

**WASHINGTON COUNTY ARKANSAS**

ATTN: Alisha Willett  
280 N College Ave, Suite 530  
Fayetteville, AR 72701



**INVITATION TO BID**

**DUE: 4:00PM – October 15, 2018**  
Sealed bids must be clearly marked on  
the outside of the package with:  
“RFP 2018-08 Health & Dental  
Insurance”

**PROPOSALS WILL BE OPENED OCTOBER 16, 2018 @ 3:00 PM**  
**LOCATION: WASHINGTON COUNTY COURTHOUSE**  
**280 N. COLLEGE AVE, SUITE 530, FAYETTEVILLE, AR 72701**

**RFP 2018-08 HEALTH & DENTAL INSURANCE**

**GENERAL SPECIFICATIONS:** Washington County is requesting proposals from qualified vendors to meet or exceed the county’s existing third party administrator service for self-funded Health & Dental Benefit Plan.

**REQUIREMENTS:** Respondents failing to comply with any of the following requirements will not be considered for the evaluation and award process:

Each respondent is required to fill in every blank and shall supply 100% of all of the information requested within each section; failure to do so may be used as a basis of rejection.

**INFORMATION:** For additional information, email purchasing@co.washington.ar.us. Bidders shall direct bid inquiries to the Washington County Purchasing Office.

**FOR EVALUATION PURPOSES WE REQUEST THAT YOU SUBMIT ONE (1) ORIGINAL AND FOUR (4) COPIES OF YOUR RFQ IN A SEALED ENVELOPE LABELED “RFP 2018-08 HEALTH & DENTAL INSURANCE”**

It is solely and strictly the responsibility of the respondent to ensure that the RFP is received by the Washington County Purchasing Division on or before the specified date and time.

**LATE PROPOSALS WILL NOT BE ACCEPTED.**

The undersigned hereby offers to furnish & deliver the articles and/or service as specified, and all parts of this offer at the prices & terms stated herein, and in strict accordance with the specifications and general conditions of bidding, all of which are made a part of this offer. This offer is not subject to withdrawal unless upon mutual written agreement by bidder and Washington County. The vendor's name, signature and title of an authorized agent of the vendor duly empowered to enter into and make binding agreements on vendor's behalf are executed below.

Name of Firm: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Phone: \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

I affirm that the information given on this form is true and accurate as of this date.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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## **TERMS AND STANDARD CONDITIONS**

