BILL NO. S-14-12-03

SPECIAL ORDINANCE NO. S-_____

AN ORDINANCE approving the awarding of RFP #3539- RENEWAL OF SELF FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM & SHORT 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 for the BENEFITS.

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

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

SELF-FUNDED HEALTH & DENTAL:	AUTOMATED GROUP ADMINISTRATION Total annual fees are based on per person/per month enrollment. Total annual not to exceed $1,900,000
GROUP LIFE/AD&D/LTD/STD:	SYMETRA LIFE INSURANCE COMPANY Total annual fees are based on per person/per month enrollment. Total annual not to exceed $975,000 (Includes $290,000 of Supplemental Life Insurance (EMPLOYEE PAID)

involving a total cost of: ONE MILLION NINE HUNDRED THOUSAND AND

00/100 DOLLARS – ($1,900,000) – AUTOMATED GROUP ADMINISTRATION: NINE HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS – ($975,000) – SYMETRA LIFE INSURANCE COMPANY all as more particularly set forth in said RFP #3539- RENEWAL OF SELF FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM & SHORT TERM DISABILITY INSURANCE which is on file in the Office of the Department of Purchasing, and is by reference incorporated herein, made a part hereof, and is hereby in all things ratified, confirmed and approved.

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

_____
Council Member

APPROVED AS TO FORM AND LEGALITY

_____
Carol Helton, City Attorney

CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

TO: CITY COUNCIL MEMBERS

FROM: LAURA TOWNSEND – HR & BENEFITS MANAGER

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

DATE: DECEMBER 1, 2014

The Benefits Department requests approval for the following contracts effective January 1, 2015:

Self-Funded Health & Dental: **Automated Group Administration**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed $1,900,000

Group Life/AD&D/LTD/STD: **Symetra Life Insurance Company**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed $975,000
(Includes $290,000 of Supplemental Life Insurance **(EMPLOYEE PAID)**

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

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

CITY OF FORT WAYNE
SELF FUNDED HEALTH PLAN
AUTOMATED GROUP ADMINISTRATION
2015 RENEWAL
SPECIFIC DEDUCTIBLE OF $325,000

Renewal Effective Date: January 1, 2015

(3 PLAN OPTIONS $600/$1200/$3400 Ded.)

Service	2010	2011	2012	2013	2014	2015
Contract Type (Specific & Aggregate)	18/12	18/12	18/12	18/12	18/12 Unlimited Annual	18/12 Unlimited Annual
Specific Deductible	$ 275,000	$ 275,000	$ 275,000	$ 275,000	$ 300,000	$ 325,000
Aggregating Specific	$ 137,500	$ 137,500	$ 137,500	$ 137,500	$ 150,000	$ 150,000
Medical Administration	$ 12.95	$ 13.75	$ 14.50	$ 14.50	$ 14.95	$ 15.50
Dental Administration	$ 2.00	$ 2.25	$ 2.35	$ 2.35	$ 2.50	$ 2.65
Utilization Review & Mgmt	$ 2.95	$ 3.25	$ 3.25	$ 3.25	$ 3.25	$ 3.25
OP Therapy Review	$ 0.60	$ 0.70	$ 0.70	$ 0.70	$ 0.70	$ 0.70
OP Surgery Review	$ 0.75	$ 0.80	$ 0.80	$ 0.80	$ 0.80	$ 0.80
MCC Disease Mgmt Pkg			$ 3.25	$ 3.25	$ 3.75	$ 4.25
Network Access Fee PPO (Includes Preferred Heart & Cardiac Pathways)	$ 5.75	$ 6.00	$ 6.00	$ 6.00	$ 6.50	$ 6.50
Specific Premium	$ 35.90	$ 38.77	$ 44.59	$ 40.13	$ 43.25	$ 43.85
Aggregate Premium	$ 2.18	$ 2.29	$ 2.45	$ 2.21	$ 2.35	$ 2.54
Medical Aggregate Factor	$ 1,081.19	$ 1,208.51	$ 1,392.45	$ 1,392.45	$ 1,426.81	$1,455.35
Dental Aggregate Factor	$ 50.63	$ 53.39	$ 58.89	$ 58.89	$ 59.48	$ 62.31
Broker Fee (Monthly)	-	-	-	NET	NET	NET
Total Maximum EE/MO	$ 1,194.90	$ 1,329.71	$ 1,529.23	$ 1,524.53	$ 1,564.34	$1,597.70
% of increase on Max. $	#VALUE!	11.28%	15.00%	-0.30%	2.61%	2.13%

SYMETRA LIFE INSURANCE COMPANY
777 108th Avenue NE, Suite 1200
Bellevue, Washington 98004-5135

PREMIUM RATE NOTICE

Policy Number: 01 016266 00

Policyholder: **City of Fort Wayne**

Effective Date of Premium Rates: October 1, 2014

Coverage	Monthly Rate
Basic Life Insurance	$0.186 per $1,000
Basic Accidental Death and Dismemberment Insurance	$0.02 per $1,000
Supplemental Life Insurance	*Step-rated
Supplemental Accidental Death & Dismemberment Insurance	$0.03 per $1,000
Supplemental Dependent Life Insurance - Spouse	*Step-rated
Supplemental Dependent Life Insurance - Child	$0.07 per $1,000
Supplemental Dependent Accidental Death and Dismemberment Insurance	$0.03 per $1,000
Long-Term Disability Insurance	0.31 % of covered payroll
Short-Term Disability Insurance	$0.38 per $10 of weekly benefit

* Supplemental Life and Supplemental Dependent Life Insurance - Spouse monthly step-rates as follows:
(Premiums for Spouse Life Insurance are calculated based on the spouse's age.)

