary forms and instructions for use.

2.7.8 Filing Claims

The method in which claims are filed must be described. Acceptable methods include online only, telephone or mail in form. If mail in forms are required, such forms are to include appropriate information necessary to file a claim with the mailing address of the primary recipient pre-printed thereon.

2.7.9 Subrogation of Worker’s Compensation

The vendor may not subrogate worker’s compensation claims against the County.

2.7.10 Own Job

Match and process claims according to the current definition of “own Job” as determined by the county under both the LTD only and STD/LTD policies.

2.8 Reporting Requirements

2.8.1 State Reports

Vendor must file all reports on a timely basis that are required to be filed with the state.

2.8.2 GASB 45

Vendor will provide data for compliance with GASB 45 in electronic format within 30 days of the County’s request.

2.8.3 Year End Cost Analysis

Vendor must provide a year-end cost analysis, including claims data, as well as any retention and administrative fees. Any reserves remaining after one year after termination of the contract must be returned to the County.

2.8.4 Form 1099

Vendor must provide Form 1099 to employees for their benefits when appropriate.

SECTION 3 – PROPOSAL PREPARATIONS REQUIREMENTS

3.0 RFP RESPONSE PREPARATION REQUIREMENTS

Proposals shall be organized to comply with the section numbers and names as shown below. Each section heading should be clearly marked. Graphics may be included. The RFP sections which should be submitted/responded to are:

3.1 [Attachment A – Vendor Information](#)

3.2 **Table of Contents**

Provide a table of contents that, at a minimum, includes all of the sections as identified below. Listings of sub-sections and graphics/tables also may be included. Section dividers are encouraged.

3.3 **Organization Capabilities**

Provide a narrative description of the company, including the organizational qualifications which make it well qualified to provide services for Dane County's short/long term and long term only disability plans. Also describe/outline your support/customer support operations.

3.4 **Response to Section 2.6 Payment of Premiums**

Provide a response or written confirmation that you will comply with the way Dane County allows premium payments as described in 2.6 Payment of Premiums.

3.5 **Response to Section 2.7 General Requirements**

Provide a response or written confirmation that each sub-section in 2.7 General Requirements will be complied with.

3.6 **Response to Section 2.8 Reporting Requirements**

Provide a response or written confirmation that each sub-section in 2.8 Reporting Requirements will be complied with.

3.7 [Attachment B – Insurance Questionnaire](#)