

BILL NO. S-12-11-20

SPECIAL ORDINANCE NO. S-_____

AN ORDINANCE approving the awarding of RFP #3539 – SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM DISABILITY INSURANCE by the City of Fort Wayne, Indiana, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION AND SYMETRA LIFE INSURANCE COMPANY.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA;

SECTION 1. That RFP #3539 – SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM DISABILITY INSURANCE between the City of Fort Wayne, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION AND SYMETRA LIFE INSURANCE COMPANY respectfully for:

approves contracts for: a) Self-Funded Health & Dental (administration and reinsurance coverage); and b) Group Life/Ad&D/LDT - Symetra Life Insurance Company (includes employee paid supplemental life insurance):

involving a total cost of TWO MILLION, THREE HUNDRED NINE THOUSAND, SEVEN HUNDRED FIFTY-SEVEN AND 00/100 DOLLARS - (\$2,309,757.00) - (\$1,729,379.00-AUTOMATED GROUP ADMINISTRATION; \$580,378.00-SYMETRA LIFE INSURANCE COMPANY) all as more particularly set forth in said RFP #3539 – SELF-FUNDED HEALTH & DENTAL

1 PLANS (ADMINISTRATION & REINSURANCE COVERAGE) AND GROUP
2 LIFE/AD&D INSURANCE AND LONG TERM DISABILITY INSURANCE which
3 is on file in the Office of the Department of Purchasing, and is by reference
4 incorporated herein, made a part hereof, and is hereby in all things ratified,
5 confirmed and approved.
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7 **SECTION 2.** That this Ordinance shall be in full force and effect
8 from and after its passage and any and all necessary approval by the Mayor.
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12 _____
13 Council Member
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15 APPROVED AS TO FORM AND LEGALITY
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18 _____
19 Carol Helton, City Attorney
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REF. NO.:	3539
DEPT:	Benefits
DATE:	11/14/2012
ITEM/SERVICE:	Self-Funded Health & Dental Plans (Administration & Reinsurance Coverage) and Group Life/AD&D Insurance and Long Term Disability Coverage
ADVERTISED BID:	Yes
DATES ADVERTISED:	6/19/12 & 6/26/12
DATE OPENED:	7/31/12
SINGLE SOURCE:	No
NO. OF VENDORS NOTIFIED:	14
NO. OF VENDORS RECEIVING BID:	14
NO. OF VENDORS RETURNING BID:	11
NO. OF VENDORS DISQUALIFIED:	0
DATE SENT TO DEPT FOR RECOMM:	8/1/12
DATE RECOMM RECEIVED BACK:	11/14/12
DATE SENT TO LAW DEPT:	11/14/12
INTRODUCTION DATE:	11/27/12
DISCUSSION DATE:	12/4/12
PASSAGE DATE:	12/11/12

City of Fort Wayne RFP #3539
Summary of Proposals

Wells Fargo	
Automated Group Administration	
TPA Costs	\$667,933
Reinsurance	\$972,973
Total Fixed Costs	\$1,640,906

Hylant Group	
Automated Group Administration	
TPA Costs	\$667,933
Reinsurance	\$972,973
Total Fixed Costs	\$1,640,906

1st Source	
PHP - HCC Life	
TPA Costs	\$845,500
Reinsurance (not guaranteed)	\$803,811
Total Fixed Costs	\$1,649,111

DeHayes Group	
Employee Plan - HCC Life	
TPA Costs	\$908,440
Reinsurance (not guaranteed)	\$938,963
Total Fixed Costs	\$1,847,403

Symetra	
Life/AD&D	\$196,210
LTD	\$144,168
Total Costs	\$340,378

Lincoln Financial	
Life/AD&D	\$226,685
LTD	\$132,076
Total Costs	\$358,761

Lincoln Financial	
TPA Costs	\$226,685
Reinsurance (not guaranteed)	\$132,076
Total Costs	\$358,761

Standard Insurance	
TPA Costs	\$244,350
Reinsurance (not guaranteed)	\$183,697
Total Costs	\$428,047

Broker Fee	
	\$88,473

Broker Fee	
	\$67,450

Broker Fee	
	\$187,287

Broker Fee	
	\$100,000 (+ standard commission on Life/LTD)

Annual Cost	
	\$2,069,757

Annual Cost	
	\$2,067,117

Annual Cost	
	\$2,195,159

Annual Cost	
	\$2,375,450

City of Fort Wayne
Weighted Bid Analysis and Evaluation
Self-Funded Health & Dental Plans