1. When submitting a bid/proposal, the bidder warrants that the commodities covered shall be free from defects in material and workmanship under normal use and service. In addition, bidder must deliver new commodities of the latest design and model, unless otherwise specified.
2. Sales or use tax is not to be shown in bid price but is to be added by the vendor to the invoice billing to the County. The County is not exempt from Arkansas Sales and Use Tax. Vendors are to register and pay both taxes directly to the Arkansas State Revenue Dept.
3. When bidding other than the brand and/or model specified in the request, the brand and/or model must be listed and descriptive literature attached to the document. County may require examples of product bid.
4. Identical Bids: In the event of two or more identical low bids, Arkansas Code Annotated Section 14-22-111 shall apply.
5. Specifications furnished with this request are intended to establish a desired quality or performance level, or other minimum dimensions and capacities, which will provide the best product available at the lowest possible price. Other than designated brands and / or models approved as equal to designated products shall receive equal consideration.
6. Samples of items when required must be furnished free and, if not called for within 30 days from the date of the bid opening, will become the property of Washington County.
7. Prices quoted shall be "Free on Board" (F.O.B.) to destination at designated facility within Washington County. Charges may not be added after the bid is opened.
8. The Purchasing Division reserves the right to award items, all or none, or by line item(s).
9. Quality, time and probability of performance will be some of the factors in making an award.
10. Guarantees and warranties should be submitted with the bid/proposal, as they may be a consideration in making an award.
11. Any ambiguity in any bid as the result of omission, error, lack of clarity or noncompliance by the bidder with specification, instructions and all conditions of bidding shall be construed in the light most favorable to the County.
12. All terms and conditions stated herein shall constitute a complete and integrated document and the covenants contained herein shall not be altered or modified by parol evidence unless such modifying term, conditions or covenants are in writing and are signed by the vendor and the agent of Washington County.
13. When noted, the Contractor is to supply Washington County with evidence of having and maintaining proper and complete insurance, specifically Worker's Compensation in accordance with the laws of the State of Arkansas, public liability and property damage. The Contractor shall pay all premiums and costs. In no way will the County be responsible in case of accident.
14. Liquidated damages shall be assessed beginning on the first day following the maximum delivery or completion time entered on the bid form and/or provided for by the plans and specifications at the rate of \$50.00 per day.
15. Whenever a bid is sought seeking a source of supply for a specified period of time for materials and/or services, the quantities of usage shown are estimated ONLY. No guarantee or warranty is given or implied by the participants as to the total amount that may or may not be purchased from any resulting contracts. These quantities are for the bidders' information ONLY and will be used for tabulation and presentation of the bid and the participant reserves the right to increase or decrease quantities as required. Bidder agrees to this condition upon the signing of this document.
16. Washington County reserves the right to reject any and all bids, to accept in whole or in part, to waive any informalities or technicalities in bids received, to accept bids on materials or equipment with variations from specifications in those cases where efficiency of operation will not be impaired and unless otherwise specified by the vendor, to accept any item in the bid. If unit prices and extensions thereof do not coincide, Washington County may accept the bid for the lesser amount whether reflected by the extension or by the correct multiple of the unit price.
17. All bids/proposals must meet or exceed the requirements of the bid documents and must be submitted on the proper bid forms as prepared and provided by the county.
18. No contract or agreement may contain an indemnification clause, or an arbitration clause; if such a clause is present in any contract or agreement, such shall be deemed stricken and null and void.
19. All contracts or agreements shall be governed by the State of Arkansas and venue shall lie in Washington County, Arkansas. Any Provisions to the contrary shall be deemed stricken and null and void.

## 1. BID SECURITY

A. All bids are required to include a Bid Security with the bid. Make Bid Security payable to Washington County, Arkansas in an amount equal to five percent (5%) of the bid sum. Bid Security may be in the form of following:

1. **Bid Bond** issued by a surety licensed to conduct business in the State of Arkansas
2. **Certified Check**
3. **Cashier's Check**
4. **Letter of Credit from their Bank**

B. The successful bidder's Bid Security will be retained until he has signed the contract agreement and furnished the required insurance certificates, and furnished Performance and Payment bonds.

C. The owner reserves the right to retain the security of the two next lowest bidders until the lowest bidder enters into contract or purchase order agreement or until 60 days after bid opening, whichever is shorter. All other bid securities will be returned as soon as possible. If a bidder refuses to enter into a contract, the owner will retain his Security as liquidated damages, but not as a penalty.

## 2. AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT OPPORTUNITY RESPONSIBILITIES

Contractor, subcontractor and/or seller agrees that the performance of any work or sale pursuant to this bid is and shall in all respects be in strict compliance with all local, state and federal laws as well as such rules, regulations, ordinances, proclamations, demands, directive, executive orders or other requirements issued pursuant thereto by the municipal, state and federal governments and all subdivisions thereof which now govern or may thereafter govern the manufacture, sale or delivery of the Goods contemplated by this bid including but not limited to the provisions of (i) Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and the regulations and executive orders issued thereunder, (ii) the Equal Employment Opportunity clause in Section 202 of Executive Order 11246, as amended, and the implementing rules and regulations (41 CFR, Part 60) and executive orders issued thereunder, (iii) the Affirmative Action Clauses and regulations of Section 503 of the Rehabilitation Act of 1973, as amended, and Section 402 of the Vietnam Era Veterans Readjustment Act of 1974, as amended, and executive orders issued thereunder, and (iv) all laws, interim and permanent standards, rules, regulations and executive orders of the Occupations Safety and Health Act and all state and federal laws and regulations relating to safety and health standards. Seller agrees upon request to furnish Buyer with a certificate of compliance relating to any such laws in such form as Buyer may require. Seller agrees to indemnify and hold harmless from any liability arising from any failure of the Goods purchased under this bid from complying with such laws and regulations.

