



Solicitation Information

May 31, 2016

RFP #7550651

TITLE: Long-term Disability Insurance – Higher Education

Submission Deadline: June 29, 2016 at 2:30 PM (ET)

Questions concerning this solicitation may be e-mailed to the Division of Purchases at gail.walsh@purchasing.ri.gov no later than **Friday, June 10, 2016 at 5:00 PM (ET)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP# on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: No
BOND REQUIRED: No

Vendors must register on-line at the State Purchasing Website at www.purchasing.ri.gov.

NOTE TO VENDORS:

Offers received without the entire completed three-page RIVIP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

SECTION 1: INTRODUCTION

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Board of Education, is soliciting proposals from qualified firms, individuals and organizations to provide long-term disability insurance, in accordance with the terms of this solicitation and the State's General Condition of Purchase (available on the Internet at www.purchasing.ri.gov).

The RI Board of Education wishes to obtain long-term disability (LTD) insurance covering certain employees (approximately 2,600 employees) of the Office of the Postsecondary Commissioner the University of Rhode Island, Rhode Island College, and the Community College of Rhode Island. The firm selected will be rated at least A- (Excellent) by the A. M. Best Company or AA by Standard & Poor's Ratings or Aa by Moody's Investor Services Ratings.

This is a Request for Proposals, not an Invitation for Bid. Responses will be evaluated on the basis of the relative merits of the proposal, in addition to price; there will be no public opening and reading of responses received by the Division of Purchases pursuant to this Request, other than to name those offerors who have submitted proposals.

INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:

Potential offerors are advised to review all sections of this Request carefully, and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this request will be rejected as being non-responsive.

All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content shall be borne by the offeror. The State assumes no responsibility for these costs.

Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.

All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.

Proposals misdirected to other State locations or which are otherwise not present in the Division of Purchases at the time of opening for any cause will be determined to be late and will not be considered. Proposals faxed or e-mailed to the Division of Purchases will not be considered. For the purpose of this solicitation, the official time clock is located in

the reception area of the Division of Purchases, (Dept. of Administration), One Capitol Hill, Providence, RI.

It is intended that an award pursuant to this Request will be made to a prime contractor, who will assume responsibility for performing all contracted services. Joint venture and cooperative proposals will not be considered, but subcontracts are permitted, provided that their use is clearly indicated in the offeror's proposal, and the subcontractors proposed to be used are identified in the proposal.

All proposals should include the vendor's FEIN or Social Security number as evidenced by a W9, downloadable from the Division's website at www.purchasing.ri.gov.

The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.

In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the state until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401 222-3040). *This is a requirement only of the selected vendor.*

Bidders are advised that all materials submitted to the State of Rhode Island for consideration in response to this Request for Proposals will be considered to be public records, as defined in Title 38, Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection immediately upon request, once an award has been made.

Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.

Equal Employment Opportunity (RIGL 28-5.1)

§ 28-5.1-1 Declaration of policy. – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies in all areas where the state dollar is spent, in employment, public service, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Employment Opportunity Office, at (401) 222-3090. Contact EEO Administrator via e-mail at Raymond.lambert@doa.ri.gov.

The vendor should be aware of the State's Minority Business Enterprise (MBE) requirements which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information visit the website at www.mbe.ri.gov. Contact the MBE Administrator at (401) 574-8670 or Dorinda.keene@doa.ri.gov.

Under HIPAA, a “business associate” is a person or entity, other than a member of the workforce of a HIPAA covered entity, who performs functions or activities on behalf of, or provides certain services to, a HIPAA covered entity that involves access by the business associate to HIPAA protected health information. A “business associate” also is a subcontractor that creates, receives, maintains, or transmits HIPAA protected health information on behalf of another business associate. The HIPAA rules generally require that HIPAA covered entities and business associates enter into contracts with their business associates to ensure that the business associates will appropriately safeguard HIPAA protected health information. Therefore, if a Contractor qualifies as a business associate, it will be required to sign a HIPAA business associate agreement.

SECTION 2: SCOPE OF WORK

Proposed contract term: Three years fixed / guaranteed. Option to renew for one additional two-year term.

