

City of Fayetteville Staff Review Form

2022-0999

Legistar File ID

11/15/2022

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Missy Cole

10/24/2022

HUMAN RESOURCES (120)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends that City Council approve the contract with Brown & Brown of Arkansas, Inc. for benefits brokerage and consulting services in the amount of \$75,000.00 for a one (1) year agreement, with automatic renewals for up to four (4) additional one (1) year terms.

Budget Impact:

1010.120.1220-5314.00

General

Account Number

Fund

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 187,863.00

Funds Obligated \$ 98,813.28

Current Balance **\$ 89,049.72**

Does item have a cost? Yes

Item Cost \$ 75,000.00

Budget Adjustment Attached? No

Budget Adjustment \$ -

Remaining Budget **\$ 14,049.72**

V20210527

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF NOVEMBER 15, 2022

TO: Mayor and City Council
THRU: Susan Norton, Chief of Staff
FROM: Missy Cole, HR Director
DATE: October 24, 2022

SUBJECT: Approval of contract with Brown & Brown of Arkansas, Inc. for benefits brokerage and consulting services.

RECOMMENDATION:

Staff recommends that City Council approve the contract with Brown & Brown of Arkansas, Inc. for benefits brokerage and consulting services in the amount of \$75,000.00 effective January 1, 2023. The initial term of the agreement shall be for one (1) year. The agreement shall automatically renew up to four (4) additional one (1) year terms. Annual renewal shall be subject to annual budget approval by City Council.

BACKGROUND:

The City of Fayetteville published a Request for Proposal (RFP) for a benefits brokerage and consulting services vendor. A committee vetted seven bids, narrowed it down to four bidders who were interviewed, and selected Brown & Brown of Arkansas, Inc.

DISCUSSION:

The City's benefits broker acts as a continuous resource, advising City staff on an ongoing basis concerning how to keep the City legally compliant with federal and state regulations pertaining to benefits administration. The benefits broker assists with long range strategy, plan design and rate negotiations to maximize the value of the City's benefit plans for City staff and their families and minimize costs through the delivery of services. The broker provides on-going review of plan expenses, claims data analysis, and provides benchmark data to City staff. The benefits broker further provides ongoing support and communication to City staff, wellness program development and implementation, benefits technology, education and training opportunities for City staff and some HR consulting services.

BUDGET/STAFF IMPACT:

Funding is based on City Council approval of the 2023 budget.

Attachments:

Contract for Professional Services, Brown & Brown of Arkansas, Inc.
Appendix A: Scope of Work & Fees
Appendix B: City's Solicitation identified as RFP 22-10, Benefits Broker

Appendix C: Brown & Brown's RFP Response
Appendix D: Brown & Brown's Certificate of Insurance
Appendix E Compensation Disclosure Statement



CITY OF
FAYETTEVILLE
ARKANSAS

CONTRACT FOR PROFESSIONAL SERVICES
RFP 22-10, BENEFITS BROKER
between
City of Fayetteville, Arkansas
and
Brown & Brown of Arkansas, Inc.

THIS AGREEMENT is executed this _____ day of _____, 2022, by and between the **City of Fayetteville** acting by and through its Mayor (hereinafter called CITY OF FAYETTEVILLE or CITY) and **Brown & Brown of Arkansas, Inc.** (hereinafter called Brown & Brown).

CITY OF FAYETTEVILLE from time to time requires professional services in connection with the benefits brokerage and consultation services. **Brown & Brown** was selected through RFP 22-10 to provide the scope of work outlined and identified in this contract. Therefore, **City** and **Brown & Brown** in consideration of their mutual covenants agree as follows:

Brown & Brown shall serve as the benefits broker to the CITY in those assignments to which this Agreement applies and shall give consultation and advice to CITY OF FAYETTEVILLE during the performance of services defined in the scope of work. All services shall be performed under the direction of a licensed broker - registered in the State of Arkansas and qualified in the particular field.

1. Contracted parties:

- a. This agreement shall be binding between all parties. Fees for services shall be provided as identified in appendices.

2. Entire Agreement and Exhibits: This Agreement sets forth the entire agreement and understanding between the parties on the subject matter of this Agreement. Parties shall not be bound by any conditions, definitions, representations or warranties with respect to the subject matter of this Agreement other than those as expressly provided herein. This agreement may be modified only by a duly executed written instrument signed by the **City** and **Brown & Brown**.

- a. Appendices included under this agreement include the following and shall govern in the following order. Contract language in this document shall prevail over all exhibits:
 - i. **Appendix A:** Scope of Work & Fees
 - ii. **Appendix B:** City's Solicitation identified as RFP 22-10, Benefits Broker
 - iii. **Appendix C:** **Brown & Brown's** RFP response
 - iv. **Appendix D:** **Brown & Brown's** Certificate of Insurance
 - v. **Appendix E:** Compensation Disclosure Statement

3. **Notices:** Any notice required under this Agreement shall be in writing, addressed to the appropriate party at the following addresses:
- a. **City of Fayetteville:** Attention: Mayor Lioneld Jordan, 113 W. Mountain, Fayetteville, AR 72701
 - b. **Brown & Brown:** Attention: Todd Setser, 1479 Executive Pl., Suite A, Springdale, AR 72762