## 3. INSURANCE

A. All proposals must contain a letter of intent from an insurance company authorized to do business in the State of Arkansas stating its willingness to insure the Company pursuant to the terms of any contract resulting from the request for proposal. The Company shall procure and maintain, at the Company's expense, the following insurance coverage for the period of the Contract. Certificates evidencing the effective dates and amounts of such insurance must be provided to Washington County (where labor is involved)

- B. (i) Workers Compensation: As required by the State of Arkansas.  
(ii) Comprehensive General Liability (Broad Form) coverage in amounts specified under the contract for work at the facility prior to the signing of the contract. Minimum shall be the total amount of contract.

## 4. RESTRICTION OF BOYCOTT OF ISRAEL

Pursuant to Arkansas Code Annotated § 25-1-503, a public entity shall not enter into a contract or purchase order valued at \$1,000 or greater with a company unless the contract includes a written certification that the person or company is not currently engaged in, and agrees for the duration of the contract not to engage in, a boycott of Israel.

## 5. CONTRACT

5.1 If applicable a sample of the vendor's contract should accompany the bid.

5.2 The term of the contract shall be one year from date of award,

## 6. SUBMISSION OF BIDS

All bids will be submitted on the forms provided by the County. All bid forms must be signed by a representative of the company having the legal authority to bind the bidder contractually. Bidder's signature on the face of the bid form indicates bidder's agreement to be governed by Federal, State and County laws and regulations.

Should a bidder find discrepancies in the specifications, or should (s)he be in doubt as to the meaning or intent of any part thereof, bidder must, no later than 48 hours prior to the bid opening, request clarification from the County. Written requested maybe emailed to [purchasing@co.washington.ar.us](mailto:purchasing@co.washington.ar.us). Oral instructions or explanations will not be binding. Only written addenda shall be binding. Any addenda resulting from these requests for clarification will be faxed or delivered to all listed holders of the bid document and posted on the County web-site. Bidders shall acknowledge the receipt of all addenda. Any addenda or bulletins issued during the time of bidding shall become part of the documents provided to bidders for the preparation of their bids. Any such addenda or bulletins shall be covered in the bid, and shall be made part of the resulting agreement.

## 7. EXCEPTIONS

In the event a bidder desires to take exception to any term or condition set forth in the Sample Agreement, and/or any of its Exhibits and Attachments, said exceptions must be clearly identified in the response to this Request for Bid. **Exceptions or deviations to any of the terms and conditions must not be added to the Request for Bid pages but must be a separate document accompanying the bid.**

Should the County omit anything from this bid request which is necessary to provide a clear understanding of the work, or should it appear that various instructions are in conflict, then the bidder shall secure written instructions from the Purchasing Department at least forty-eight (48) hours prior to the time and date of the bid opening shown on page one (1).

## 8. NOTICE TO BIDDERS

The County may not consider bids from individuals, contractors, firms or corporations included in the following categories:

- A. Any organization or individual currently in arrears or in default to the County on a previous debt or contract.
- B. Any organization or individual currently in default as surety, or otherwise, for any obligation to the County.
- C. Any organization or individual who has previously failed to faithfully perform a contract with Washington County.

## 9. AWARD OF CONTRACT

In as much as time is of the essence bidders are advised that contract award will be made to the bidder with:

9.1 The lowest responsible and responsive bid and,

9.2 The compliance with specifications.

Washington County reserves the right to reject any or all bids submitted in response to this solicitation, to waive an informality or technicality, or to accept bids deemed to be in the best interest of the County.

9.3 A back up bidder will be awarded in the event that the awarded lowest responsible and responsive bidder is not able to comply with this proposal and /or the contract is terminated within the first year of services.