Scope of Work:**The long-term disability insurance proposal should include the following terms:**

TERMS / BENEFITS	DEFINITIONS
Eligible Classes	All Faculty and non-classified employees eligible for income benefit (includes ERS participants). Classified employees participating in the BOG retirement plan.
Eligibility Waiting Period	1 year of service in an Eligible Class
Work Test	Faculty must work at least half time (17.5 hrs) & non-classified staff must work at least 20 hrs
Elimination Period	6 months (Recurrent within 12 months no Elimination Period)
Benefits Start	1st day of month after end of Elimination Period
Normal Occupation Period	1st 24 months after Elimination Period
Any Occupation Period	End of Normal Occupation Period & continues while benefits are payable
Maximum Benefit Period	61 or younger to age 65, or 5 yrs, - Age 62, 3 yrs, 6 mos - Age 63, 3 yrs - Age 64, 2 yrs, 6mos - Age 65, 2 yrs - Age 66, 1 yr, 9 mos - Age 67, 1 yr, 6 mos - Age 68, 1 yr - 3 mos - Age 69 or older - 1 yr MAXIMUM: 60% Monthly Wage Base not to exceed a benefit of \$7,000 per month less sum of the Benefits from Other Sources that apply to the same month. MINIMUM: Not less than \$100; or if greater, 10% of the Monthly Income Benefit before Benefits From Other Sources are subtracted.
Monthly Income Benefit COLA	3% COLA deferred 3 years
Monthly Annuity Premium Benefit	14% of Monthly Wage Base for BOG Retirement Participants
Survivor Income Benefit	N/A (or) No Survivor Income Benefits
Mental/Nerve, Alcohol & Drug Abuse	24 months limitation on Mental/Nervous, Alcohol & Drug abuse
Felony or Riot Mandatory Rehabilitation	No benefits will be paid - Disabilities resulting from an intentionally self-inflicted condition, war, suicide, felony, loss of a professional license, occupational license or certification, participation in a riot or while incarcerated. Benefits can be discontinued for refusal
Rehabilitation Services	Not limited to: vocational testing, job preparation, career counseling, retraining, job analysis, & work place modification
Notice of Decision on Claim	Within 45 days after receiving application
Review Procedure	Request in writing within 90 days after receiving denial notice
Proof of Disability	Written proof within 12 months after the start of the disability
Social Security Disability Assistance	Application and appeals help
Customer Service	High level, including toll-free access for employees
FICA, Taxes withholding & Reporting	Forwards deductions, reports to employees
Administrative Web Site	Available to administrators
Partial Disability Benefits	Definition of eligibility. Less than 20% of monthly wage base
Communications	Provide appropriate plan information to covered employees
Single Point of Contact	Single Point of Contact for all customer questions and issues
Compliance with HIPAA	Evidence of compliance with HIPAA for access to PHI
3rd Party Arbitration Procedure Between Employee & Insurance Company	3rd Party Arbitration Procedure Between Employee & Insurance Company
Grace Period	30 day grace period for premium payments

However, if there are features that the offeror believes should be modified, eliminated, or added, they should be included, with explanation, in the proposal.

Other Provisions

1. **Ratings.** The firm selected will be rated at least A- (Excellent) by the A. M. Best Company or AA by Standard & Poor's Ratings or Aa by Moody's Investor Services Ratings.
2. **Payment.** The selected firm will be paid for their professional services by the University of Rhode Island (URI) on behalf of all the insured organizations. The Commissioner of Higher Education delegates to URI the right to make partial payments if circumstances warrant.
3. **Access to records.** The selected firm will have reasonable access, through requests to the Board of Education, to any records, documents and personnel, etc., which they deem necessary and appropriate to the conduct of the contracted services. All information gained from such access will be treated as confidential unless other arrangements are approved by the Board of Education. The successful proponent may be required to sign a confidentiality agreement before commencing the engagement.
4. **Lowest Bid.** The State reserves the right to reject the lowest bid. It may also reject all bids. In either case, the reason for the action shall be documented.
5. **Pre-bid Questions.** Interested parties may e-mail questions to the Division of Purchases (see page 1 of this solicitation). Questions received, if any, will be posted on the internet, as an addendum to this solicitation.
6. **Customer Service Staff.** Every effort will be made to maintain customer service staff continuity during the course of the contract. The offerors will submit a list of the principal customer service staff prior to commencing the project. The Board of Governors reserves the right to approve/reject project staffing.
7. **Technical Advice.** The offeror will keep the Board of Education and the institutions advised of long-term disability insurance financial, operational, and legal developments that may affect them. This advisement may include presentations to the Board of Governors and institution management.
8. **Termination of Service.** The State/Board of Education reserve the right to terminate the contract for cause at any time in accordance with the State of Rhode Island's general conditions of purchase.

