

BOARD MEETING DATE: July 10, 2015

AGENDA NO. 13

PROPOSAL: Execute Contract for Health Insurance Brokerage and Consultant Services

SYNOPSIS: To ensure SCAQMD continues to provide a cost-effective employee health insurance program, an RFP was released on April 3, 2015, to solicit proposals from firms interested in providing health insurance brokerage services. This action is to execute a contract with Alliant Insurance Services, Inc. effective August 1, 2015, through July 31, 2018. This is a no-cost contract as payment for services is through insurance carrier commissions.

COMMITTEE: Administrative, June 12, 2015; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTION:

Authorize the Executive Officer to execute a contract with Alliant Insurance Services, Inc. to provide health insurance consultant and brokerage services for the period August 1, 2015, through July 31, 2018. This is a no-cost contract, as all fees for these services will be paid directly to Alliant Insurance Services, Inc. as commissions from insurance carriers.

Barry R. Wallerstein, D.Env.
Executive Officer

WJJ:BR

Background

SCAQMD's current contract for consulting and brokerage services, directed toward assuring cost-effective medical, dental, vision, life, and other health insurance products for employees and their dependents, is scheduled to expire June 30, 2015. In March, the Executive Officer approved release of RFP #P2015-26 to seek proposals from firms interested in providing these services for the next three-year period.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the RFP and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the RFP has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>).

Bid Evaluation

Six proposals, all of which were complete and responsive to the RFP, were received when bidding closed at 5:00 p.m. on May 6, 2015.

The panel that evaluated proposals included an SCAQMD Senior Deputy District Counsel, Human Resources Manager, and Human Resources Analyst. Of these, one is Asian-Pacific Islander, one is Hispanic, and one is Caucasian; two are female and one is male.

The panel scored the six proposals based on criteria set forth in the RFP, which included understanding of the requirements, contractor qualifications, previous experience providing insurance consultant/brokerage services for comparable public agencies, fee structure, client references, and additional points for special business categories as defined in the RFP. One of the proposals did not receive the minimum technical score required by SCAQMD's contracting policy, and this firm is not included in the final list of scores. Scores of the remaining five proposals are listed in the attachment.

Proposal

This action is to execute a contract with Alliant Insurance Services, Inc. for the period of August 1, 2015, through July 31, 2018. The current contract with Mercer expired June 30, 2015.

Resource Impacts

There is no cost to SCAQMD associated with this contract, as all costs will be paid to Alliant Insurance Services as commissions from insurance carriers.

Attachment

Evaluation Summary

ATTACHMENT

EVALUATION SUMMARY

RFP 2015-26

HEALTH INSURANCE BROKERAGE SERVICES

Contractor	Cost Points	Technical Points	Additional Points	Total Points
Alliant Insurance Services, Inc.	18	78	0	96
Mercer Health & Benefits, LLC	17	75	0	92
Wells Fargo Insurance Services USA, Inc.	16	76	0	92
Trapani Dickins & Associates, Employee Benefits and Insurance Services, Inc.	7	54	10	71
Rael & Letson Consultants and Actuaries	9	57	0	66