



**Fashion Institute  
of Technology**

**Request for Proposal  
Health & Welfare Benefits Consulting Services**

**RFP # C1247**

**January 23, 2015**

## TABLE OF CONTENTS

Title Page	1
Table of Contents	2
Notice to Firms	3
Schedule	4
Background, Objective and Term	6
Requirements	9
Fee Proposal	10
College Responsibilities	10
Evaluation Criteria	10
Appendix I: Scope of Services	12-14
Appendix II: Proposal Analysis Sheet	15

## **NOTICE TO FIRMS**

### **Fashion Institute of Technology**

#### **Health & Welfare Benefits Consulting Services**

#### **RFP # C1247**

Sealed proposals which must include the entire proposal package for the above titled work on behalf of the Fashion Institute of Technology (“FIT” or “College”) must be received by the FIT Purchasing Department at 333 7<sup>th</sup> Avenue, 15<sup>th</sup> Floor, New York, New York 10001-5091 on or before the date proscribed herein.

Each proposal must be identified on the outside of the envelope with the name and address of the proposer and designated as proposal for the project titled above. When a sealed proposal is placed inside another delivery jacket, the proposal delivery jacket must be clearly marked on the outside:

**“PROPOSAL ENCLOSED TO BE OPENED ONLY BY AUTHORIZED OFFICIAL”**

**and**

**“ATTENTION: MS. MARJORIE DUGAS, PURCHASING OFFICE”**

The Fashion Institute of Technology will not be responsible for improper delivery of proposals that do not comply with these instructions. Late proposals will be returned unopened.

Only those proposals received by FIT’s Purchasing Office on or before Tuesday, February 17, 2015 at 4:00 PM will be considered.

**FIT in its sole interest and discretion may accept or reject any proposal submitted.**

**Health & Welfare Benefits Consulting Services  
RFP # C1247**

**SCHEDULE**

RFP Release Date January 23, 2015

Written questions may be submitted to Marjorie Dugas, Purchasing Agent, via email at [marjorie\\_dugas@fitnyc.edu](mailto:marjorie_dugas@fitnyc.edu) or via facsimile at 212-217-3631 to the attention of Marjorie Dugas. Answers will be provided to all firms in a timely manner. Please reference the RFP Number when submitting questions.

Last Day for Receipt of Written Questions January 30, 2015

Proposal Due Date February 17, 2015

Presentations/Interviews (at FIT's discretion) March 2-6, 2015

Selection of Consultant March 12, 2015

Kick-off Meeting/Commencement of Work (Approximate) Week of March 16, 2015

## **BACKGROUND, OBJECTIVE, AND TERM**

### **Background**

The Fashion Institute of Technology (“FIT” or “College”), founded in 1944, is a community college of art and design, fashion, communications, business and technology of the State University of New York (SUNY). FIT currently has a total enrollment of approximately 9,800 students which are made up of approximately 7,400 students who study full time and another 2,400 who take part-time classes. The College offers the following degrees: Associate of Applied Science Degrees, Bachelor of Science Degrees, Bachelor of Fine Arts Degrees, Master of Professional Studies Degrees, Master of Arts Degrees, and a Master of Fine Arts Degree. The College offers over 45 Majors and 8 Certificates. Located in the Chelsea area of Manhattan, FIT’s facilities are located on West 27<sup>th</sup> Street, between 7<sup>th</sup> and 8<sup>th</sup> Avenues, and are composed of classrooms, administrative offices, computer labs and studios. The campus also includes the Gladys Marcus Library and The Museum at FIT. Four residence halls serve approximately 2,300 students.

FIT currently employs approximately 2,204 full-time and part-time faculty and staff. FIT maintains a comprehensive benefit program for its full-time employees including a medical plan for single and family coverage; basic life and accidental death and dismemberment insurance with an option for additional voluntary life insurance for the employee only; basic long-term disability insurance with an option for a reduced elimination period and/or increased benefit; a flexible spending account (health care and dependent care account); transportation expense plan. The prescription drug benefit is part of the package of benefits offered by the United College Employees (UCE) of FIT Welfare Trust Fund which also includes dental insurance, vision reimbursement program, and legal services. FIT offers the retirement plans sponsored by SUNY. There are approximately 840 benefit eligible full-time employees on our Medical Plan with an additional 858 enrolled dependents. FIT offers a reduced package of benefits for its part-time employees (Adjunct Faculty and Staff).

