Request for Proposals
Health Benefits

I. INTRODUCTION

The Livingston Education Service Agency ("Agency") is interested in selecting a firm that can provide one or more ways of providing quality benefit plans that will lower health care costs. Our request is one of "concept" and not a regular Request for Proposal ("RFP") where the Agency's data is shared with vendors and proposed costs are reported back based on benefit designs.

The respondents are being asked in this case to provide as much detail as is required to explain current methods that are being used or concepts that can be used to lower costs for their clients. This information will be utilized by the Agency to establish a new vendor relationship for health benefits coverage.

II. RFP TIMELINE & RESPONSE INSTRUCTIONS

Proposals will be accepted until **Friday, June 5, 2009, 4:00 p.m., EST.**

One (1) original and seven (7) copies of the proposal shall be submitted in accordance with the specifications contained herein. Completed proposal documents shall be enclosed in a sealed envelope marked with the name of the firm submitting the proposal and **"Health Benefits Concept Proposals."**

Proposals mailed shall be sent directly to:

R. Michael Hubert, CPA
Assistant Superintendent
Livingston Educational Service Agency
1425 W. Grand River Ave.
Howell, MI 48843

III. COMPANY QUESTIONNAIRE

1. Describe your organization, its history and size (revenue and number of employees) as well as location(s).

2. Describe your organization's experience working with school districts. Include experiences with represented and non-represented staff. If no school district experience, describe your experience with other public entities.

3. Provide at least three (3) current school district client references and one (1) former client reference. Please provide the name of the entity, a contact name and phone number.

IV. RIGHT TO REJECT

The Agency reserves the right to accept or reject any or all Proposals, in whole or in part, and to waive any irregularities therein and accept a bid that will best serve the interest of the Agency.

V. CLARIFICATIONS

Any questions are to be directed to R. Michael Hubert at (517) 540-6810 hubertm@livingstonesa.org.

VI. RIGHT TO REQUEST ADDITIONAL INFORMATION

The Agency reserves the right to request any additional information that may be deemed necessary after opening the Proposals.

VII. INCURRED COSTS

The Agency is not responsible for any costs incurred by any Vendor for any work performed relative to the preparation of a Response to this RFP, including the costs for the preparation of the information solicited herein.

VIII. LESA GROUP INFORMATION:

- **Total employee count** – Approximately 400 full and part-time staff comprised of the following:
    - Administrators – 20
    - Teachers & Professional Staff – 200
    - Paraprofessionals – 70
    - Clerical, Technology, & Maintenance – 55
    - Early Childhood – 55

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- **Employee count by plan design** (291):
  - BCBSM 002 Traditional w/ MM (1)
    - 2-Person: 1
  - BCBSM 003 Flexible Blue 1,250/2,500 (36)
    - 1-Person: 31
    - 2-Person: 3
    - Family: 2
  - BCBSM 660 Community Blue 1 (41)
    - 1-Person: 34
    - 2-Person: 4
    - Family: 3
  - BCBSM 015 Community Blue 15 Wrapped w/ EHIM (195)
    - 1-Person: 43
    - 2-Person: 36
    - Family: 116
  - BCBSM HMO (18)
- **Annual BCBSM Premium by plan design** ($2,118,503):
  - 002 Traditional: $12,456
  - 003 Flexible Blue: $186,913
  - 660 Community Blue 1: $300,380
  - 015 Community Blue 15: $1,618,754
- **Prescription Coverage:**
  - BCBSM 003 Flexible Blue: The BCBSM prescription drug card is part of the HSA.
  - All other BCBSM Plans: Self-Insured through EHIM with $5/$15/$25 co-payment.
- **Funding Arrangements by Employee Group beginning July 1, 2009:**
  - **Paraprofessionals** – The Agency funds the $1,250/$2,500 HSA and the maximum employer contribution towards health and prescription drug coverage premiums of:
    - 1-Person: $407
    - 2-Person: $901
    - Family: $1,065

- **Transportation** - Maximum Agency contribution towards health and prescription drug coverage of:
  - 1-Person: $577
  - 2-Person: $1,245
  - Family: $1,427
- **All Other Employees –**
  - The Agency's contribution towards health benefits premiums is limited to the first 5% of the premium increase while the employee pays the next 5% of the premium increase. The remaining increase over 10% is shared equally between the Agency and the employee.
  - The Agency self-funds and fully covers the $2,500/$5,000 deductible on the BCBSM Community Blue 15 plan through the EHIM TPA.
  - The Agency self-funds the prescription drug costs.

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IX. AFFIDAVIT OF BIDDER

FAMILIAL RELATIONSHIP
DISCLOSURE STATEMENT

I do herewith swear that I as owner, and/or any of my employees

DO ____ DO NOT ____ have a familial relationship with any member of the

Livingston Educational Service Agency school board or the superintendent of the Agency.

If yes, please complete the following:

_____ _____
Contractor or Employee Name Relationship

_____
To Whom (L.E.S.A. Employee as described above)

The undersigned appeared before me this ____day of _____2009.

_____
Legal signature of Owner

State of Michigan

County of _____

Subscribed and sworn to before me this _____ day of _____ 2009.

_____ My Commission expires _____
Notary Public

X. STATEMENT OF COMPLIANCE WITH FEDERAL LAW

The Livingston Educational Service Agency complies with all Federal laws and regulations of the U.S. Department of Education. It is the policy of the Livingston Educational Service Agency that no person on the basis of race, color, religion, national origin or ancestry, age, sex, marital status, handicap, or limited English proficiency shall be discriminated against, excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in any program or activity to which it is responsible or for which it receives financial assistance from the U.S. Department of Education.

FEDERAL LAW COMPLIANCE CONTACT:

LIVINGSTON EDUCATIONAL SERVICE AGENCY
JANET HALE
1425 W. GRAND RIVER AVENUE
HOWELL, MICHIGAN 48843
(517) 546-5550