4. **Fees, Expenses, and Payments:**

- a. The maximum not-to-exceed amount authorized for this agreement is **\$75,000 US DOLLARS** per year, which includes the services and reimbursable allocations itemized in Appendix A. Progress payments shall be paid to the **Brown & Brown** as described in **Appendix A**.
 - b. **Payment Terms:** All invoices are payable upon approval and due within thirty (30) calendar days. If a portion of an invoice or statement is disputed by CITY, the undisputed portion shall be paid. CITY OF FAYETTEVILLE shall advise **Brown & Brown** in writing of the basis for any disputed portion of any invoice. CITY shall make reasonable effort to pay invoices within 30 calendar days of date the invoice is approved.
 - c. Monthly invoices for each calendar month shall be submitted to CITY OF FAYETTEVILLE or such parties as CITY OF FAYETTEVILLE may designate for broker services consistent with **Brown & Brown** normal billing schedule. Once established, the billing schedule shall be maintained throughout the duration of the Project. Invoices shall be made in accordance with a format to be developed by **Brown & Brown** and approved by CITY OF FAYETTEVILLE. Applications for payment shall be accompanied each month by the updated project schedule as the basis for determining the value earned as the work is accomplished. Final payment for professional services shall be made upon CITY OF FAYETTEVILLE'S approval and acceptance with the satisfactory completion of professional services for the Project.
 - d. **Final Payment:** Upon satisfactory completion of the work performed under this Agreement, as a condition before final payment under this Agreement, or as a termination settlement under this Agreement, **Brown & Brown** shall execute and deliver to CITY OF FAYETTEVILLE a release of all claims against CITY OF FAYETTEVILLE arising under or by virtue of this Agreement, except claims which are specifically exempted by **Brown & Brown** to be set forth therein.
 - i. Unless otherwise provided in this Agreement or by State law or otherwise expressly agreed to by the parties to this Agreement, final payment under this Agreement or settlement upon termination of this Agreement shall not constitute a waiver of CITY OF FAYETTEVILLE claims against **Brown & Brown** or sureties under this Agreement.
 - e. As compensation for its services under this agreement, **Brown & Brown** will receive a direct fee owed by the City as set forth in the Compensation Disclosure Statement attached hereto as Appendix E. Additional information regarding **Brown & Brown** compensation can be found in Appendix E. **Brown & Brown** shall disclose the amount of commissions payable to it by each insurance company at the time it presents third-party rates to the City.
5. **Approval of Agent:** The City reserves the right to require the **Brown & Brown** to replace the assigned agent with another agent of the same company if, in the opinion of the City staff, the agent is not rendering or is incapable of rendering the quality of service and cooperation required.
6. **Notices:** Any notice required to be given under this Agreement to either party to the other shall be sufficient if addressed and mailed, certified mail, postage paid, delivery, fax or e-mail (receipt confirmed), or overnight courier.

7. **Jurisdiction:** Legal jurisdiction to resolve any disputes shall be Arkansas with Arkansas law applying to the case.
8. **Venue:** Venue for all legal disputes shall be Washington County, Arkansas.
9. **Freedom of Information Act:** City of Fayetteville contracts and documents prepared while performing city contractual work are subject to the Arkansas Freedom of Information Act. If a Freedom of Information Act request is presented to the City of Fayetteville, **Brown & Brown** will do everything possible to provide the documents in a prompt and timely manner as prescribed in the Arkansas Freedom of Information Act (A.C.A. 25-19-101 et. Seq.). Only legally authorized photo copying costs pursuant to the FOIA may be assessed for this compliance.
10. **Changes in Scope or Price:** Changes, modifications, or amendments in scope, price or fees to this contract shall not be allowed without a prior formal contract amendment approved by the Mayor and the City Council **in advance** of the change in scope, cost or fees.
11. **Omissions:** If **Brown & Brown** fails to include or omits an item from the Contract Documents, which was fully anticipated to be included in the Project, thereby necessitating the need for a Change Order, **Brown & Brown** will not receive a fee for work associated with the Change Order.
12. **Insurance:** **Brown & Brown** shall furnish a certificate of insurance addressed to the City of Fayetteville, showing coverages for the following insurance which shall be maintained throughout the term of this agreement. Any work sublet to major subconsultants **Brown & Brown** shall require the subconsultant to provide the insurance identified. In case any employee engaged in work on the project under this contract is not protected under Worker's Compensation Insurance, **Brown & Brown** shall provide and shall cause each Subcontractor to provide adequate insurance for the protection of such of his employees as are not otherwise protected.
 - a. **Brown & Brown** shall provide to the City certificates as evidence of the specified insurance presented in **Appendix D** within ten (10) calendar days of the date of this agreement and upon each renewal coverage.
 - b. Subconsultants shall maintain reasonable insurance including but not limited to worker's compensation, auto as applicable, general liability, errors and omissions, etc.
13. **Professional Responsibility:** **Brown & Brown** will exercise reasonable skill, care, and diligence in the performance of services and will carry out its responsibilities in accordance with customarily accepted professional practices. CITY OF FAYETTEVILLE will promptly report to **Brown & Brown** any defects or suspected defects in services of which CITY OF FAYETTEVILLE becomes aware, so **Brown & Brown** can take measures to minimize the consequences of such a defect. CITY OF FAYETTEVILLE retains all remedies to recover for its damages caused by any negligence of **Brown & Brown**.
 - a. **Brown & Brown** will perform its duties, responsibilities and obligations with the care, skill, prudence and diligence that a prudent employee benefits consultant or insurance broker acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims under the circumstances prevailing. As appropriate, **Brown & Brown** will coordinate fiduciary review services and other related duties with the plan's claims administrator and/or insurance carrier(s). However, **Brown & Brown** does not accept any fiduciary duties or obligations with respect to a plan given that these are typically performed by the plan's claims administrator or insurance carrier(s).

