



July 11, 2017

TO: **HOLDERS LIST**
SUBJECT: **BENEFIT BROKER**
CONTRACT #070634

ADDENDUM NO. 01

This addendum revises the RFP to remove HIPPA Compliance and HIPPA/HITECH Deliverables from Scope of Work.



**PORT OF TACOMA AND
NORTHWEST SEAPORT ALLIANCE
REQUEST FOR PROPOSALS
No. 070634**

Benefit Broker

Issued by
Port of Tacoma and Northwest Seaport Alliance
One Sitcum Plaza
P.O. Box 1837
Tacoma, WA 98401-1837

RFP INFORMATION	
Contact:	Juli Tuson, Procurement
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Submittal Date	JULY 28, 2017 @ 2:00 PM (PST)

PLEASE SUBMIT ALL CORRESPONDENCE AND PROPOSALS
VIA E-MAIL DIRECTLY TO THE PROCUREMENT CONTACT LISTED ABOVE
AND INCLUDE 'BENEFIT BROKER' IN THE SUBJECT LINE

PORT OF TACOMA & NORTHWEST SEAPORT ALLIANCE
Request for Proposals (RFP) #070634
Benefit Broker

The Port of Tacoma (Port) and Northwest Seaport Alliance (NWSA) are soliciting proposals from firms interested in providing benefit broker services for the Port and NWSA benefit plans. The Port is seeking the contract to begin January 1, 2018 for five (5) years with two one year options, at the sole discretion of the Port, for a possible total of seven (7) years.

A. BACKGROUND

The NWSA is an operating partnership of the ports of Seattle and Tacoma. Combined, the ports are the fourth-largest container gateway in North America. Regional marine cargo facilities also are a major center for bulk, breakbulk, project/heavy-lift cargoes, automobiles and trucks.

The NWSA is governed by the two ports as equal Managing Members. The Managing Members consist of the five commissioners of each port. Each port's commissioners are elected at large by the citizens of their respective counties. To learn more about the NWSA, visit www.nwseaportalliance.com.

The Port is an economic engine for South Puget Sound. More than 29,000 jobs are generated by port activity, which also provides \$195 million per year in state and local taxes to support education, roads, police and fire protection for our community. As a partner in the NWSA, the Port is also a major cargo gateway to Asia and Alaska. To learn more about the Port, visit www.portoftacoma.com.

The Port employs approximately 200 benefited employees (approximately 110 of these employees are represented by one of three collective bargaining agreements; negotiations are starting for a fourth collective bargaining agreement) and provides these employees a comprehensive and generous benefit package that includes Port paid medical, dental, vision, life insurance, long term disability and monthly VEBA contributions.

The NWSA employees approximately 50 benefited employees (none represented by collective bargaining agreements) and provides these employees the same comprehensive and generous benefit package that is provided to the Port's non-represented employees.

The Port and NWSA currently offer the following benefits:

LIST OF EMPLOYEE BENEFIT PLANS AND VENDORS

Benefit	Participation
Medical – First Choice Health Network (self-insured)	~250
Medical – Regence BlueShield (fully insured)	~10
Dental – Delta Dental (fully insured)	~250
Dental – Regence (fully insured)	~10
Vision – VSP (self-insured)	~250
Long Term Disability – Symetra	~235
Life and AD&D – Symetra	~240
Supplemental Life Insurance – Symetra	~100
VEBA – HRAVEBA	~250
Flexible Spending – Navia Benefits	~75
Employee Assistance Program – First Choice Health	~250

Additionally, the Port has ~15 retirees on its health plan and 2 COBRA participants.

Voya provides the Port and NWSA's stop loss insurance.

The Port is currently reviewing its total rewards package and expects to propose a new total rewards package by year's end. It is expected that this total rewards package may be implemented as early as April 1, 2018.

The Port and NWSA's Standard Terms and Conditions are included as Attachment B to this RFP. By submitting a Proposal, the Broker represents that it has carefully read and agrees to be bound by the Port and NWSA's Standard Terms and Conditions. Identify, during the question submittal and response period, any sections you consider onerous, clarify why you consider these sections onerous, propose alternative language and describe why it is in the Port's and NWSA's best interests to adopt the alternative language.

