

# STATE OF NORTH CAROLINA/ASHEVILLE CITY SCHOOLS

## REQUEST FOR BIDS

#148-HR-015

**PROJECT:** Voluntary Benefit and Section 125 Flexible Benefit Plans

**USING AGENCY:** Asheville City Schools

**ISSUE DATE:** 4/14/2022

Bids subject to the conditions made a part hereof will be received until **2:00 pm, Monday, May 9, 2022.**

All Bids must be sent to the Purchasing Clerk at the address or email address provided below:

Asheville City Schools

Attn: Chris Pohlman, Purchasing

85 Mountain Street

Asheville, NC 28801

Phone: 828-350-6101

Fax: 828-251-4915

Email: [chris.pohlman@acsgmail.net](mailto:chris.pohlman@acsgmail.net)

## THE PROCUREMENT PROCESS

The following is a general description of the process by which a firm will be selected to provide services.

1. Request for Bids is issued to prospective vendors.
2. The deadline for written questions is May 2, 2022 at 2:00 pm.
3. Bids shall be signed and dated by an official authorized to bind the firm. Unsigned bids will not be considered.
4. All bids must be received by the Purchasing Agent listed above no later than the date and time specified on the cover sheet of this Request for Bids.
5. All bids will be evaluated based on the plan design, enrollment and communication capabilities, service and cost to Asheville City Schools and its employees, and the financial stability of the brokerage firm.
6. Bidders are cautioned that this is a request for bids, not a request to contract, and Asheville City Schools reserves the right to reject any and all unqualified offers when such rejection is deemed to be in the best interest of Asheville City Schools.

**BID FORM**

**#148-HR-015**

**Voluntary Benefit and Section 125 Flexible Benefit Plans**

**DUE DATE: 5/9/2022 by 2:00PM**

Please complete the following Bid Form and Questionnaire. Proposals must be submitted using this Bid Form. **The answers to the Questionnaire may be provided as an attachment to this Bid Form.** The answers provided will be used to evaluate proposals received. Proposals received will be evaluated based on the plan design, enrollment and communication capabilities, service and cost to Asheville City Schools and its employees, and the financial stability of the brokerage firm.

Offeror: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_ Phone: \_\_\_\_\_  
Fed ID No: \_\_\_\_\_ MBE Status: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

Proposals must be submitted using this Bid Form. **The answers to the Questionnaire may be provided as an attachment to this Bid Form.**

1. Please provide the name, telephone number, and email address for the Contact Person(s) for the Brokerage Firm.
2. Describe the customer service and support your firm can provide to the administration and our employees.
  - a. Do you provide a toll-free number?
  - b. Do you provide a personalized website?
3. Please provide four (4) references, preferably North Carolina public sector clients, with which your firm has worked. Please include the names of the public sector clients, contact names, titles and their telephone numbers and e-mail addresses. Indicate the approximate number of employees they service.
4. Who will be doing the enrollments?
  - a. What is their experience in benefit communication and enrollment with the NC Public Schools? Include the number of staff provided.
  - b. Do you offer online or web enrollment? and if so, please describe.
  - c. Please provide a copy of a benefit election form that you have used that can serve as a sample of a benefit election form to be submitted to our employees for benefit enrollment.

**[CONTINUED ON NEXT PAGE]**

**[CONTINUED FROM PREVIOUS PAGE]**

5. Describe in detail the communication and enrollment process.
6. Please describe the procedures for the use of your Flexible Spending Debit Card and participation requirements for benefit enrollment.
7. What fees are charged for the use of your Flexible Spending Debit Card?
8. Who are you proposing as your Third Party Administrator?
  - a. Describe the claim reimbursement process.
  - b. How often do you pay reimbursement claims?
  - c. Is your Spending Account vendor compliant with all relevant IRS Regulations in regards to administration of debit cards?
  - d. What experience does your organization have with Flexible Benefits Administration?
9. Please provide a list of all fees that your firm will charge to administer our Flexible Benefits Plan and/or other insurance products you will offer.
10. Describe the billing process from your firm to our school system.
11. Describe your post-enrollment data return processes to Asheville City Schools
12. Is your firm compliant with all guidelines established by the North Carolina Department of Insurance?
13. Do you offer a Benefit Administration system and is there any charge for that system?
  - a. Describe your experience implementing Benefit Administration platforms in the North Carolina Public Sector market.
  - b. Who are your North Carolina Public Sector Benefit Administration customers?
14. Do you provide healthcare reform educational materials and support?

