

Harrisonville RFQ Request

The City of Harrisonville will accept separate sealed submittals of qualifications from qualified firms/providers interested in providing **INSURANCE BROKERAGE SERVICES** to the City of Harrisonville, MO.

Four copies and one original submittal must be received by 5:00 P.M., on September 27, 2019 at Harrisonville City Hall, 300 E. Pearl St., Harrisonville, MO 64701. Mark on the outside of the sealed submittal “Insurance Brokerage RFQ” and to the attention of the city administrator.

The City reserves the right to reject any and all proposals, to waive technical defects in the proposals, and to select the proposal deemed most advantageous to the City.

All communication regarding the submittal must be through email to mtholen@harrisonville.com. To be included in any email updates contact the city administrator at mtholen@harrisonville.com.

DESCRIPTION OF PROJECT AND SERVICES REQUIRED

1. INTRODUCTION / DESCRIPTION OF SERVICES:

The City of Harrisonville, Missouri is seeking proposals from qualified firms/providers for insurance brokerage services for the City’s Employee Benefits, Workers’ Compensation and Property, Casualty, and Liability insurance coverages. The City seeks a broker who can offer innovative approaches with a proven track record that allows the City to maintain quality programs and services and reduce costs.

The selected broker will be directed to solicit competitive renewals in addition to seeking alternatives to the City’s current programs effective July 1, 2020 (Workers’ Compensation), July 1, 2020 (Property, Casualty and Liability and Employee Benefits). (We would like to consider a November or December renewal that would work better with our budget process.) The broker agreement is anticipated to be for a three-year period, with an additional two 1-year renewals to follow.

Proposed fee structure must be guaranteed for the initial three-year contract term, with “not to exceed” amounts for the 4th and 5th year options.

1.1 Description of Operations/Background:

1.1.1 **NAMED INSURED:** City of Harrisonville, Missouri; All employees; Any duly elected or appointed official; Any member of the City’s Governing Body, boards, commissions or other authorized unit operating under the jurisdiction of the City’s Governing Body; Any authorized volunteer; or any person or organization to whom the City is obligated by virtue of a written or oral contract to provide insurance with respect to operation by or on behalf of the City of Harrisonville or to facilities of or used by the City of Harrisonville.

1.1.2 **ORGANIZATION:** The City of Harrisonville, Missouri was established in 1836. Today its elected Mayor and Board of Aldermen appoint a city administrator who manages day-to-day operations of the organization. Covering 4 square miles and a 2019 budget of \$33,000,000, the City’s 120 FTEs provide approximately 10,000 residents with a variety of municipal services including: Fire and EMS; Animal Control; Community Development; Emergency 911 Dispatch; Finance & Accounting; Permits & Licenses; Law Enforcement; Municipal Court; Parks & Recreation; Community Center; Outdoor Aquatic Center, Contract Refuse, Roads/Streets Maintenance; Electric, Water, and Sanitary Sewer Utility. Additional information regarding operations, divisions, and financial reports are available on the City’s website at www.harrisonville.com.

1.1.3 The City of Harrisonville, Missouri is located 41 minutes south of downtown Kansas City, Missouri. The City currently owns and operates a fleet of approximately 123 units of titled vehicles and/or rolling stock and maintains 84 buildings, structures, and facilities.