B. SCOPE OF SERVICES

The Benefit Broker ("Broker") will provide services, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Company/ Personnel qualifications:

Broker must:

1. Be licensed to do business in the state of Washington;
2. Have at least five years in business as a licensed benefit Broker; and
3. Have experience conducting HIPAA Privacy and Security Gap Analysis.

Strategic Consulting and Negotiations:

Annual Renewals:

1. Negotiate annual plan renewals for all employee health and welfare plans to include stop loss insurance;
2. Provide a complete in person year-end reconciled financial review;
3. Conduct actuarial analysis of claims reserves and funds requirements; and
4. Prepare alternative funding analysis as requested.

Market Studies:

1. Provide market analysis, best practices and benchmarking services;
2. Prepare bid specifications and solicit proposals from benefit vendors and insurance carriers (“Vendors”). The Port and NWSA review each Vendor approximately every three years;
3. Evaluate and present a summary of Vendor bids; and
4. Assist with the development of Vendor performance guarantees.

Plan Design:

1. Provide proactive guidance and advice on emerging trends in benefit plan design and offerings;
2. Advise and assist in the preparation, development, and evaluation of products and services necessary to implement and administer a quality employee benefit program with disease management and in-house wellness components; and
3. Assist in the implementation of alternative benefit designs (to include in-house wellness) to contain plan costs and align with industry practices.

Employee Support Services

1. Maintain knowledge of the Port and NWSA’s Employee Benefits Program;
2. Attend periodic meetings with Port and NWSA representatives to discuss relevant plan information;
3. Provide support personnel to act as liaison between the Port and NWSA and the health care plan administrator to assist and answer Port and NWSA’s questions regarding:
 - a. Open enrollment;
 - b. Plan provisions;

- c. Networks; and
 - d. Claims issues.
4. Monitor and resolve Vendor performance concerns;
 5. Prepare for and present benefit related information at labor negotiation meetings;
 6. Assist in the development, preparation and review of Port and NWSA's benefit program;
 7. Develop communications materials; and
 8. Provide periodic training opportunities on health related topics.

Compliance Services

1. **HIPAA Compliance [Removed per Addendum 01]**
 - a. ~~Perform a HIPAA/HITECH Privacy and Security Gap Analysis; evaluate the current standing of Port and NWSA business practices in relation to HIPAA Privacy and Security Rules. The analysis will include all HIPAA related administrative policies and procedures, physical plan and office conditions and information technologies in use by the Port and NWSA.~~
 - b. ~~Develop a HIPAA/HITECH Privacy and Security program.~~
 - c. ~~Describe in detail a proposed analysis process to be followed including a work plan documenting tasks to be accomplished, timeframes and the responsible party.~~
2. Review carrier contracts, benefit plan documents and insurance policies for legal compliance, applicability, accuracy and consistency. Detail any concerns with document language. Recommend alternative language as needed.
3. Participate in appropriate audits of Vendors, if requested by Port and NWSA. Medical TPA to be audited at least once every three years.
4. Provide access to in-house counsel.
5. Monitor, evaluate and proactively inform the Port and NWSA when changes to regulations and/or laws (e.g. Health Care Reform) may affect the benefits program(s). Regarding any such changes, provide the following:
 - a. Provide a summary of the regulation and/or law, identifying any impact to the Port and NWSA's plan(s);
 - b. Estimate any financial impact to the Port and NWSA;
 - c. Recommend changes to the Port and NWSA's plans to comply with the laws and/or regulations; and

- d. Conduct relevant training.
- 6. Assist with the development and review of benefit related personnel policies.
- 7. Proactively communicate required/recommended changes to annual benefit notices.