## 10. TIME SCHEDULE

- 10.1 BID posted on County website and legal notice published, September 16, 2018
- 10.2 BID requests for interpretations to be submitted by 2:00PM on October 1, 2018
- 10.3 BID due at 4:00 PM, Monday October 15, 2018
- 10.4 BID opened at 3:00 PM, Tuesday, October 16, 2018

## 11. GENERAL SPECIFICATIONS & QUALIFICATIONS

Washington County is requesting proposals from qualified vendors to meet or exceed the county's existing third party administrator service for self-funded Health & Dental Benefit Plan.

The Vendor's proposal must be organized in the following sequence. Respond to all questions and requested information within the Request for Proposal. Responses to those articles which require further explanation must reference the corresponding section and item number.

Item 1: Proposal Packet with Requested Information and Signatures

Item 2: Proposal Specifications (Section 11.2)

Item 3: Proposal Summary Sheet (Section 12) must be organized in same order as Exhibit A and including Section 11.1 requests.

Each vendor's proposal should be submitted along with four (4) copies marked as follows:

"RFP #2018-08 HEALTH & DENTAL"

Provide straight forward and concise explanations, and capabilities, placing emphasis on the completeness and clarity of content. Respond to all questions and requested information within this Request for Proposal. Your response should refer to the actual question or request (use the location identifiers present in the Request for Proposal). These acknowledgements should be included on the "Response Sheet". Proposals must be valid for no less than sixty (60) days following the proposal opening.

Proposals should be prepared simply and economically (1 original, and 4 copies). There is no intent to limit the content of any proposal, therefore, any additional information deemed necessary to present a better understanding of the proposal will be accepted.

EXHIBIT A – Current Summary Plan Description Health & Dental

EXHIBIT B – 2015-2018 Itemized List by Type and Totals

EXHIBIT C – BlueAdvantage Charge Summary Report

EXHIBIT D – BlueAdvantage Dental Payment & membership by month & Tier

EXHIBIT E - Washington County Benefit Census

11.1 Vendor must provide a Pharmacy Benefit Manager (PBM). The PBM is required to reference Medi-Span's indicators in order to classify Generic, Brand and Specialty drugs and this classification typology to be consistently adhered to throughout the contracted period.

- A. Washington County is to be provided with quarterly updates on formulary changes (additions, deletions, pricing, etc) from the PBM.
- B. The PBM will provide a comprehensive inventory to Washington County of those drugs (generic, brand or specialty) that will be included (or excluded) from price guarantees with an explanation during the contracted period.
- C. The PBM properly rebates the Washington County Health Plan's pro-rata share of all financial benefits entered into with any 3rd parties.
- D. The PBM's generic price guarantees are applied to the amounts for generic MAC-listed discounts (defined as average wholesale price minus an agreed percentage or AWP - Discount %) will be equivalent to the discounted amount for all dispensed generic drugs.

## 11.2 PROPOSAL SPECIFICATIONS

- 11.2.1 Vendor must offer third party administrative services for preferred provider organization (PPO) health plan coverage based on current plan specifications (see Exhibit A). Any deviation in plan coverage must be noted in the proposal.
- 11.2.2 Vendor must offer a third party administrative services for a dental plan option based on current plan specifications (see Exhibit B). Any deviations in plan coverage must be noted in the proposal.
- 11.2.3 Vendor must provide copies of the directories of network providers for the health and dental plans offered.
- 11.2.4 Vendor must be willing to enter into a Retention and Liability Agreement to provide Hospital, Surgical, Medical, Dental and Extended Benefits for covered persons as certified eligible by Washington County under a financial relationship with the County. Washington County will pay the cost of claims, plus administrative expense, up to an aggregate maximum liability, which may be referred to as a "reimbursement only" financial plan.
- 11.2.5 The term of the agreement will be January 1, 2019 - December 31, 2019. This period will be the basis for the maximum liability determination pursuant to item #4.5 above.
- 11.2.6 Vendor must provide a copy of the Retention and Liability Agreement in support of the bid specifications.
- 11.2.7 Washington County will be responsible for the claims cost incurred on the County's behalf. Claims cost is defined as the funds required to pay the benefits incurred by the vendor during the policy year.
- 11.2.8 Washington County will pay the vendor administrative expense as a percentage of the paid claims (health and dental) for claims administrative expense, general administrative expense, general contingency and large claim pool (health only). These expenses will be set charges and cannot be increased during the term of the agreement. The adequacy of the administrative expenses will be determined annually prior to Washington County's anniversary date of renewal.
- 11.2.9 Washington County will reimburse vendor all claims paid on County's behalf, plus administrative expense during the life of the agreement subject to the maximum liability amounts. The payment to be made by the County will be invoiced weekly by the vendor. Washington County will make payment within 20 days from the date indicated on the invoice. Washington County will be responsible for advanced funding of claims expenses.
- 11.2.10 The vendor shall provide Washington County with a monthly report of any claim in the amount of \$20,000 or greater.
- 11.2.11 A large claim pool base must be agreed to by Washington County and the vendor for each policy year. This large claim pool will be set at \$175,000 per covered person for the 01/01/2019-12/31/2019 policy year. At the time of settlement, vendor will refund Washington County for any claims paid in excess of \$175,000 per covered person for the policy year. Only the \$175,000 per covered person per policy year will be applied toward the maximum liability.