- b. **Conflict of Interest:** **Brown & Brown's** engagement under this Agreement will not prevent it from taking similar engagements with other clients. **Brown & Brown** will, nevertheless, exercise care and diligence to prevent any actions or conditions which could result in a conflict of interest.
- c. **Subcontractors:** **Brown & Brown** may cause another person or entity, as a subcontractor of **Brown & Brown**, to provide some of the services required to be performed by **Brown & Brown** hereunder; provided that **Brown & Brown** shall remain responsible for all acts and omissions of any such subcontractors, each of which shall be bound by **Brown & Brown's** obligations under this Agreement. **Brown & Brown** shall seek prior written approval from the City for any subcontractors providing substantive consulting, professional or managerial services. Prior written approval shall not be required for clerical, office, secretarial, IT back-up, administrative or similar support services.

14. Responsibility of the City of Fayetteville

- a. CITY OF FAYETTEVILLE shall, within a reasonable time, so as not to delay the services of **Brown & Brown**:
 - i. Provide full information as to the requirements for the Project.
 - ii. Assist **Brown & Brown** by placing at **Brown & Brown's** disposal all available information pertinent to the assignment including previous reports and any other data relative thereto.
 - iii. Assist **Brown & Brown** in obtaining access to property reasonably necessary for **Brown & Brown** to perform its services under this Agreement.
 - iv. Examine all studies, reports, sketches, cost opinions, proposals, and other documents presented by **Brown & Brown** and render in writing decisions pertaining thereto.
 - v. Review all documents and provide written comments to **Brown & Brown** in a timely manner.
 - vi. The City of Fayetteville's Human Resources Director is the project representative with respect to the services to be performed under this Agreement. The HR Director shall have complete authority to transmit instructions, receive information, interpret and define policies and decisions with respect to materials, equipment, elements and systems to be used in the Project, and other matters pertinent to the services covered by this Agreement.

15. HIPPA Privacy: **Brown & Brown** and the **City** will each comply with any prohibitions, restrictions, limitations, conditions, or other requirements to the extent they apply to them directly or indirectly pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPPA) and its implementing regulation concerning privacy of individually identifiable health information as set forth in 45 CFR parts 160-164, as amended. When required, the **City**, as a representative of the health plans and **Brown & Brown** will enter into a separate Agreement.

16. Cost Opinions and Projections: Cost opinions and projections prepared by **Brown & Brown** relating to benefits broker services, medical costs, medical contracts, etc. are based on **Brown & Brown's** experience, qualifications, and judgment as a professional broker.

17. Period of Service: This Agreement will be effective **January 01, 2023** through **December 31, 2023** and renewed as follows, authorizing services hereunder.

- a. The City agrees to reserve the right to automatically renew the contract for four (4) additional one (1) year terms. Renewals shall be automatic unless either **Brown & Brown** or the City notifies the other of its intent to terminate within ninety (90) calendar days prior to the end of the contract period.
- b. The provisions of this Agreement have been agreed to in anticipation of the orderly progress of the Project through completion of the services stated in the Agreement. **Brown & Brown** will proceed with providing the authorized services immediately upon receipt of written authorization from CITY OF FAYETTEVILLE. Said authorization shall include the scope of the services authorized and the time in which the services are to be completed. The anticipated schedule for this project, if applicable, is included within **Appendix A**.

18. Debarment Certification: **Brown & Brown** hereby provides debarment/suspension certification indicating compliance with the below Federal Executive Order. Federal Executive Order (E.O.) 12549 "Debarment and Suspension" requires that all contractors receiving individual awards, using federal funds, and all sub-recipients certify that the organization and its principals are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from doing business with the Federal Government. **Brown & Brown** hereby attests its principal is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

19. Termination:

- a. This Agreement may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given:
 - i. Not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate,
 - ii. An opportunity for consultation with the terminating party prior to termination.
- b. This Agreement may be terminated in whole or in part in writing by CITY OF FAYETTEVILLE for its convenience, provided that **Brown & Brown** is given:
 - i. Not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate,
 - ii. An opportunity for consultation with the terminating party prior to termination.
- c. If termination for default is affected by CITY OF FAYETTEVILLE, an equitable adjustment in the price provided for in this Agreement shall be made, but
 - i. No amount shall be allowed for anticipated profit on unperformed services or other work,
 - ii. Any payment due to **Brown & Brown** at the time of termination may be adjusted to cover any additional costs to CITY OF FAYETTEVILLE because of **Brown & Brown's** default.
- d. If termination for default is affected by **Brown & Brown**, or if termination for convenience is affected by CITY OF FAYETTEVILLE, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for any termination shall provide for payment to **Brown & Brown** for services rendered and expenses incurred prior to the

termination, in addition to termination settlement costs reasonably incurred by **Brown & Brown** relating to commitments which had become firm prior to the termination.