C. DELIVERABLES:

- 1. Annual Renewal Reports.
- 2. Marketing reports to summarize benefit solicitations.
- 3. Monthly claims experience reports to include:
 - a. Medical and prescription report for:
 - i. Entire organization;
 - ii. Non-represented Port employees;
 - iii. NWSA employees;
 - iv. Represented employees; and
 - v. Retirees.
 - b. High Claims Report.
 - c. Dental Report.
 - d. Vision Report.
- 4. Annual IBNR for both entities (NWSA and Port).
- 5. Presentation of plan recommendations at management team, commission, and/or labor meetings.
- 6. Actuarial reports summarizing the financial impact of any new laws, regulations and/or changes to the Port and NWSA's benefit plans.
- 7. Templates for benefit related policies and procedures.
- 8. Training to keep the Port and NWSA's plans compliant with laws and regulations.
- 9. ~~HIPAA/HITECH Deliverables: [Removed per Addendum 01]~~
 - a. ~~Compare HIPAA Privacy and Security regulations with all Washington state security and confidentiality statutes and identify which state statutes are more restrictive than the federal law.~~

- b. ~~Conduct onsite visits to evaluate physical structures to determine if building or space modifications are required to comply with HIPAA Privacy and Security regulations or other state privacy and security statutes.~~
 - c. ~~Interview selected staff members regarding common privacy and security related practices to include, but not be limited to, disposal, storage and encryption practices and procedures.~~
 - d. ~~Identify all information systems and communication networks that store, maintain or transmit ePHI and determine compliance with HIPAA Privacy and Security regulations or other state privacy and security statutes.~~
 - e. ~~Evaluate potential risks (to include the cost of failure related to privacy or security breaches and related public communication costs) associated with how the Port and NWSA collect, use, manage, house, disclose and dispose of information. Evaluate options or changes to current practices in order to meet HIPAA Privacy and Security regulations or other state privacy and security statutes. Evaluate risks related to management, investigation and remediation of privacy and security breaches.~~
 - f. ~~Analyze the current Port and NWSA physical and electronic PHI handling and monitoring practices against the requirements of HIPAA Privacy and Security regulations and identify gaps between current practices and required practices under HIPAA Privacy and Security regulations.~~
 - g. ~~Review Port and NWSA Breach incident reporting and response practices.~~
 - h. ~~Review Port and NWSA policies, procedures, resolutions and Business Associate Agreements and Privacy and Security Officer's job description for HIPAA Privacy and Security compliance.~~
 - i. ~~Review Port and NWSA training on HIPAA and determine if there are gaps between training content and HIPAA Privacy and Security standards or state privacy and security statutes. Recommend changes to improve training efficacy. Identify training requirements for all staff, management, and executive levels to include determination if some training should be procured externally.~~
 - j. ~~Identify specific remediation steps to correct potential violations.~~
 - k. ~~Suggest specific short and long term projects, including a tentative timeframe and budget, for the correction of identified discrepancies in HIPAA Privacy and Security compliance.~~

10. Annual timeline detailing services to be performed during year.

D. PROPOSAL ELEMENTS & EVALUATION CRITERIA:

Proposals should present information in a straightforward and concise manner, while ensuring complete and detailed descriptions of the proposing team (to include the prime, key team members and major sub-consultants) and the team's ability to meet the requirements and provide the requested services of this RFP. The written proposals should be prepared in the same sequential order of proposal criteria as outlined below.

Proposals are limited to 8 numbered pages (8 ½ by 11 inch) **excluding** the cover letter, compensation information and all appendices. All pages shall be in portrait orientation with 1 inch (1") margins. Font size shall be 11 point or larger. Proposals that do not follow this format may be rejected.

The cover letter shall include the RFP Title and Number, Name, Title, Email Address, Phone Number and current Address of the submitting firm's main contact and include the following information:

- Describe any claim submitted by any client against the prime firm within the past two years related to the professional services provided by the firm or its key personnel. For purposes of this request, "claim" means a sum of money in dispute in excess of 10% of the firm's fee for the services provided.
- Any real or perceived conflicts of interests for team members, inclusive of the prime, sub-consultants and key team members.

Proposals are to address, and will be evaluated upon, the following criteria:

INITIAL EVALUATION PHASE

1. Capacity, Qualifications & Experience

Company Overview: Provide information regarding the history (to include years in service as a Broker) and organization of the Broker.