BROKER QUALIFICATIONS		25%	TPA QUALIFICATIONS		20%	TPA SERVICES		20%	COST		35%	Sum of Percentages Must Equal 100%
1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			
WELLS FARGO												
AGA	5.00	1.25	5.00	1.00	4.90	0.98	4.50	1.58				4.805
ProClaim	5.00	1.25	4.75	0.95	4.60	0.92	3.63	1.27				4.391
PHP	5.00	1.25	4.75	0.95	4.60	0.92	3.88	1.35				4.478
Anthem	5.00	1.25	4.50	0.90	4.40	0.88	2.88	1.01				4.038
Aetna	5.00	1.25	4.50	0.90	4.60	0.92	2.63	0.92				3.991
Mentain	5.00	1.25	4.50	0.90	4.20	0.84	3.50	1.23				4.215
HYLANT GROUP												
AGA	4.60	1.15	5.00	1.00	4.90	0.98	4.50	1.58				4.705
ProClaim	4.60	1.15	4.75	0.95	4.60	0.92	3.63	1.27				4.291
PHP	4.60	1.15	4.75	0.95	4.60	0.92	3.88	1.35				4.378
Anthem	4.60	1.15	4.50	0.90	4.40	0.88	2.88	1.01				3.938
NAA	4.60	1.15	4.25	0.85	4.60	0.92	3.88	1.35				4.278
UMR	4.60	1.15	4.25	0.85	4.00	0.80	2.88	1.01				3.808
1ST SOURCE												
PHP	4.60	1.15	4.75	0.95	4.60	0.92	3.88	1.35				4.378
Anthem	4.60	1.15	4.50	0.90	4.40	0.88	2.88	1.01				3.938
UMR	4.60	1.15	4.25	0.85	4.00	0.80	2.88	1.01				3.808
DEHAYES GROUP												
Employee Plans	4.60	1.15	5.00	1.00	4.80	0.96	3.88	1.35				4.468
SAS	4.60	1.15	5.00	1.00	4.20	0.84	3.38	1.18				4.173
Qualifications and Experience of broker and employees assigned to service account. See attached notes.												
Qualifications and Experience of staff assigned to service account. See attached notes.												
Services provided by TPA matches or exceeds current level. See attached notes.												
Fee structure is competitive for both reinsurance and administrative services. See attached notes.												

City of Fort Wayne
Weighted Bid Analysis & Evaluation - Life and Long Term Disability Insurance

BROKER QUALIFICATIONS		25%	CARRIER FINANCIAL STRENGTH		20%	CARRIER SERVICES		20%	COST		35%	Sum of Percentages Must Equal 100%
1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good			
WELLS FARGO												TOTAL POINTS:
Symetra	5.00	1.25	4.00	0.40	4.50	0.90	5.00	2.75				5.300
AUL/One America	5.00	1.25	5.00	0.50	4.50	0.90	3.50	1.93				4.575
UNUM	5.00	1.25	4.00	0.40	4.50	0.90	4.00	2.20				4.750
SunLife Financial	5.00	1.25	5.00	0.50	4.00	0.80	5.00	2.75				5.300
Met Life	5.00	1.25	5.00	0.50	4.50	0.90	4.50	2.48				5.125
Anthem	5.00	1.25	4.67	0.47	4.50	0.90	4.00	2.20				4.817
Lincoln National	5.00	1.25	4.67	0.47	4.50	0.90	5.00	2.75				5.367
Aetna	5.00	1.25	4.33	0.43	4.50	0.90	5.00	2.75				5.333
Guardian	5.00	1.25	5.00	0.50	3.50	0.70	4.00	2.20				4.650
Mutual of Omaha	5.00	1.25	4.67	0.47	4.50	0.90	4.50	2.48				5.092
Standard	5.00	1.25	4.33	0.43	4.50	0.90	4.00	2.20				4.783
Cigna	5.00	1.25	4.00	0.40	4.50	0.90	5.00	2.75				5.300
HYLANT GROUP												
SunLife Financial	4.60	1.15	5.00	0.50	4.00	0.80	5.00	2.75				5.200
Mutual of Omaha	4.60	1.15	4.67	0.47	4.50	0.90	4.50	2.48				4.992
Lincoln National	4.60	1.15	4.67	0.47	4.50	0.90	5.00	2.75				5.267
Cigna	4.60	1.15	4.00	0.40	4.50	0.90	5.00	2.75				5.200
Met Life	4.60	1.15	5.00	0.50	4.50	0.90	4.50	2.48				5.025
Anthem	4.60	1.15	4.67	0.47	4.50	0.90	4.00	2.20				4.717
1ST SOURCE												
Lincoln	4.60	1.15	4.67	0.47	4.50	0.90	5.00	2.75				5.267
MetLife	4.60	1.15	5.00	0.50	4.50	0.90	4.50	2.48				5.025
Anthem	4.60	1.15	4.67	0.47	4.50	0.90	4.00	2.20				4.717
DEHAYES GROUP												
Employee Plans	4.60	1.15	5.00	1.00	4.80	0.96	3.88	1.36				4.475
BAS	4.60	1.15	5.00	1.00	4.20	0.84	3.38	1.18				4.683

Qualifications and Experience of broker and employees assigned to service account.
See attached notes

Qualifications and Experience of staff assigned to service account.
See attached notes.

Services provided by TPA matches or exceeds current level.
See attached notes.

Fee structure is competitive for both reinsurance and administrative services.
See attached notes.



CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

TO: CITY COUNCIL MEMBERS

FROM: LAURA TOWNSEND – BENEFITS MANAGER

RE: RFP #3539 – SELF FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM DISABILITY INSURANCE

DATE: NOVEMBER 14, 2012

The Benefits Department requests approval for the following contracts effective January 1, 2012:

Self-Funded Health & Dental: Automated Group Administration

\$667,933	Administrative Costs
\$972,973	Reinsurance Costs
<u>\$ 88,473</u>	Broker Fee to Wells Fargo Insurance
\$1,729,379	Total Costs

Group Life/AD&D/LTD: Symetra Life Insurance Company

\$196,210	Life & AD&D Insurance
\$144,168	Long Term Disability Insurance
<u>\$240,000</u>	Supplemental Life Insurance (EMPLOYEE PAID)
\$580,378	

Total: \$2,309,757 (includes employee paid supplemental life insurance)

See attached summaries for more detailed information. Funding Source 403 BENF1 5143

Please contact me at 427-2634 if you have any questions.

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