- e. Upon receipt of a termination action, **Brown & Brown** shall:
 - i. Promptly discontinue all affected work (unless the notice directs otherwise),
 - ii. Deliver or otherwise make available to CITY OF FAYETTEVILLE all data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by **Brown & Brown** in performing this Agreement, whether completed or in process.
- f. Upon termination under sections above CITY OF FAYETTEVILLE may take over the work and may award another party an agreement to complete the work under this Agreement.
- g. If, after termination for failure of **Brown & Brown** to fulfill contractual obligations, it is determined that **Brown & Brown** had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of CITY OF FAYETTEVILLE. In such event, adjustments of the agreement price shall be made as provided in this agreement.

20. Delays

- a. In the event the services of **Brown & Brown** are suspended or delayed by CITY OF FAYETTEVILLE or by other events beyond **Brown & Brown's** reasonable control, **Brown & Brown** shall be entitled to additional compensation and time for reasonable documented costs actually incurred by **Brown & Brown** in temporarily closing down or delaying the Project.
- b. In the event the services are suspended or delayed by **Brown & Brown**, City shall be entitled to compensation for its reasonable costs incurred in temporarily closing down or delaying the project. The City does not agree to waive its right to claim (in addition to direct damages) special, indirect, or consequential damages, whether such liability arises in breach of contract or warranty, tort (including negligence), strict or statutory liability, or any other cause of action.

21. Rights and Benefits

- a. **Brown & Brown's** services shall be performed solely for the benefit of CITY OF FAYETTEVILLE and not for the benefit of any other persons or entities.

22. Dispute Resolution

- a. Scope of Paragraph: The procedures of this Paragraph shall apply to any and all disputes between CITY OF FAYETTEVILLE and **Brown & Brown** which arise from, or in any way are related to, this Agreement, including, but not limited to the interpretation of this Agreement, the enforcement of its terms, any acts, errors, or omissions of CITY OF FAYETTEVILLE or **Brown & Brown** in the performance of this Agreement, and disputes concerning payment.
- b. Exhaustion of Remedies Required: No action may be filed unless the parties first negotiate. If timely Notice is given as described in this agreement, but an action is initiated prior to exhaustion of these procedures, such action shall be stayed, upon application by either party to a court of proper jurisdiction, until the procedures in this agreement have been complied with.
- c. Notice of Dispute

- i. For disputes arising prior to the making of final payment promptly after the occurrence of any incident, action, or failure to act upon which a claim is based, the party seeking relief shall serve the other party with a written Notice.
- ii. For disputes arising within one year after the making of final payment, CITY OF FAYETTEVILLE shall give **Brown & Brown** written Notice at the address listed in this agreement within thirty (30) calendar days after occurrence of any incident, accident, or first observance of defect or damage. In both instances, the Notice shall specify the nature and amount of relief sought, the reason relief should be granted, and the appropriate portions of this Agreement that authorize the relief requested.
- iii. Negotiation: Within seven (7) calendar days of receipt of the Notice, the Project Managers for CITY OF FAYETTEVILLE and **Brown & Brown** shall confer in an effort to resolve the dispute. If the dispute cannot be resolved at that level, then, upon written request of either side, the matter shall be referred to the President of **Brown & Brown** and the Mayor of CITY OF FAYETTEVILLE or his designee. These officers shall meet at the Project Site or such other location as is agreed upon within 30 calendar days of the written request to resolve the dispute.

23. Sufficient Funds: The CITY represents it has sufficient funds or the means of obtaining funds to remit payment to **Brown & Brown** for services rendered by **Brown & Brown**.

24. Publications:

- a. Recognizing the importance of professional development on the part of **Brown & Brown's** employees and the importance of **Brown & Brown's** public relations **Brown & Brown** may prepare publications, such as technical papers, articles for periodicals, promotional materials, and press releases, in electronic or other format, pertaining to **Brown & Brown's** services for the Project. Such publications will be provided to CITY OF FAYETTEVILLE in draft form for CITY OF FAYETTEVILLE's advance review. CITY OF FAYETTEVILLE shall review such drafts promptly and provide CITY OF FAYETTEVILLE's comments to **Brown & Brown**, CITY OF FAYETTEVILLE may require deletion of proprietary data or confidential information from such publications, but otherwise CITY OF FAYETTEVILLE will not unreasonably withhold approval. Approved materials may be used in a variety of situations and do not require additional review or approval for each use. The cost of **Brown & Brown's** activities pertaining to any such publication shall be for **Brown & Brown's** account.

