



WESLACO

INDEPENDENT SCHOOL DISTRICT
319 W. Fourth Street/P.O. Box 266, Weslaco, Texas 78599-0266 (956) 969-6500

June 26, 2017

The Weslaco Independent School District is accepting proposals for:

**Specific and Aggregate Stop Loss Insurance for
Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)**

Sealed proposals are to be mailed or hand delivered to the attention of Andres Sanchez Jr., CPA, Assistant Superintendent for Business and Finance, Weslaco Independent School District, 312 W. Fifth Street, Weslaco Texas 78596. Please mark your envelope plainly: **Specific and Aggregate Stop Loss Insurance for Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67) due date: Wednesday, August 2, 2017 at 3:00 p.m.**

Sealed proposals will be accepted **until 3:00 p.m. on Wednesday, August 2, 2017** at which time they will be opened. Proposals will be opened but not read publicly in the Office of the Assistant Superintendent for Business & Finance at the above address. Any proposals received late will not be accepted, and will be returned unopened. Weslaco ISD is not responsible for proposals misplaced or mailed incorrectly.

SWBC of San Antonio, Texas, is Weslaco ISD's consultant for Employee Benefits. They will be involved in the evaluation of the proposals and the recommendation to the Board of Trustees.

Please note that District offices will be closed July 14th through July 31st for the summer break.

Please reply using the enclosed forms. **Please submit one original and two copies of your proposal response.** Questions on this Request for Proposals should be submitted in writing via email to: Baldemar Garcia, Purchasing Director (956) 969-6565 fax, bgarcia@wisd.us, Michael De La Rosa, Director of Employee Benefits, mgdelarosa@wisd.us, and Bruce Massey, Insurance Consultant bmassey@swbc.com

The awarding of the proposal will take place at a public school board meeting. The Board of Trustees reserves the right to accept, reject any and/or all proposals, waive minor technicalities, or to award the proposal to the most responsible offeror which best serves the interest of the District.

Please fill out, sign and submit with your proposal response the enclosed IRS Form W-9 and Conflict of Interest Questionnaire. We look forward to hearing from you.

Sincerely,

-Original Signed-

Dr. Priscilla Canales PhD., Superintendent
Superintendent

-Original Signed-

Andres Sanchez Jr., CPA
Assistant Superintendent for Business & Finance

Enclosures

FAILURE TO MANUALLY SIGN THE PROPOSAL (PAGE 9) WILL DISQUALIFY THE PROPOSAL RESPONSE.

WESLACO INDEPENDENT SCHOOL DISTRICT

Specific and Aggregate Stop Loss Insurance for
Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)

PROPOSAL PACKAGE CHECKLIST REMINDER

IN ORDER FOR YOUR PROPOSAL TO BE CONSIDERED IN THE PROPOSAL PROCESS, THE FOLLOWING ITEMS ARE REQUIRED TO BE INCLUDED IN THE PROPOSAL PACKAGE:

DESCRIPTION OF ITEM:	<u>YES</u>	<u>NO</u>
1. GENERAL CONDITIONS AND RFP ASSUMPTIONS (Fill in ALL blank lines as needed, Pages 4 - 6).	_____	_____
2. FELONY CONVICTION NOTIFICATION (Fill in one of the appropriate sections - A, B or C, Page 8).	_____	_____
3. PROPOSAL SPECIFICATION REQUIREMENT FORM (Fill in ALL blank lines as needed, Page 9).	_____	_____
4. PROPOSAL FORMS pertaining to this proposal should have <u>ALL lines filled in as needed.</u>	_____	_____
5. NON-COLLUSION STATEMENT & SIGNATURE SHEET (Fill in blank lines on form completely and sign form Page 11).	_____	_____

Date

Company Representative

The signing of page 9 indicates understanding and acceptance of this proposal's terms and conditions.

WESLACO INDEPENDENT SCHOOL DISTRICT

Specific and Aggregate Stop Loss Insurance for Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)

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The signing of page 9 indicates understanding and acceptance of this proposal's terms and conditions.