- 11.2.12 The County's liability will be limited to 125% of the anticipated claim expenses, administrative expenses and large claim pooling charge on an aggregate basis.
- 11.2.13 A settlement will be computed monthly after the end of the contract year. In the event the paid claims plus administrative expenses exceed the maximum liability, vendor is liable for said expenses.
- 11.2.14 The retention and liability agreement may be terminated as of the end of the calendar month by either party by giving prior written notice to the other party of not less than thirty (30) days.
- 11.2.15 Vendor will be responsible for processing and paying claims incurred prior to terminations or the end of the policy year (run-off). Washington County will reimburse vendor the cost of such claims plus administrative expenses as outlined in item 11.9 and 11.10 above.
- 11.2.16 Vendor shall provide suggested funding at the maximum liability based on a four (4) tier rating structure.
- 11.2.17 All of the services provided in this contract (i.e. inclusive but not limited to COBRA/HIPPA/ACA compliance, case management, printing of ID cards, special delivery, etc.) shall be included in the plan administration of the vendor.
- 11.2.18 Vendor shall submit it's most current A.M. Best Rating Report representing an independent opinion from the leading provider of insurer ratings of a company's financial strength and ability to meet it's obligations to policyholders.
- 11.2.19 If maximum liability rates vary more than 15% from actual experience, Washington County will require a two (2) year rate guarantee and an explanation will be required.
- 11.2.20 Vendor must submit a detailed description of any and all services to be provided under the terms of this agreement such as claim review services, funding recommendations and availability/description of local services provided.

**12. PROPOSAL SUMMARY SHEET**

All cost of the RFP should be included in this section. Optional features may be offered but, Washington County cannot consider any options/prices not submitted with vendor's proposal.

Vendor must submit an itemized pricing schedule for each proposal, including PBM (Section 11.1). This pricing schedule should be listed in the same order as Exhibit A and should include the cost of "optional features", if any, available to Washington County or necessary to meet Washington County's requirements.

**13. FIRM/INDIVIDUAL EXPERIENCE**

Please fill in the requested information below:

Total Number of Employees: \_\_\_\_\_

Number of Years in Business: \_\_\_\_\_



## 14. EVALUATION FACTORS

The evaluation criteria will have the following relative weighting given each item.

- 30 Points (1) Specialized experience and technical competence of the firm with respect to the type of professional services required;
- 25 Points (2) Capacity and capability of the firm to perform the work in question including specialized services, within the time limitations fixed for the completion of the project;
- 25 Points (3) Past record of performance of the firm with respect to such factors as control of costs, quality of work and ability to meet schedules and deadlines; and
- 20 Points (4) Firm's proximity to and familiarity with the area in which the project is located.

## 15. BID CHECK-OFF LIST

Proposal Signed

Bid Security Included

Proof of Insurance Included

All Information is filled in the blanks (terms such as negotiable, or case by case will not be accepted)

Four Copies of the Completed Bid