25. Indemnification:

- a. **Brown & Brown** shall indemnify, hold harmless and, not excluding the City's right to participate, defend the City and any of its officers, or employees from and against all liabilities, claims, actions, damages, losses and expenses, including without limitation reasonable attorneys' fees and costs, arising out of or resulting in any way from the performance of professional services for the City in **Brown & Brown's** capacity as a broker, and caused by any willful or negligent error, omission, or act of **Brown & Brown** or any person employed by it or anyone for whose acts **Brown & Brown** is legally liable.

26. Additional Responsibilities of Brown & Brown:

- a. Review, approval, or acceptance of design drawings, specifications, reports and other services furnished hereunder by CITY shall not in any way relieve **Brown & Brown** of responsibility for the technical adequacy of the work. Review, approval or acceptance of, or payment for any of the

services by CITY shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

- b. **Brown & Brown** shall be and shall remain liable, in accordance with applicable law, for all damages to CITY OF FAYETTEVILLE caused by **Brown & Brown's** negligent performance, except beyond the **Brown & Brown** normal standard of care, of any of the services furnished under this Agreement, and except for errors, omissions or other deficiencies to the extent attributable to CITY OF FAYETTEVILLE or CITY OF FAYETTEVILLE-furnished data.
- c. **Brown & Brown's** obligations under this clause are in addition to **Brown & Brown's** other express or implied assurances under this Agreement or State law and in no way diminish any other rights that CITY OF FAYETTEVILLE may have against **Brown & Brown** for faulty materials, equipment, or work.

27. Audit and Access to Records:

- a. **Brown & Brown** shall maintain books, records, documents and other evidence directly pertinent to performance of work under this Agreement in accordance with generally accepted accounting principles and practices consistently applied in effect on the date of execution of this Agreement.
- b. **Brown & Brown** shall also maintain the financial information and data used by **Brown & Brown** in the preparation of support of the cost submission required for any negotiated agreement or change order and send to CITY OF FAYETTEVILLE a copy of the cost summary submitted. CITY OF FAYETTEVILLE, or any of their authorized representatives shall have access to all such books, records, documents and other evidence for the purpose of inspection, audit and copying during normal business hours. **Brown & Brown** will provide proper facilities for such access and inspection.
- c. Records shall be maintained and made available during performance on assisted work under this Agreement and until three years from the date of final payment for the project. In addition, those records which relate to any controversy arising out of such performance, or to costs or items to which an audit exception has been taken, shall be maintained and made available until three years after the date of resolution of such appeal, litigation, claim or exception.
- d. This right of access clause (with respect to financial records) applies to:
 - i. Negotiated prime agreements:
 - ii. Negotiated change orders or agreement amendments affecting the price of any formally advertised, competitively awarded, fixed price agreement:
 - iii. Agreements or purchase orders under any agreement other than a formally advertised, competitively awarded, fixed price agreement. However, this right of access does not apply to a prime agreement, lower tier sub agreement or purchase order awarded after effective price competition, except:
 - 1. With respect to record pertaining directly to sub agreement performance, excluding any financial records of **Brown & Brown**;
 - 2. If there is any indication that fraud, gross abuse or corrupt practices may be involved;
 - 3. If the sub agreement is terminated for default or for convenience.

28. Covenant Against Contingent Fees:

- a. **Brown & Brown** warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by **Brown & Brown** for the purpose of securing business. For breach or violation of this warranty, CITY OF FAYETTEVILLE shall have the right to annul this Agreement without liability or at its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

29. Gratuities:

- a. If CITY OF FAYETTEVILLE finds after a notice and hearing that **Brown & Brown** or any of **Brown & Brown's** agents or representatives, offered or gave gratuities (in the form of entertainment, gifts or otherwise) to any official, employee or agent of CITY OF FAYETTEVILLE, or related third party contractor associated with this project, in an attempt to secure an agreement or favorable treatment in awarding, amending or making any determinations related to the performance of this Agreement, CITY OF FAYETTEVILLE may, by written notice to **Brown & Brown** terminate this Agreement. CITY OF FAYETTEVILLE may also pursue other rights and remedies that the law or this Agreement provides. However, the existence of the facts on which CITY OF FAYETTEVILLE bases such finding shall be in issue and may be reviewed in proceedings under the Remedies clause of this Agreement.
- b. The CITY may pursue the same remedies against **Brown & Brown** as it could pursue in the event of a breach of the Agreement by **Brown & Brown**. As a penalty, in addition to any other damages to which it may be entitled by law, CITY OF FAYETTEVILLE may pursue exemplary damages in an amount, as determined by CITY, which shall be not less than three nor more than ten times the costs **Brown & Brown** incurs in providing any such gratuities to any such officer or employee.

30. Clarification and Understanding of all parties:

- a. **Brown & Brown** shall not assign its duties under the terms of this agreement without prior written consent of the City. Subconsultants identified in **Brown & Brown's** response shall be permitted as being referenced herein.

31. Equal Employment Opportunity: The parties hereby incorporate by reference the Equal Employment Opportunity Clause required under 41 C.F.R. § 60-1.4, 41 C.F.R. § 60-300.5(a), and 41 C.F.R. § 60-741.5(a), if applicable.

- a. **Brown & Brown** shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.
- b. **Brown & Brown** and subconsultants certify that they do not maintain segregated facilities or permit their employees to perform services at locations where segregated facilities are maintained, as required by 41 CFR 60-1.8.