SECTION 3: TECHNICAL PROPOSAL

The Technical Proposal must contain the following sections:

Executive Summary

The Executive Summary is intended to highlight the contents of the Technical Proposal and to provide State evaluators with a broad understanding of the offeror's technical approach and ability.

Offeror's Organization and Staffing

This section shall include identification of key staff and/or subcontractors proposed as members of the customer service team, and the duties, responsibilities, and concentration of effort which apply to each (as well as statements of prior experience and qualification).

Approach Proposed

This section shall describe the offeror's understanding of the State's requirements, including:

- The proposal's intended and desired results.
- A description, discussion, and justification of the approach proposed to be taken and the technical issues that will or may be confronted at each stage on the project. It shall describe the benefits and services to be provided (including loss prevention programs and rehabilitation services), administrative procedures to be followed, customer service contacts, required client information and schedules, reports to be provided to customer management, and contract performance metrics. Any changes to the terms listed under the Scope of Work shall be explained in detail.
- A workplan description including a detailed proposed project schedule (by task and subtask), a list of tasks, activities, and/or milestones that will be employed to implement and administer the contract, the assignment of key customer service staff and concentration of effort for each, and the attributable deliverables and service metrics for each.

Previous Experience and Background

This section shall include the following information:

At least three references of current clients with LTD programs similar in size.

A description of the business background of the offeror (and all subcontractors proposed), including a brief description of their financial position, history of the firm.

A history of book-of-business rate increases for the last five years.

SECTION 4: EVALUATION AND SELECTION

Proposals must score a minimum of 55 out of 70 technical points to warrant further consideration. The 55 minimum score determines a “qualified vendor.” Technical proposals scoring 55 points, at a minimum, will have the accompanying cost component opened and evaluated.

The submitted cost proposal will reflect pricing for a three-year term with the option to renew for one additional two-year term. Accordingly, respondents should price for the maximum five year contract term.

Responses will be evaluated using the following criteria:

Qualifications of the firm	25 points
Customer service staff qualifications	10 points
Insurance coverage provided	25 points
Loss prevention and rehabilitation services provided	10 points
Total Technical Score	70 points (maximum)
Cost Evaluation	<u>30 points</u> (maximum)
	100 points

The State may, at its sole option, elect to require presentation(s) by offerors clearly in consideration for “qualified” status.

Notwithstanding the above, the State reserves the right to accept or reject any or all offers, and to act in its best interest.

Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.

SECTION 5: PROPOSAL SUBMISSION

Questions concerning this solicitation may be e-mailed to the Division of Purchases at gail.walsh@purchasing.ri.gov no later than the date and time indicated on page one of this solicitation. Please reference the **RFP # 7550651** on all correspondence. Answers to questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. For computer technical assistance, call the Help Desk at 401 222-3766 or lynda.moore@doit.ri.gov.

Interested offerors may submit proposals to provide the services covered by this Request on or before the date & time indicated on page one of this solicitation on or before the date & time indicated on page one of this solicitation. Proposals received after this time and date will not be considered.

Responses (**an original plus three (3) copies**) should be mailed or hand-delivered in a sealed envelope marked “**RFP # 7550651: Long-Term Disability Insurance – Higher Education**” to:

**RI Dept. of Administration
Division of Purchases, 2nd floor
One Capitol Hill
Providence, RI 02908-5855**

NOTE: Proposals received after the above-referenced due date and time may not be considered. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed to the Division of Purchases will not be considered. The official time clock is located in the reception area of the Division of Purchases.

Proposals must include the following:

- A completed and signed three-page R.I.V.I.P. generated bidder certification cover sheet, downloaded from the R.I. Division of Purchases Internet home page at www.purchasing.ri.gov.
- **A separate signed, sealed, and separate detailed Cost Proposal.**
- **A separate Technical Proposal** as described above.
- A completed and signed W-9 downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.

In addition to the multiple hard copies of proposal required, Respondents are requested to provide their proposal in electronic format (CD-Rom, disc, or flash drive). Microsoft Word / Excel or PDF format is preferable. Only 1 electronic copy is requested and it should be placed in the proposal marked “original.”