### **Objective**

The Office of Human Resources at FIT is requesting proposals from Health & Welfare Benefits Consulting organizations to assist FIT administrators with strategic planning, plan management, vendor renewals and contracting, financial management and budgeting, compliance and benefit delivery for the health and welfare benefit plans and programs provided to active employees and their eligible dependents. In addition, FIT desires to conduct a medical claims audit and a dependent eligibility verification audit. Please refer to Appendix I for the specific scope of services being requested.

The College’s primary objectives are to achieve benefit plans that have competitive plan design and financial arrangements, including cost containment initiatives, exceptional customer

service for both the participants and administrators, as well as administration consolidation where feasible.

The College seeks proposals from interested organizations who have successfully managed this type of project for other colleges and universities, particularly public institutions. Proposals will be evaluated and the College will award a contract. Under no circumstances will the College be liable for any cost neither incurred by the Consultant in preparation and/or production of a Proposal nor for any work performed prior to FIT's written authorization to proceed on the contract.

FIT encourages the submission of proposals from certified minority and women-owned business enterprises.

Any proposed subcontracting is subject to review and approval by FIT.

## **TERM**

The term of this contract will be for two years with two two-year renewal options, commencing with the calendar year ending December 31, 2016.

## **REQUIREMENTS**

All Consultants shall meet the following requirements and furnish all necessary information with the Proposal. Submit one (1) complete original and two (2) complete hard copies of the Proposal, as well as one (1) electronic version of the Proposal via CD or Flash Drive which should be included with the proposal from which we can extract responses for insertion onto an evaluation chart. Failure to comply with these requirements shall be grounds for rejection of your Proposal. FIT reserves the right to determine that the Consultant has substantially met all the requirements of the RFP and/or ask for additional information. Those items for which the Consultant(s) have or assert proprietary rights, or which must, under prior contract, remain confidential, shall be clearly indicated. Submission of Proposal shall be deemed to grant FIT the right to utilize submissions in any way, with or without prior notice. Absent affirmative assertion, the College reserves such right to use.

Proposals shall be submitted on or before **4:00 PM on Tuesday, February 17, 2015** to:

MS. MARJORIE DUGAS  
PURCHASING AGENT  
FASHION INSTITUTE OF TECHNOLOGY  
PURCHASING OFFICE  
333 7<sup>th</sup> AVENUE, 15<sup>th</sup> FLOOR  
NEW YORK, NY 10001-5091

Questions shall be submitted in writing to the attention of Ms. Marjorie Dugas, Purchasing Agent, via facsimile to number 212-217-3631 or via email at [marjorie\\_dugas@fitnyc.edu](mailto:marjorie_dugas@fitnyc.edu) no later than **4:00 PM, Friday, January 30, 2015**. Answers will be provided in writing in a timely manner.

Consultant shall provide a comprehensive and complete proposal with individual sections. Each section shall be tabbed and organized in the sections detailed below. Each section shall contain, at a minimum, the information described herein. If your response varies between consulting on Health Care Plans and consulting on Welfare Plans, please describe separately. The proposal assumes that the services you propose to provide are at no cost unless the cost is indicated.

Consultant shall provide with its Proposal:

### **1. Organizational Background**

- a. A brief description of your organization's history, including its ownership/organizational structure, years in business in general and specifically in providing benefit consulting services, and philosophy/culture. Describe any significant historical or future organizational developments (i.e., acquisitions and mergers).
- b. Describe the size of the organization, scope of services provided, and staffing.
- c. Identify what distinguishes your organization from other consultants and brokers.

### **2. Account Management**

- a. Describe how clients are managed at your organization.
- b. Identify the professionals in the firm who would comprise FIT's engagement team and indicate the roles and responsibilities of each team member, their office location, and their relevant experience and education. Resumes should be attached to the firm's Proposal.
- c. For the lead consultant(s) assigned to FIT's account, how many clients do they manage?
- d. How often would you meet with our team in person throughout the year? On average, how often do you expect to be in contact with us throughout the year? Would weekly or bi-weekly calls be included in the proposed scope of work, if we request them?
- e. Provide a description of your internal controls for handling confidential information, including your policies related to HIPAA compliance.

### **3. Strategic Planning and Benefits Consulting**

- a. Describe your experience with health and welfare benefit plans and programs to public entities and describe your experience assisting organizations that have collective bargaining agreements. Be sure to indicate the type of information your firm can provide to assist us in our contract negotiations.