32. Pursuant to Arkansas Code Annotated §22-9-203 The City of Fayetteville encourages all qualified small, minority and women business enterprises to bid on and receive contracts for goods, services, and construction. Also, City of Fayetteville encourages all general contractors to subcontract portions of their contract to qualified small, minority and women business enterprises.

IN WITNESS WHEREOF, CITY OF FAYETTEVILLE, ARKANSAS by and through its Mayor, and BROWN AND BROWN OF ARKANSAS, INC., by its authorized officer have made and executed this Agreement as of the day and year first above written.

CITY OF FAYETTEVILLE, ARKANSAS

BROWN AND BROWN OF ARKANSAS, INC.

By: _____
LIONELD JORDAN, MAYOR

By:  _____
TODD SETSER, EXECUTIVE VICE PRESIDENT

ATTEST:

By: _____
Kara Paxton, City Clerk

Date Signed: _____

Date Signed: _____

CONTRACT FOR PROFESSIONAL SERVICES
RFP 22-10, BENEFITS BROKER
APPENDIX A
Scope of Work & Fees

1. INTRODUCTION:

The City of Fayetteville engages **Brown & Brown** as the professional consultant to provide the consulting and/or brokerage consulting services described within this Appendix.

Brown & Brown offers several additional areas of expertise compared to a traditional benefits broker.

2. SCOPE OF WORK:

A. Summary of Services:

- a. Develop and maintain a complete understanding of the City's areas of exposure and consult with City representatives about short and long term solutions.
- b. Evaluate existing insurance contracts and claims history to make recommendations concerning any changes, modifications, and/or additions in the terms, conditions and coverage limits needed to yield a comprehensive benefits portfolio to the City.
- c. Identify programs, products and insurers capable of meeting the City's insurance needs and prepare specifications for markets capable of quoting for upcoming renewals.
- d. Approach appropriate markets on behalf of the City to obtain pricing with respect to the program adopted by the City. Competitive quotes from well rated insurance carriers shall be obtained for each type of benefit.
- e. Present for City consideration, in an understandable format, an evaluation of the results of each solicitation, with a comprehensive financial analysis and recommendations for selection of an insurer for each type of benefit.
- f. Negotiate on the City's behalf the details of insurance contracts with selected carriers and audit resulting policies for accuracy of coverage, terms and conditions, and compliance with financial arrangements and administrative procedures acceptable to the City.
- g. Provide assistance in the form of advisory services or written reports as is customarily expected from a professional benefits broker / consultant.
- h. Annually prepare a stewardship report which will include a complete list of insurance in force, an evaluation of the overall insurance program, including recommendations for change and a forecast of market conditions and estimated premium for future budgeting purposes. At the time of the presentation of the stewardship report City personnel and **Brown & Brown** will discuss any changes which are appropriate in services to be performed for the succeeding year.

B. Long Range Planning

- a. Provide an initial in-depth review and recommendations of the City's group insurance programs
- b. Assist in the development of long-range strategies and objectives
- c. Review and discuss contribution and pricing strategies
- d. Inform the City of new products and trends in benefits
- e. Provide an ongoing review and recommendation of programs and benefit plans

C. Plan Design and Rate Negotiation

- a. Assist in the design of benefit plans that meet the benefit needs and budget considerations of the City
- b. Draft and distribute renewal proposals to insurance carriers and/or administrators
- c. Evaluate responses to proposals including funding options, employee/employer contributions, and cost analysis
- d. Represent the City in all negotiations with providers on issues related to premiums, service, benefits levels, plan design, and special terms and conditions
- e. Assist in the design of alternative health plans and/or strategies to comply with the Affordable Care Act (ACA) requirements and/or changes
- f. Present results and make recommendations to the City to facilitate plan selections and cost feasibility
- g. Provide hands-on assistance during the implementation of all new plans or changes to existing plans

D. Management of Benefit Plans

- a. Provide monthly and/or quarterly review and analysis of plan expenses including an analysis of claims data, summaries of claims, and benchmarking data
- b. Provide analysis of loss ratio, claims history, and emerging utilization trends
- c. Conduct annual benchmarking of health plans against other comparable organizations on a national, regional, and local level
- d. Assist in evaluating the effectiveness of the City's wellness/engagement initiatives and employer wellness program compliance

E. Ongoing Support

- a. Design reports to reflect the effectiveness of the City's wellness/engagement activities
- b. Provide timely responses to ad hoc requests for information or analysis
- c. Assist the City in working with benefit vendors to ensure all plan components are operating efficiently (examples: reports received in a timely manner, plan provisions are understood and communicated correctly, online systems capabilities are understood by HR staff – e.g. data feeds)
- d. Assist with contract review, resolution of issues concerning insurance policies, certificates of insurance, and other documents relating to employee benefits
- e. Review and assist with resolving disputes regarding coverage, billing, and service delivery
- f. Assist with streamlining billing and enrollment services for COBRA and retiree administration