Location: Provide the location of Broker's main office and branches. Describe the Broker's proposal for and expected frequency of onsite meetings at the Port and NWSA.

Team Experience: Identify the proposed team (to include working titles, degrees, certificates and licenses). Demonstrate the team's experience, qualifications and capacity in performing the requested services and describe how the team meets or exceeds the required qualifications.

The Port and NWSA will evaluate the experience, technical competence, qualifications and capacity of the Key Personnel identified, their project specific roles and responsibilities, and overall organization of the project team. Emphasis will be placed on experience and expertise in performing work of similar scope and complexity in the Pacific Northwest region (e.g. public sector, self-insured, unionized workforce, etc.).

Provide a history or resume of key personnel. Resumes may be included as an appendix and are not included in the total page count. Resumes are limited to one single-sided, letter-size page. Resumes exceeding this limit will not be reviewed.

References: Include a list of local contracts/projects, **excluding** any work done for the Port or NWSA, in the last three years, to include a point of contact, contact information (phone and email), and brief description of services relevant to the items listed in the Scope of Services as performed by the key personnel. Only projects completed by key members of the project team will be considered.

2. Project Approach Narrative

Proposals should clearly outline the team's recommended approach and methodology for:

- Accomplishing the Scope of Services: Clearly describe the approaches and methods that will be used to accomplish the tasks summarized in the scope of services. Include a summary of innovative ideas and suggestions for enhancing the scope of services. Detail Broker's available resources that support the accomplishment of the Scope of Services to include any available online resources.
- Coordination & Communication: Clearly describe an effective plan for communications and coordination between the project team, the Port and NWSA's project manager and the various stakeholders. This plan should identify how the team will work with project manager to identify and accomplish plan goals.
- Compliance: Detail approach, capabilities, resources and deliverables provided to keep the Port and NWSA's plans compliant with all laws and regulations.
- Benchmarking: Detail benchmarking capabilities to include resources and tools available, collection and compilation methods, and presentation preferences.
- Risks: What risks, that are beyond your control, do you see in providing this service and how would you mitigate them?

3. Compensation

Describe your fixed price fee proposal including methodology for rebating any commission and any performance guarantees.

Proposal should be for a five year contract, with the option to renew for years six and seven, for a maximum contract length of seven years.

All rates quoted shall be:

- Quoted in US Dollars;
- Full cost inclusive of, but not limited to, sales tax and other government fees, taxes and charges as well as travel, lodging, and administrative overhead.
- Valid throughout the contract period unless otherwise amended and agreed to by both parties in writing.

Scoring

Criteria	Points
Capacity & Qualifications of Team – demonstrates staff/company resources and qualifications to proficiently service the Port and NWSA's account.	15
Experience in performing work of similar scope and for similar employers and benefit plans.	15
Proposed approaches and methods to accomplish scope of work are well thought out, organized, comprehensive, innovative and reflective of best practices.	15
Demonstration of purchasing power and the ability to negotiate the most competitive rates with vendors.	10
Proposal includes an effective plan for communication, training, and coordination in efforts between account, team, Port and NWSA's project manager and various stakeholders.	10
Resources, capabilities and deliverables offered in compliance.	10
Benchmarking capabilities.	10
Fee proposal.	10
Performance guarantees.	5

FINAL EVALUATION PHASE (if applicable)

1. Interviews (as requested by the Port)..... 100 PTS

If an award is not made based on the written evaluations alone, interviews may be conducted with the top-ranked proposers. Failure to participate in the interview process will result in the Proposer's disqualification from further consideration. Travel costs will not be reimbursed for the interview.

2. References (as requested by the Port)..... 50 PTS

If an award is not made based on the written evaluations and interviews, reference checks may be performed on the selected firm. The Port may evaluate the reference checks to assess the proposed team's overall performance and success of previous, similar work. Reference checks may also be utilized to validate information contained in the proposal.

ATTACHMENT A – INSTRUCTIONS FOR PROPOSING

ATTACHMENT B – PERSONAL SERVICES CONTRACT TEMPLATE & TERMS AND CONDITIONS

ATTACHMENT C – REFERENCES