Age	Rate per $1,000	Age	Rate per $1,000
Under 25	$0.07	50-54	$0.50
25-29	0.07	55-59	0.82
30-34	0.07	60-64	1.09
35-39	0.11	65-69	1.70
40-44	0.17	70-74	3.00
45-49	0.28	75+	4.94

Premium rate adjustments due to change in age are effective on the policy anniversary following the date of change.

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%		TOTAL POINTS
	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		*Sum of Percentages Must Equal 100%*	
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	1.36		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
Meritain	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	1.36		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	1.36		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	1.36		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	1.36		4.468
BAS	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%	
	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		*Sum of Percentages Must Equal 100%*
WELLS FARGO									**TOTAL POINTS**
Symetra	5.00	1.25	4.00	0.80	4.50	0.90	5.00	2.75	5.300
AUL/One America	5.00	1.25	5.00	1.00	4.50	0.90	3.50	1.93	4.575
UNUM	5.00	1.25	4.00	0.80	4.50	0.90	4.00	2.20	4.750
SunLife Financial	5.00	1.25	5.00	1.00	4.00	0.80	5.00	2.75	5.300
Met Life	5.00	1.25	5.00	1.00	4.50	0.90	4.50	2.48	5.125
Anthem	5.00	1.25	4.67	0.93	4.50	0.90	4.00	2.20	4.817
Lincoln National	5.00	1.25	4.67	0.93	4.50	0.90	5.00	2.75	5.367
Aetna	5.00	1.25	4.33	0.87	4.50	0.90	5.00	2.75	5.333
Guardian	5.00	1.25	5.00	1.00	3.50	0.70	4.00	2.20	4.650
Mutual of Omaha	5.00	1.25	4.67	0.93	4.50	0.90	4.50	2.48	5.092
Standard	5.00	1.25	4.33	0.87	4.50	0.90	4.00	2.20	4.783
Cigna	5.00	1.25	4.00	0.80	4.50	0.90	5.00	2.75	5.300
HYLANT GROUP									
SunLife Financial	4.60	1.15	5.00	1.00	4.00	0.80	5.00	2.75	5.200
Mutual of Omaha	4.60	1.15	4.67	0.93	4.50	0.90	4.50	2.48	4.992
Lincoln National	4.60	1.15	4.67	0.93	4.50	0.90	5.00	2.75	5.267
Cigna	4.60	1.15	4.00	0.80	4.50	0.90	5.00	2.75	5.200
Met Life	4.60	1.15	5.00	1.00	4.50	0.90	4.50	2.48	5.025
Antham	4.60	1.15	4.67	0.93	4.50	0.90	4.00	2.20	4.717
1ST SOURCE									
Lincoln	4.60	1.15	4.67	0.93	4.50	0.90	5.00	2.75	5.267
MetLife	4.60	1.15	5.00	1.00	4.50	0.90	4.50	2.48	5.025
Anthem	4.60	1.15	4.67	0.93	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.

COUNCIL DIGEST SHEET

Enclosed with this introduction form is a tab sheet and related material from the vendor(s) who submitted bid(s). Purchasing Department is providing this information to Council as an overview of this award.

RFPs , BIDS, OTHER PROJECTS

Bid/RFP#/Name of Project	Renewal of RFP # 3539
Awarded To	Automated Group Administration/Symetra Life Insurance
Amount	Not to exceed $2,875,000 (includes $290,000 of employee paid life ins)
Conflict of interest on file?	☐ Yes ☐ No
Number of Registrants	
Number of Bidders	
Required Attachments	RFPs – attach Award Matrix; Bids – attach Tab Sheet

EXTENSIONS

Date Last Bid Out	1/1/13 effective date
# Extensions Granted To Date	1

SPECIAL PROCUREMENT

Contract #/ID *(State, Federal, Piggyback--Authority)*	
Sole Source/ Compatibility Justification	

BID CRITERIA *(Take Buy Indiana requirements into consideration.)*

Most Responsible, Responsive Lowest	☐ Yes ☐ No *If no, explain below*
If not lowest, explain	

COUNCIL DIGEST SHEET

COST COMPARISON

Increase/decrease amount from prior years For annual purchase (if available).	

DESCRIPTION OF PROJECT / NEED

Identify need for project & describe project; attach supporting documents as necessary.	Third year of a three year agreement.

REQUEST FOR PRIOR APPROVAL

Provide justification if prior approval is being requested.	

FUNDING SOURCE

Account Information.	403 BENF1 5143

REF. NO.:	3539
DEPT:	Benefits
DATE:	12/30/13
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:	12/30/13
DATE SENT TO LAW DEPT:	12/1/14
INTRODUCTION DATE:	12/9/14
DISCUSSION DATE:	12/16/14
PASSAGE DATE:	12/23/14