1.1.4 CURRENT INSURANCE:

- 1.1.4.1 Property and Casualty: Midwest Public Risk (MPR) which is detailed below – Current policy and schedules will be provided upon request
 - 1.1.4.1.1 Property
 - 1.1.4.1.2 Liability
 - 1.1.4.1.3 Inland Marine
 - 1.1.4.1.4 Auto
 - 1.1.4.1.5 Professional Liability
 - 1.1.4.1.6 Terrorism
 - 1.1.4.1.7 Cyber Security
- 1.1.4.2 Workers' Compensation: Midwest Public Risk (MPR). Individual classifications can be provided upon request.
- 1.1.4.3 Employee Benefits: Midwest Public Risk (Medical, Dental and Vision) and Life Insurance Company of North America (Life and AD&D). Employee census or policy-relevant information will be provided upon request
 - 1.1.4.3.1 Medical
 - 1.1.4.3.2 Dental
 - 1.1.4.3.3 Vision
 - 1.1.4.3.4 AD&D
 - 1.1.4.3.5 Additional elective coverages provided to employees at no cost to City through AFLAC:
 - 1.1.4.3.5.1 Accident Insurance
 - 1.1.4.3.5.2 Cancer Insurance
 - 1.1.4.3.5.3 Group Critical Illness
 - 1.1.4.3.5.4 Long Term Disability
 - 1.1.4.3.5.5 Short Term Disability
 - 1.1.4.3.5.6 Term Life Insurance

2. SCOPE of SERVICES:

Provide services in advising and coordinating the City's Risk Management/HR including, but not limited to the following:

- 2.1. Prepare annual marketing strategy reports identifying anticipated market conditions and proposing a marketing strategy for the City's major loss exposure areas prior to policy renewal
- 2.2. Assist in developing underwriting data and specifications for renewal negotiations/solicitations
- 2.3. With the participation of City staff, obtain bids from the insurance industry and negotiate the best terms and coverage for the various exposure areas
- 2.4. Evaluate the commitment and financial stability of prospective carriers on annual basis
- 2.5. Service policies by obtaining loss reports, reviewing coverage issues, assisting in collection of loss data, reporting values, issuing Certificates of Insurance as needed, processing policy changes, etc. in a timely manner
- 2.6. Schedule and participate in quarterly meeting with City staff to discuss loss control issues, exposure changes, and general insurance/risk management administrative matters
- 2.7. Analyze City's exposure to loss, adequacy of coverage, and develop options on coverage not presently

purchased by the City or those risks which the City should consider moving to higher retentions or self-insurance

- 2.8. Provide service for day-to-day contact on insurance matters
- 2.9. Assist City in developing insurance requirements for various contracts (design, construction, and service) and in reviewing insurance policies, contracts, leases, and bonds as requested by the City
- 2.10. Prepare an annual report including a schedule of policies in force, coverage provisions, and premiums, claims experience for the prior policy year and recommendations for potential adjustments to insurance coverage for the next policy year. The report should provide a summary of broker support services rendered during the prior policy year, with recommendations for broker services for the subsequent year
- 2.11. Work with City staff to monitor the viability and cost effectiveness of the City's insurance programs; recommend new programs and/or structures to help City maximize its resources without adversely affecting its risk exposure
- 2.12. Collaborate with City to ensure the insurance coverage is appropriate to provide optimum risk transfer
- 2.13. Assist with claim reporting, processing, and administration as required by the City
- 2.14. Provide other services that are normally and customarily required of a broker in the administration of a municipality's insurance needs
- 2.15. Attend Board of Aldermen meetings as may be requested by the City
- 2.16. Coordinate and/or provide loss prevention services that may be available to the City through various insurers or the brokerage firm themselves at no additional cost. Identify outside services and associated cost if such is desired by the City
- 2.17. Provide on-site training for departments in areas where high claim experience provides an opportunity for improvement

3. CITY-PROVIDED SERVICES:

- 3.1. The City will collaborate with and provide all necessary information to the successful respondent
- 3.2. The City of Harrisonville is subject to the provisions of the Missouri Sunshine Law and will protect against non-solicitation of proposals as dictated by statute.
- 3.3. In selecting the incumbent broker, the City will use the following criteria in evaluating proposals:
 - 3.4.1. Evidence of Experience and References with Similar Projects
 - 3.4.2. Applicable Resources
 - 3.4.3. Project Approach
 - 3.4.4. Cost