I certify that I have read this Request For Proposals and have answered all questions truthfully and completely to the best of my knowledge.

I certify that our brokerage firm will honor all commitments made in this Response.

I certify that our brokerage firm and all representatives are licensed and will be licensed in North Carolina to provide all services offered during the life of this contract.

By: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_

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

**END OF BID FORM**

## 1. **SCOPE OF WORK**

Asheville City Schools is inviting proposals from licensed North Carolina providers of services in connection with Section 125 Flexible Benefits Plan and underlying insurance benefit programs.

The purpose of this Request for Proposals (RFP) is to solicit offers from qualified licensed North Carolina insurance brokers to provide voluntary benefits and Section 125 services to Asheville City Schools in the areas of plan design, placement, and administration of insurance contracts, contract renewals and the overall maintenance and administration of our Section 125 Flexible Benefits Plan. Through this RFP, beginning October 1, 2022, it is the intention of Asheville City Schools to consolidate all voluntary benefits work with a single broker based on the highest quality benefits, service and products they present.

The brokerage firm selected will be responsible for any tax filings as required by the Internal Revenue Service and complete all required discrimination testing, all required reports and will adhere to procedures, guidelines, regulations and laws related to the collection, disbursement and record keeping for spending accounts of employees. The brokerage firm will also maintain an appropriate level of fidelity bond coverage while servicing our product.

This invitation does not indicate in any way that Asheville City Schools is dissatisfied with the services, plans and/or products of our current provider.

Asheville City Schools currently has the following insurance benefits available under our Flexible Benefits Plan:

- Dental
- Vision
- Medical Bridge
- Accident 1.0
- Cancer
- Disability
- Term Life
- Long Term Life
- Group Term Life
- Whole Life
- Group Critical Illness
- Long Term Disability
- Group Pet Insurance
- SHP (70/30; 80/20)
- Flex Spending

## 2. **TERM**

The initial term of this agreement shall commence on or around October 1, 2022, and will be for a period of three (3) years. After the initial term, this agreement may be renewed on an annual basis upon mutual agreement from both parties.

## 3. **TERMINATION:**

Asheville City Schools may terminate this agreement at any time by 30 days' notice in writing to the Contractor. If the contract is terminated by Asheville City Schools as provided herein, the Contractor shall be paid for services satisfactorily completed, less payment or compensation previously made.

#### 4. **INFORMATION REQUESTS AND CLARIFICATIONS**

Any questions or request for additional information or clarification about this Request for Proposals shall be made in writing to Chris Pohlman, Asheville City Schools Purchasing Clerk, no later than Monday, May 2, 2022 at 2:00pm, at [chris.pohlman@acsgmail.net](mailto:chris.pohlman@acsgmail.net). No request for additional information will be accepted after this date and time. There will be no exceptions to this requirement.

Any questions received, as well as responses given, will be made public as an addendum to this solicitation, if applicable.

#### 5. **EVALUATION**

Proposals received will be evaluated based on the plan design, enrollment and communication capabilities, service and cost to Asheville City Schools and its employees, and the financial stability of the brokerage firm. Proposals should include answers to all of the items listed in the Questionnaire shown on the Bid Form.

#### 6. **PROPOSALS**

Proposals must be submitted using the Bid Form that begins on page 2 of this solicitation. The answers to the Questionnaire may be provided as an attachment to the Bid Form.

Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired. Each proposal received shall represent a firm offer that may be accepted within 90 days from the date of submission. All proposals and correspondences relating to or in reference to this request for proposal shall become the property of Asheville City Schools.

Proposals may be submitted in person, by mail, or via email. Proposals that are submitted in person or by mail shall be fully sealed and addressed to the following address.