WESLACO INDEPENDENT SCHOOL DISTRICT

Specific and Aggregate Stop Loss Insurance for Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)

Section

1

General Information

General Conditions and RFP Assumptions

1. The Weslaco Independent School District is requesting proposals for Stop Loss Insurance (Specific/Aggregate and Rx), with a \$100,000 or \$125,000 Specific Deductible with no lifetime limits and a 12/15 or 12/18 contractual term. Partner Re is the District's current Stop Loss Insurance carrier.
2. Where applicable, all companies submitting proposals must be licensed by the Texas Department of Insurance and be permitted to contract with the State or any of its subdivisions. All insurance carriers must be rated A- or better by AM Best Company.
3. Proposals must be clearly explained and identified. All costs, including optional programs, must be clearly stated and summarized. Exceptions to or deviations from the specifications must be explicitly identified.
4. One (1) original and two (2) copies of the proposal response must be delivered to Andres Sanchez Jr., CPA, Assistant Superintendent for Business & Finance c/o Weslaco ISD, 312 West Fifth Street, Weslaco, Texas 78596, no later than 3:00 PM, Wednesday, August 2, 2017 in sealed envelopes, clearly marked:

Specific and Aggregate Stop Loss Insurance for Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)

5. No telephone or fax proposals will be accepted. Proposals may only be accepted if delivered by U.S. Postal Services, Federal Express, UPS, and other courier services or personally delivered by proposer. The District will not be responsible for missing, lost, or late mail. Any proposals received after the time set for opening will be returned to the proposer unopened upon written request at proposer's expense.
6. The proposals will be opened at 3:00 PM, Wednesday, August 2nd, 2017. The proposals will be opened but not read aloud, to avoid disclosure of contents to competing vendors, and the contents shall be kept secret during the proposal negotiations.
7. **Carriers should submit proposals directly to the District with primary home office contact information. Third Party Submittals will NOT be accepted! Agent compensation may be included in the quote; however, it may not exceed 5% of the total premium. A copy of the agent's license and E&O must be included in the proposal.**
8. Proposals are desired for a primary term of one (1) year with the option to renew for a second year if the terms and conditions are acceptable to the District. Renewal rates are to be provided to the district by June 1 (90 days prior to the anniversary date).
9. All laser deductibles must be disclosed prior to award.

10. Effective date of coverage will be September 1st, 2017. Award of proposal will take place on the next scheduled meeting of the Weslaco ISD Board of Trustees.
11. Public Sector employers are not allowed, under current state law, to execute a document containing a Hold Harmless/Indemnification Clause causing the employer to be responsible for other parties' liabilities. Therefore, your documents should not contain any such clauses.
12. Weslaco Independent School District reserves the right to accept or reject all or any part of the proposal, waive minor technicalities, and award the proposal that best serves the interest of the District. The District also reserves the right to waive or dispense with any of the formalities contained herein. The Weslaco ISD Board of Trustees will make the final decision of agreement of award and agent services if necessary.
13. **Last day for questions regarding this RFP will be July 6, 2017. Requests for information must be submitted via email to:**