4. COMPENSATION

- 4.1 The City will entertain creativity when evaluating proposals for compensation (e.g. fee for service, pay for performance, etc.) that provide the best benefit for the City of Harrisonville. Bidders are encouraged to explore non-traditional compensation/plan structures
- 4.2 Proposed annual service fee to handle the City's Employee Benefits, Workers' Compensation, Property, Casualty and Liability risk to be fully disclosed. "Fee-For-Service" proposals will be "net" of all insurance commissions

- 4.3 Identify the proposed fees requested to be guaranteed for the initial three-year contract term, with “not to exceed” amounts for the 4th and 5th year options
- 4.4 Disclose if there are other fees, contingency commissions, etc. that could/would be earned by your firm with the insurers that can be directly tied to the City’s premiums. The City will not allow these added fees without prior consent of the City and with full disclosure of these arrangements
- 4.5 Annual report will itemize all compensation related to providing service to the City of Harrisonville

5. ADDITIONAL QUESTIONS

- 5.1 Do members of your firm have a working knowledge of the Missouri Sovereign Immunity Statute as it relates to governmental entities and insurance? Please provide details.
- 5.2 Is your company a member of any organizations or do you participate in any seminars that are directly related to public entity risks, specifically in Missouri?
- 5.3 Do you have a direct relationship with the City’s incumbent insurers? Please explain
- 5.4 List the top three to five insurance companies for each line of coverage (Property and Casualty, Workers’ Compensation and Employee Benefits) you would approach on behalf of the City in addition to the incumbent insurers. Include:
 - 5.4.1 Will company be accessed directly or via a broker or wholesaler?
 - 5.4.2 Does your agency currently have any governmental accounts with them?
 - 5.4.3 Does the insurer offer first dollar deductible programs (HRA/HSA), SIR (Self-Insured Retention) programs or both? Which of these is most advantageous to the City of Harrisonville?
 - 5.4.4 If a requested insurer does not offer a multi-line “package” programs, please note the applicable line(s) of coverage.
- 5.5 Which insurers in each line of coverage (Property and Casualty, Workers’ Compensation and Employee Benefits) can you not approach that may impact the options the City may wish to consider now or in the future? This can relate to a fully insurance or Self-Insured Retention type programs.
 - 5.5.1 List your firm’s experience with self-insured retention programs, all-lines aggregate programs and/or basket aggregate programs.
 - 5.5.2 What services would you include related to analyzing these options and if they should be considered?
 - 5.5.3 Are you a qualified third-party administrator or would you assist the City in selecting a TPA as required for an SIR program?
- 5.6 How does your firm track and communicate changes in the status of client’s insurers, such as negative ratings changes or other negative developments?
- 5.7 Identify up to three specific unique instances where your services have shown a specific benefit to a public client (no need to identify client due to confidentiality).

- 5.8 Of clients you lost in the last 2 years, what do you feel is the primary reason as to why you lost their business?
- 5.9 Briefly summarize your Core Benefit Broker/Consulting Services included in your standard fee/service model for the City.
- 5.10 Briefly summarize your firm’s ability and local resources to provide updated information to the City regarding current and pending legislative information that may impact either the City or their employees, including ACA changes.
- 5.11 Describe any other facets of your organization and your firm’s experience that are relevant to this proposal that have not been previously described.
- 5.12 Please provide copies of the following items:
 - 5.12.1 Errors and Omission coverage.
 - 5.12.2 Statement of compliance with federal and state laws.
 - 5.12.3 Description of the firm’s view of their responsibilities to the City of Harrisonville in the provision of benefits brokerage services.
- 5.13 In 200 words or less, outline specific objective reasons you believe the City should appoint your firm as its broker.

3. TIMELINE:

3.1 Timeline for RFQ Process: The timeline listed below is the City’s estimation of time required to complete the RFQ process. All efforts shall be made to abide by this schedule, but it may change due to unforeseen circumstances.

Solicit RFQ Notification	Friday, September 6, 2019
Receive Submittals	Friday, September 27, 2019
Interviews	Week of October 14, 2019
Notice to Proceed/Resolution Approval	Monday, November 4, 2019

3.2 The City reserves the right to adjust the timeline for the project.