Chris Pohlman  
c/o Asheville City Schools  
**Attn: 148-HR-015**  
85 Mountain St  
Asheville, NC 28801

Proposals that are submitted by email should be clearly labeled with **148-HR-015** included in the subject line of the email and sent to [chris.pohlman@acsgmail.net](mailto:chris.pohlman@acsgmail.net).

Please note that it is the responsibility of the bidder, regardless of the approved method of delivery the bidder chooses, to ensure that the proposal is received on time. Late proposals will not be accepted. Proposals submitted without the Bid Form included in this solicitation will be considered non-responsive.

#### 7. **NONDISCRIMINATION**

The Contractor shall not discriminate against any person because of race, sex, age, creed, color, religion or national origin.

#### 8. **HISTORICALLY UNDERUTILIZED BUSINESSES**

Pursuant to General Statute 143-48 and Executive Order #150, Asheville City Schools invited and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.

## **9. COMPLIANCE**

The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements (permits) that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.

## **10. INDEMNITY**

The Contractor will indemnify and save harmless Asheville City Schools, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorneys' fees to the extent resulting from a willful or negligent act or omission of the Contractor, its officers, agents, servants, and employees in the performance of this Contract; provided, however, that the Contractor shall not be liable for any suits, actions, legal proceedings, claims, demands, damages, costs, expenses and attorneys' fees arising out of the award of this Contract or a willful or negligent act or omission of the Asheville City Schools, its officers, agents, servants and employees.

## **11. INSURANCE**

If awarded a contract, the Bidder will provide a Certificate of Liability Insurance naming the District as additional insured. The issuing insurer must provide 30 days written notice to the District of the expiration of the insurance. As a minimum, the Contractor shall provide and maintain the following coverage and limits:

- Workers' Compensation Insurance, including Employer's Liability with limits of \$250,000 each accident. The Aggregate Limit will not be less than \$2,000,000.
- Property Damage Insurance, including Liability Coverage, with a per occurrence limit of \$1,000,000. The Aggregate Limit will not be less than \$2,000,000

Providing and maintaining adequate insurance coverage is a material obligation of the contractor and is of the essence of this contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The Contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the contractor shall not be interpreted as limiting the contractor's liability and obligations under the contract.

To the extent permitted by law, all or any part of any required insurance coverages may be provided under a plan or plans of self-insurance. The coverages may be provided by the Contractor's parent corporation.

## **12. PERFORMANCE AND DEFAULT**

If, through any cause, the Contractor shall fail to fulfill in timely and proper manner the obligations under this agreement, Asheville City Schools shall thereupon have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this contract prepared by the Contractor shall, at the option of Asheville City Schools, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials.

In case of default by the Contractor, Asheville City Schools may procure the services from other sources and hold the Contractor responsible for any excess cost occasioned thereby.

Upon the entering of a judgment of bankruptcy of insolvency by or against the Contractor, the Agency may terminate this contract for cause.

Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

**13. TRANSFERABILITY OF CONTRACT**

Other than by operation of law, no assignment of the Contract or any right accruing under this Contract shall be made in whole or in part by the Contractor without the express written consent of Asheville City Schools, which consent shall not be unreasonably withheld; however, in the event of an assignment, the assignee shall assume the liability of the Contractor.

## ADDENDUM #1

#148-HR-015

### PROJECT: Voluntary Benefit and Section 125 Flexible Benefit Plans

The solicitation named above is modified as set forth in this Addendum. The original RFP Documents and any previously issued addenda remain in full force and effect, except as modified by this Addendum, which is hereby made part of the RFP. Bidder shall take this Addendum into consideration when preparing and submitting its Proposal.

This Addendum #1 to the RFP# 148-HR-015 addresses questions received from one or more bidders.