Baldemar Garcia
Chief Financial Officer
Weslaco ISD
bgarcia@wisd.us

Michael De La Rosa
Director of Employee Benefits
Weslaco ISD
mgdelarosa@wisd.us

and

Bruce Massey
SWBC Consultant
bmasey@swbc.com

14. COMMUNICATION WITH SCHOOL DISTRICT MEMBERS: Company/agents submitting proposals shall not discuss this RFP with employees of WISD or members of the Board of Trustees. Communication includes but is not limited to unsolicited literature, email, faxes or phone calls related to any aspect of the RFP. If discussion is necessary, you will be notified in writing by any of the three (3) individuals listed in # 12 above. Failure to abide by this requirement will result in automatic disqualification of the agent/company representative and/or the company at the discretion of the District.
15. Proposal is to be based on current \$125,000 of individual specific 12/15 contract. However, the District will entertain other offers that do not exceed \$125,000 of specific. Any deviations must be clearly identified and explained
16. The appropriate enclosed proposal forms which include a Questionnaire, Rate Pages, Felony Conviction Notice, Non-Collusion Statement & Signature Sheet, etc., must be completed and included with the response. An authorized official of the carrier/MGU with legal authority to bind the carrier/MGU must sign all proposal forms submitted. FAILURE TO COMPLETE PROPOSAL FORMS WILL RESULT IN PROPOSAL BEING DISQUALIFIED.
17. The Weslaco Independent School District accepts no financial responsibility for any costs incurred by any proposer in the course of responding to these specifications. Neither the District nor its consultant will assume any responsibility for errors in pricing or submission.
18. The Request for Proposals package will be available for download from our website at www.wisd.us . Look for the caption "Bids & Proposals" on the left side of the main page. Vendors WILL NOT be notified of additional information/addenda postings. It is the vendor's responsibility to view the WISD's web page regularly, &/or prior to submitting a proposal response, to ensure that no addenda or additional information have been issued, or to obtain any addenda that may have been issued, for the solicitation.
19. Proposal is to be based on the provided census as of June 1, 2017 (MS-Excel format).

20. Effective date is September 1, 2017 The District will assist with coordination of the transfer of enrollment information including accumulator information in an electronic format; however, the successful vendor should be prepared with a contingency plan to effect a smooth transition within the time and with the information immediately available.
21. Enforceability - This Contract shall be interpreted, construed, and governed by the laws of the United States and the State of Texas and shall be enforceable in any court of competent jurisdiction in Hidalgo County, Texas.
22. Advertising - Contractor shall not advertise or publish, without the School District's prior consent, the fact that it has entered into this Contract, except to the extent necessary to comply with proper requests for information from an authorized representative of a federal, state or local authority.
23. Gratuities - No gratuities in the form of entertainment, gifts or otherwise, shall be offered or given by Contractor, or any agent or representative of Contractor, to any administrator, employee, or anyone affiliated with the School District with a view toward securing a contract or securing favorable treatment with respect to a contract. Failure to comply with this requirement will cause the proposal to be rejected, or contract (if approved) to be void.

The signing of page 9 indicates understanding and acceptance of this proposal's terms and conditions.

WESLACO INDEPENDENT SCHOOL DISTRICT

Specific and Aggregate Stop Loss Insurance for
Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)

Section
2

District Forms

WESLACO INDEPENDENT SCHOOL DISTRICT

Specific and Aggregate Stop Loss Insurance for
Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)

FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district must give advance notice to the district if the person, owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony." Subsection (b) states "a school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract."

THIS NOTICE IS NOT REQUIRED OF A PUBLICLY-HELD CORPORATION, BUT THE COMPANY REPRESENTATIVE MUST CHECK OFF A SELECTION BELOW (A, B, OR C)

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

AUTHORIZED COMPANY OFFICIAL'S NAME (PRINTED):

AUTHORIZED COMPANY OFFICIAL'S SIGNATURE:

DATE: _____

******* PLEASE CHECK OFF A SELECTION BELOW *******

- () A. My firm is a publicly held corporation, therefore, this reporting requirement is not applicable.
- () B. My firm is not owned and/or operated by anyone who has been convicted of a felony.
- () C. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony:

Name(s) Felon(s) _____

Details of Conviction(s): _____

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WESLACO INDEPENDENT SCHOOL DISTRICT

**Specific and Aggregate Stop Loss Insurance for
Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)**

**PROPOSAL SPECIFICATION REQUIREMENTS
(TO BE FILLED IN BY OFFEROR AND SUBMITTED WITH PROPOSAL)**

Is this proposal in conformance with the enclosed specifications?

Yes _____ No _____

If the answer is no, offeror must identify and explain each exception taken, with reference to each page and paragraph to which the exception will apply.