- b. Please provide at least two case studies demonstrating how you have lowered health care plan costs for a client. At least one case study should include an organization that insured a heavily unionized population.
- c. Please describe a unique or innovative program that your organization developed for a client in regard to their health care plan. Include a brief description of an outcome.

#### **4. Health and Welfare Plans Analysis**

- a. Describe the process you would undertake to analyze our health and welfare benefit plans.
- b. Describe your ability to negotiate and re-negotiate the terms and conditions of the various benefit plans. Describe in detail the process, tactics, and expertise your organization uses for carrier renewals and negotiations.
- c. What factors do you take into consideration when marketing a benefit plan? Describe what steps are taken during your RFP process. How often would you perform RFPs on our behalf?
- d. Describe the implementation of new program and plans and your service/support approach.
- e. List the type of financial reports provided by your company, and the frequency. Indicate whether these reports are included in your scope of services and attach a sample.
- f. Describe your organization's ability to perform projections of medical claims and expenses, analysis of funding requirements, and the development and implementation of contribution rates.
- g. Describe your organization's experience with data warehouses and medical management programs.
- h. Describe your firm's experience with designing and implementing wellness programs.

#### **5. Regulatory Compliance**

- a. Describe your ability to monitor regulatory and legislative developments at both the state and federal level and describe how the information is disseminated to clients.
- b. Describe the compliance services your organization provides, including your role as it relates to the Affordable Care Act (ACA) and other governmental requirements.

#### **6. Communication and Enrollment Support**

- a. Please describe your ability to produce communications, including newsletters, enrollment guides, new hire materials, wellness brochures, and other types of communications related to employee benefit plans.
- b. Please include samples of your employee communications and indicate the communications that would be included in your proposed scope of services.



- c. Are you available to meet with our employees for annual enrollment meetings, if requested?

## **7. Compensation and Service Agreements**

- a. List and describe the proposed cores services that will be provided and the associated annual compensation. Please include your TOTAL FEE, inclusive of any commissions.
- b. Please indicate whether you are licensed to receive any commissions, and whether you would offset your quoted fee above with any commissions that you receive.
- c. Please indicate how long you are willing to guarantee the fee you are quoting, and if you are providing any performance guarantees.
- d. If you are providing performance guarantees, explain what triggers collection of the guarantee.
- e. Indicate what other types of services your firm offers that are not included in the scope of services you are providing.
- f. Please include a draft copy of the Consulting Agreement and Business Associate Agreement you would expect us to sign in the event we engage you for services.

## **8. Professional Experience and References**

Provide a list of other clients for whom the organization provides similar services. Please indicate which client is a college or university and whether the institution is a private or public college or university.

Please provide four references (college or university preferred) for whom you provide or have provided similar services and include a contact name and telephone number. At least three of the references must be current clients and at least one of the references should be located in New York City. Please include one reference from a client that terminated services. To the extent possible, please provide references from organizations that have worked with the client team you are proposing.

Please provide a description of the project/service provided, contact person, title, and telephone number. FIT reserves the right to contact and verify references provided.

## **9. Conflict of Interest**

Your organization should list and describe all professional and personal relationships of the individuals who would assigned to the FIT account, as well as the organization, its partners and senior employees, involving the Fashion Institute of Technology, the State University of New York, the State of New York, and the City of New York (the entities and its employees) for the past five years.

## FEE PROPOSAL

The organization shall provide a fixed fee proposal in accordance with the **Proposal Analysis Sheet (Appendix II)**. Please provide fees based on the **Scope of Services (Appendix I)**.

The successful bidder will be paid for services under the contract by ACH transfer and agrees to provide the necessary banking information to FIT prior to the commencement of work. The attached Scope of Services would be incorporated into your multi-year contract with FIT.

## COLLEGE RESPONSIBILITIES

The managers and staff of the College's financial and administrative offices will be available to assist the organization by providing all required documents, schedules, information and interviews. It is assumed that all work performed by the organization to fulfill the requirements of this engagement will be performed at the organization's office. The College will not provide the organization with work space during the term of this engagement.

## EVALUATION CRITERIA

All proposals must be complete and convey all of the requested information, in the prescribed format, in order to be considered responsive.