#### QUESTIONS from NC Office of State Human Resources – ANSWERS are in bold, red font:

1. Do you offer a Tricare Supplement plan? **No.**
2. Are your employees paid over 10 months, 12 months, or both in different capacities? **We have employees that are paid over 10 months, 11 months, and 12 months.**
3. Can you provide enrollment data for each of your plans? **We will be able to provide this information at a later date. We will not have that information available now nor will we have it before the proposal submission deadline, however.**
4. Can you provide an employee census for all eligible employees? **We will be able to provide this information at a later date. We will not have that information available now nor will we have it before the proposal submission deadline, however.**

#### QUESTIONS from Pierce Group Benefits – ANSWERS are in bold, red font:

1. If we choose to submit our proposal in person or via mail, how many copies of the RFP response should we submit? **Just 1 copy is fine.**
2. Our firm provides section 125 plans along with voluntary benefits throughout North Carolina and Virginia. We can provide a proposal direct through our company or a proposal where the State of North Carolina provides the section 125 plan and all pre-tax benefits. The State of North Carolina, through NC Office of State Human Resources, provides a section 125 plan with FSA along with voluntary benefits to all state departments, universities and select community colleges, and charter schools. Public schools are also now eligible for NCFlex. Due to the low cost of the NCFlex plans, enrollment ease being on the same platform as the NC State Health Plan, and other factors, we believe this is the best value for your employees. Due to the size of NCFlex (120,000 eligible lives) and funding from the State, plans are offered at very competitive rates, with plans such as core vision and AD&D provided at no cost. NCFlex plans typically provide significant savings to the employee. While there are no fees for these services, the FICA savings are retained by the State in order to administer the program. NCFlex also takes all fiduciary risk associated with the plan. Given the FICA redirection, would Asheville City Schools consider a proposal that includes NCFlex as the administrator? **Asheville City Schools intends to consider all proposals received to this solicitation.**



## ADDENDUM #2

#148-HR-015

### PROJECT: Voluntary Benefit and Section 125 Flexible Benefit Plans

The solicitation named above is modified as set forth in this Addendum. The original RFP Documents and any previously issued addenda remain in full force and effect, except as modified by this Addendum, which is hereby made part of the RFP. Bidder shall take this Addendum into consideration when preparing and submitting its Proposal.

This Addendum #2 to the RFP# 148-HR-015 addresses corrections to Addendum #1, which mistakenly showed the question below asked by Pierce Insurance as being asked by Pierce Group Benefits. The following is the correct listing of questions received from all bidders.

#### QUESTIONS from NC Office of State Human Resources – ANSWERS are in bold, red font:

1. Do you offer a Tricare Supplement plan? **No.**
2. Are your employees paid over 10 months, 12 months, or both in different capacities? **We have employees that are paid over 10 months, 11 months, and 12 months.**
3. Can you provide enrollment data for each of your plans? **We will be able to provide this information at a later date. We will not have that information available now nor will we have it before the proposal submission deadline, however.**
4. Can you provide an employee census for all eligible employees? **We will be able to provide this information at a later date. We will not have that information available now nor will we have it before the proposal submission deadline, however.**

#### QUESTIONS from Pierce Group Benefits – ANSWERS are in bold, red font:

1. If we choose to submit our proposal in person or via mail, how many copies of the RFP response should we submit? **Just 1 copy is fine.**

#### QUESTIONS from Pierce Insurance – ANSWERS are in bold, red font:

1. Our firm provides section 125 plans along with voluntary benefits throughout North Carolina and Virginia. We can provide a proposal direct through our company or a proposal where the State of North Carolina provides the section 125 plan and all pre-tax benefits. The State of North Carolina, through NC Office of State Human Resources, provides a section 125 plan with FSA along with voluntary benefits to all state departments, universities and select community colleges, and charter schools. Public schools are also now eligible for NCFlex. Due to the low cost of the NCFlex plans, enrollment ease being on the same platform as the NC State Health Plan, and other factors, we believe this is the best value for your employees. Due to the size of NCFlex (120,000 eligible lives) and funding from the State, plans are offered at very competitive rates, with plans such as core vision and AD&D provided at no cost. NCFlex plans typically provide significant savings to the employee. While there are no fees for these services, the FICA savings are retained by the State in order to administer the program. NCFlex also takes all fiduciary risk associated with the plan. Given the FICA redirection, would Asheville City Schools consider a proposal that includes NCFlex as the administrator? **Asheville City Schools intends to consider all proposals received to this solicitation.**