It should be understood that if no exception is taken the offeror shall supply all items as specified. Failure to indicate any difference in products offered in this proposal may be deemed sufficient grounds for rejection of a vendor's proposal.

Comments: _____

Date

Company Name

Company Representative

The signing of page 9 indicates understanding and acceptance of this proposal's terms and conditions.

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It is the intent of these specifications to secure proposals for:

**Specific and Aggregate Stop Loss Insurance for
Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)**

For further information, Please submit questions in writing via email to:

Bruce Massey
SWBC

Baldemar Garcia
Purchasing Director

Michael De La Rosa
Director of Employee Benefits

bmassey@swbc.com

bgarcia@wisd.us

mgdelarosa@wisd.us

According to the Texas Education Code, Subchapter B, Section 44.031 (b), in determining to whom to award a contract, the district will consider the following:

- (1) The purchase price;
- (2) The reputation of the vendor and of the vendor's goods or services;
- (3) The quality of the vendor's goods or services;
- (4) The extent to which the goods or services meet the district's needs;
- (5) The vendor's past relationship with the district;
- (6) The impact on the ability of the district to comply with laws and rules relating to historically underutilized business: (not applicable)
- (7) The total long-term cost to the district to acquire the vendor's goods or services;
- (8) Any other relevant factor specifically stated in the request for bids or proposals, and
- (9) The vendor or the vendor's ultimate parent company or majority owner has its principal place of business in this state.

The RFP consists of MS-Word, MS-Excel, and Adobe Acrobat Files containing:

1. RFP Document 16 pages (including cover letter) (Adobe)
2. Employee Census with employee information as of June 2017 (Excel)
3. Aggregate & current excess report.
4. Claims Information from Previous Year 2014-2015, 2015-2016 and Current Year - Through May 31.

The signing of page 11 indicates understanding and acceptance of this proposal's terms and conditions.

WESLACO INDEPENDENT SCHOOL DISTRICT

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NON-COLLUSION STATEMENT & SIGNATURE SHEET

The undersigned affirms that he/she is duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this proposal in collusion with any other Offeror, and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

Further, I affirm that prior to or after the opening of this proposal, I (or any representative of my company) will not discuss the contents of this proposal with any person affiliated with Weslaco ISD, other than the Baldemar Garcia, Assistant Purchasing Director, Michael De La Rosa, Risk Manager or Roger Garza, Senior Consultant with Valley Risk Consulting, prior to the awarding of this proposal. I understand that failure to observe this procedure may cause my proposal to be rejected.

I also affirm that no officer or stockholder of the offeror (bidder) is a member of the staff, or related to any employee or Board Trustee of the Weslaco ISD **except** as noted herein _____

By signing this proposal, vendor makes the assurance that vendor has not been debarred or suspended from conducting business with the U. S. Government according to Executive Order 12549 entitled "Debarment and Suspension."

I, _____, fully understand the proposal's requirements and (*Print/Type Name of Company Officer*) specifications.

I have represented the truth concerning the felony conviction notification. I have checked off one of the three statements on the attached felony conviction notification form. I have also signed the form.

COMPANY _____ EMPLOYER I. D. No. _____

ADDRESS _____

CITY, STATE, ZIP CODE _____

TELEPHONE/FAX () _____ / _____ EMAIL ADDRESS _____

SIGNATURE

TITLE

DATE

The signing of this page indicates understanding and acceptance of this proposal's terms and conditions.

WESLACO INDEPENDENT SCHOOL DISTRICT

Specific and Aggregate Stop Loss Insurance for Self-Funded Medical/Rx Employee Benefit Plan (Proposal # 17-08-67)

Section

3

Proposer Questionnaire

Individual Stop Loss Insurance (ISL)/Aggregate Stop Loss Insurance (ASL)

1. Describe the business entity submitting the proposal:

- a. Insurance Company Name: _____
- b. Address: _____
- c. Contact Person: _____
- d. Telephone Number: _____ Fax Number: _____
- e. What percentage of overall business is Health related? _____
- f. Managing Underwriter's Name: _____
- g. Year Founded (Managing Underwriter): _____
- h. Number of years for representing insurance company? _____

2. Describe Financial Stability of Insurance Company:

a.