- g. Serve as a liaison between the City and benefit providers in the administration of each plan benefit
- h. Provide the City with access to Employment Counsel On-call Triage Services
- i. Provide Regulatory & Legislative Strategy Development
- j. Provide City staff access to "Spot On Resources" including SPHR or PHR certified HR specialists, learning modules, and tookits
- k. Provide access for City employees to benefits technology

F. Regulatory Affairs Support

- a. Review and assist the City in interpreting federal and state laws and regulations impacting all benefit plans
- b. Review plan documents and provide interpretation
- c. Research legal and technical issues and provide information in response to legal and technical questions regarding employee benefits
- d. Provide recommendations and guidance related to Health Care Reform impacts and/or changes
- e. Assist with any government filing/reporting as needed
- f. Advise City staff and provide alerts regarding legal compliance and changing benefit issues

G. Employee Communication

- a. Assist with the planning and coordination of open enrollment meetings for group insurances and with other employee meetings as needed
- b. Assist with education strategies to help employees use benefits wisely
- c. Assist with employee benefits communications
- d. Assist with the development of benefits information related to employee benefit programs (e.g. booklets, benefits summaries, rate sheets) to increase employee awareness of benefit plan designs and options
- e. Provide information in response to technical questions regarding employee benefits

3. PRICING:

- a. **Brown & Brown** shall strive to make decisions based on what is best for the City. As such, the **Brown & Brown** compensation is structured as a consulting fee. In addition, the City of Fayetteville Arkansas will be provided with many value-added Human Resource services as part of the **Brown & Brown** service package.
- b. Based upon the services **Brown & Brown** is offering to provide to the City of Fayetteville Arkansas for Employee Benefit Consulting/Brokerage Services, **Brown & Brown** shall receive an ongoing annual compensation of \$75,000.
 - i. All services listed in **Brown & Brown** Core Services are included in our flat fee and **Brown & Brown** shall not charge any additional fees.

- ii. Any additional scope of work changes that result in additional fees shall have a change order approved by all parties in advance of work being conducted.

A handwritten signature in black ink, consisting of stylized initials that appear to be 'JS'.



CITY OF FAYETTEVILLE ARKANSAS

City of Fayetteville, Arkansas
Purchasing Division – Room 306
113 W. Mountain
Fayetteville, AR 72701
Phone: 479.575.8256

TDD (Telecommunication Device for the Deaf): 479.521.1316

RFP (REQUEST FOR PROPOSAL)

Request for Proposal: RFP 22-10, Benefits Broker

DEADLINE: Tuesday, September 13, 2022 before 2:00 PM, local time

Pre-Proposal Conference: Wednesday, August 31, 2022 at 2:00 PM, local time, via zoom

Sr. Purchasing Agent: Amanda Beilfuss, abeifuss@fayetteville-ar.gov

DATE OF ISSUE AND ADVERTISEMENT: 08/21/2022

REQUEST FOR PROPOSAL
RFP 22-10, Benefits Broker

No late proposals shall be accepted. RFP's shall be submitted through the City's third-party electronic bidding platform. Submitting through the City's electronic bidding platform is required. All bids shall be submitted in accordance with the attached City of Fayetteville specifications and bid documents attached hereto. Each bidder is required to fill in every blank and shall supply all information requested; failure to do so may be used as basis of rejection. Any bid, proposal, or statements of qualification will be rejected that violates or conflicts with state, local, or federal laws, ordinances, or policies.

The undersigned hereby offers to furnish & deliver the articles or services as specified, at the prices & terms stated herein, and in strict accordance with the specifications and general conditions of bidding, all of which are made a part of this offer. This offer is not subject to withdrawal unless upon mutual written agreement by the Proposer/Bidder and City Purchasing Manager.

Name of Firm: _____

Contact Person: _____ Title: _____

E-Mail: _____ Phone: _____

Business Address: _____

City: _____ State: _____ Zip: _____

Signature: _____ Date: _____

City of Fayetteville, AR
Request for Proposal
RFP 22-10, Benefits Broker

The City of Fayetteville is seeking requests for proposal from qualified and experienced firms to provide brokerage and consulting services for benefits to City employees for one (1) year with four (4) one-year renewal options, giving a possible contract term of five (5) years. Any questions concerning this solicitation process should be directed to Amanda Beilfuss, City of Fayetteville Sr. Purchasing Agent, at abeilfuss@fayetteville-ar.gov or by calling (479) 575-8258.

Solicitation documents and addenda shall be obtained at the City of Fayetteville Purchasing Division's electronic bidding platform at www.fayetteville-ar.gov/bids. All proposals shall be received by **Tuesday, September 13, 2022 before 2:00 PM, Local Time** utilizing the City's electronic bidding software. All proposals are due before the time stated. Submitting electronically is required. No late proposals shall be accepted. The City of Fayetteville shall not be responsible for lost or misdirected proposals, or for failure of proposer's technical equipment.

A non-mandatory pre-proposal conference will be held **Wednesday, August 31, 2022 at 2:00 PM** virtually via Zoom. Information regarding the pre-proposal conference is available on the project page on the City's electronic bidding platform. All interested parties are encouraged to attend.

All interested parties shall be qualified to do business and licensed in accordance with all applicable laws of the state and local governments where the project is located.