Proposals will be evaluated by a committee on the basis of the criteria listed below. The following criteria as well as possible interviews of selected finalists will be considered in award determination:

- |  |     |
|--|-----|
| 1. Firm Qualifications, Benefit Consulting Expertise & Resources       | 50% |
| a. The proposal  |     |
| b. Ability to perform scope of work as described in RFP                |     |
| c. Relevant health care consulting experience of the firm              |     |
| d. Qualifications and experience of the proposed service team          |     |
| e. Firm resources and subject matter expertise                         |     |
| 2. Availability  | 10% |
| a. Service team responsiveness and timeliness                          |     |
| b. Ability to participate in union contract negotiations & discussions |     |
| 3. Cost of Services  | 20% |
| 4. Interviews  | 20% |

FIT reserves the right to award the Contract to the Organization with the highest score on criteria 1 through 3 or to interview firms with the highest score on the sum of criteria 1 through 3. If interviews are conducted, FIT will award the Contract to the Organization with the highest score on the sum of criteria 1 through 4.

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## **APPENDIX I**

### **Scope of Services**

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#### 1. Health & Benefits Services for Medical, Prescription Drug, Dental, Vision, Life, Disability, FSA, COBRA, Stop Loss and Voluntary benefits

- Multi-year strategic planning to meet cost, quality, utilization goals and business objectives
- Annual benchmarking
- Annual plan design recommendations, modifications & implementations
- Assistance with annual network evaluations, recommendations and analysis
- Support negotiations in collective bargaining arrangements
- Vendor evaluations
- Vendor renegotiations and contracting
- Vendor RFPs
  - Develop customized questionnaire
  - Select vendor recipients and provide RFP to FIT for distribution
  - Receive and analyze proposals
  - Prepare summary evaluation report
  - Develop guarantees relating to vendor(s) performance of required services
  - Negotiate final terms with selected vendor

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#### 2. Financial Analysis and Budget Preparation

- Benefits budget projections (gross and net) and contribution modeling
- Rate development
- Financial projections (including claims, cash flow, renewal calculations and annual Incurred But Not Reported (IBNR) calculations)

### 3. Vendor and Account Management

- Day-to-day account management
  - Assistance with escalated claims issues
  - Monitoring of vendor performance guarantees
  - Manage projects, coordinate timelines and resources, including vendors, HR, and finance
  - Assistance with implementations, renewals, and issues related to annual and ongoing enrollment
- 

### 4. Health and Benefit Compliance

- Review and preparation of 5500 forms and SARs
  - Assistance meeting requirements for ERISA, HIPAA, COBRA, and PPACA (health reform)
  - Timely alerts regarding legislative and regulatory updates
  - Customized CMS notices to distribute to employees and filing of the notice to CMS on behalf of the plan
- 

### 5. Affordable Care Strategy

- Annual review of employer mandate impact
  - Analysis of potential costs and liabilities with the definition of full-time employee to 30 hours per week
  - Determining the affordability and value of medical insurance options
  - Model financial implications of retaining or eliminating health insurance over coming years
  - Plan design accommodations to avoid excise tax on high cost health plans (the “Cadillac Tax”)
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### 6. Health and Benefits Communications

- Annual Open Enrollment Newsletters, professionally designed and written to FIT’s specifications, including benefits changes and wellness program overviews
- Up to 2 Benefits Guides annually
- Laws and Notices, updated as required

- Print management, and delivery of PDF materials for intranet use (printing and other third party charges not included)
- Letters to employees explaining changes in legislation and benefits throughout the year as needed
- Up to two days of onsite open enrollment support per year

**Additional One-time Services:**

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1. Medical Claims Audit

On site Aetna medical vendor claims audit and full audit report

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2. Dependent Eligibility Audit

A – full dependent eligibility audit

B- Partial (statistically significant sample) dependent eligibility audit

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**APPENDIX II**

**PROPOSAL ANALYSIS SHEET**

**HEALTH & WELFARE BENEFITS CONSULTING SERVICES  
RFP No. C1247**

**Description**

	<b>Cost</b>
<b>Scope of Services outlined in Appendix I</b>	
All inclusive fixed price for services (year 1)	_____
All inclusive fixed price for services (year 2)	_____

**Firm:** \_\_\_\_\_  
(Print Company Name)

**By:** \_\_\_\_\_  
(Signature of Authorized Representative)

**Name:** \_\_\_\_\_  
(Print Name of Representative)

**Title:** \_\_\_\_\_  
(Print Title of Representative)

**Telephone:** \_\_\_\_\_

**Facsimile:** \_\_\_\_\_

**Federal ID#:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**IMPORTANT: This proposal analysis page is the only pricing format acceptable. Organizations must submit pricing using this form. FIT will not accept proposal responses on any other form.**