Financial Rating Service	Current Rating	Prior Year Rating	Prior Two (2) Years Rating
A.M. Best			
Standard & Poor's			
Moody's			

- b. Is Insurance Company authorized to do business in Texas? Yes No

3. Provide five (5) Texas client references (preferably school districts):

Name of Client	Contact Person	Telephone Number	Number of Employees

4. a.) Has the carrier or business entity been a defendant in any lawsuit in any State or Federal Court during any of the preceding five (5) years? Yes No

If yes, identify each lawsuit by party, case number, court, subject matter, and disposition:

b.) Does the carrier or business entity have any claims filed against it which is unresolved and presently pending before any State of Texas Administrative agency? Yes No

If yes, please provide a full description of the matter:

4. Is advance claim funding available? Yes No

5. Insurance coverage

The business entity must provide satisfactory evidence of existing insurance coverage in the amount of \$1,000,000.00 for Errors and Omissions or other fiduciary liability. If the business entity is selected to provide services it must provide evidence that such coverage will be in effect for the duration of the agreement. (Include Copy of Insurance Certificate)

6. If an MGU, do you handle claims in-house? Yes No

7. If not, who handles them?

8. If an MGU, are there additional Insurance Carriers accepting layers of risk? Please disclose the names, addresses and phone numbers of those carries and the percentage of risk taken.

9. ISL and ASL claim payment:

a. Where will claims be paid? _____

b. What is the definition of "paid claim" to be eligible for reimbursement?

c. Can the District's Insurance Department speak directly to claim examiner for questions related to payment of claim? Yes No

d. What is the normal processing time for ISL claim? _____

e. What is normal processing time for ASL claim? _____

f. If the District has negotiated with providers, will these discounts be accepted in lieu of doing a hospital audit? Yes No

g. Describe documentation needed for ISL claim reimbursement:

h. What is the maximum Aggregate Liability limit?

i. Do you provide/require access to transplant networks(s)-centers of excellence direct or through TPA? Yes No

j. Do quoted rates include advance funding for:

Specific Claims? Yes No

Aggregate Claims? Yes No

k. What are the minimum and maximum expected funding levels?

10. Underwriting:

a. How recent must claims experience be in order to provide "final terms"

b. Will any claimants be excluded or assigned a higher deductible? Yes No

If so, please describe: _____

c. Will renewal rates be provided to District 90 days prior to renewal date? Yes No

d. Does your Stop Loss insurance contract have any exclusions or limitations that are more restrictive than those used in the District's Plan document? Yes No

If so, please describe: _____

e. Does your Stop Loss contract have any limits for any of the following:

- Transplants Yes No

- Substance Abuse Yes No

- Mental Nervous Conditions Yes No

- AIDS Yes No

- Other Yes No

f. Are the active-at-work and disabled dependent provisions waived for the effective date of the contract?

Yes No

11. What trend factors have you used in your proposal?

	<u>Utilization</u>	<u>Inflation</u>	<u>Total</u>
Health	_____	_____	_____
Rx	_____	_____	_____

11. Is the quote based on the services of a particular claim administrator or provided network?

Yes No

12. Do you require your TPA to provide Errors & Omissions coverage? At what limits?

Yes No

13. Will your proposal allow for the District to select any TPA or independent PPO network?.

Yes No

14. For what period of time are quoted rates guaranteed? _____

Is a longer rate guarantee available? Yes No

15. Please state any variations to the Request for Proposals or other qualifications for your quote:

16. Is an actual Stop Loss Agreement attached? Yes No

Company Name

Authorized Signature

Address

Type Signatory's Name and Title

Telephone / Fax Number

Email Address