Pursuant to Arkansas Code Annotated §22-9-203 The City of Fayetteville encourages all *qualified* small, minority and women business enterprises to bid on and receive contracts for goods, services, and construction. Also, City of Fayetteville encourages all general contractors to subcontract portions of their contract to *qualified* small, minority and women business enterprises.

The City of Fayetteville reserves the right to reject any or all proposals and to waive irregularities therein, and all parties agree that such rejection shall be without liability on the part of the City of Fayetteville for any damage or claim brought by any interested party because of such rejections, nor shall any interested party seek any recourse of any kind against the City of Fayetteville because of such rejections. The filing of any Statement in response to this invitation shall constitute an agreement of the interested party to these conditions.

City of Fayetteville
By: Amanda Beilfuss, City Sr. Purchasing Agent
P: 479.575.8258 Email: abeilfuss@fayetteville-ar.gov
TDD (Telecommunications Device for the Deaf): (479) 521-1316
Date of advertisement: 08.21.22
This publication was paid for by the Purchasing Division of the City of Fayetteville, Arkansas.
Amount paid: \$XXX.XX.

1. SUBMISSION OF A PROPOSAL SHALL INCLUDE:

Each proposal shall contain the following at a minimum. Proposer must also address detailed requirements as specified in the Scope of Work.

- a. A written narrative describing the method or manner in which the Proposer proposes to satisfy requirements of this RFP in the most cost-effective manner.
- b. A description of the Proposer's experience in providing the same or similar services as outlined in the RFP. This description should include the names of the person(s) who will provide the services, their qualifications, and the years of experience in performing this type of work. Also, include the reference information requested in this RFP.
- c. The complete fee and cost to the City for all services outlined in this RFP.
- d. Statement should be no more than twenty-five (25) pages. Proposers shall also submit a three (3) page (maximum) executive summary. The following items will not count toward the page limitations: appendix, cover sheet, 3-page executive summary, resumes (resumes shall be no more than 1 page per person), and forms provided by the City for completion.
 - a. **Submitting and responding to this RFP:** Proposals shall be prepared simply and economically, providing a straightforward, concise description of its ability to meet the requirements for the project. Fancy bindings, colored displays, and promotional material are not required. Emphasis should be on completeness and clarity of content. Limit proposal to twenty- five (25) pages or less, excluding one-page team resumes, references, and forms required by the City for completion.
 - i. **Electronic Submittal (Required):** Proposers can go to www.fayetteville-ar.gov/bids and follow the prompts to submit a proposal within the electronic bidding platform. All Proposers must register in order to be able to submit. There is no fee for registration.
 - (1) The use of Adobe PDF files is strongly recommended. Electronic copies shall not be submitted via e-mail to City employees by the Proposer and shall be submitted using the City's electronic bidding portal.
- e. Proposals will be reviewed following the stated deadline, as shown on the cover sheet of this document. Only the names of Proposer's will be available after the deadline until a contract has been awarded by the Fayetteville City Council. All interested parties understand proposal documents will not be available until after a valid contract has been executed.
- f. Proposers shall submit a proposal based on documentation published by the Fayetteville Purchasing Division.

- g. Proposals must follow the format of the RFP. Proposers should structure their responses to follow the sequence of the RFP.
- h. Proposers shall have experience in work of the same or similar nature and must provide references that will satisfy the City of Fayetteville. Proposer shall furnish a reference list of clients for whom they have performed similar services and must provide information as requested in this document.
- i. Proposer is advised that exceptions to any of the terms contained in this RFP or the attached service agreement must be identified in its response to the RFP. Failure to do so may lead the City to declare any such term non-negotiable. Proposer's desire to take exception to a non-negotiable term will not disqualify it from consideration for award.
- j. Local time shall be defined as the time in Fayetteville, Arkansas on the due date of the deadline. Documents shall be received before the deadline time as shown by the atomic clock located in the Purchasing Division Office or electronic clock located in the City's third-party bidding software.

2. WRITTEN REQUESTS FOR INTERPRETATIONS OR CLARIFICATION:

No oral interpretations will be made to any firms as to the meaning of specifications or any other contract documents. All questions pertaining to the terms and conditions or scope of work of this proposal must be sent in writing via e-mail to the Purchasing Department. Responses to questions may be handled as an addendum if the response would provide clarification to the requirements of the proposal. All such addenda shall become part of the contract documents. The City will not be responsible for any other explanation or interpretation of the proposed RFP made or given prior to the award of the contract.

3. DESCRIPTION OF SUPPLIES AND SERVICES:

Any manufacturer's names, trade name, brand name, catalog number, etc. used in specifications are for the purpose of describing and establishing general quality levels. Such references are NOT intended to be restrictive. Proposals shall be considered for all brands that meet the quality of the specifications listed for any items.

4. RIGHTS OF CITY OF FAYETTEVILLE IN REQUEST FOR PROPOSAL PROCESS:

In addition to all other rights of the City of Fayetteville, under state law, the City specifically reserves the following:

- a. The City of Fayetteville reserves the right to rank firms and negotiate with the highest-ranking firm. Negotiation with an individual Proposer does not require negotiation with others.
- b. The City reserves the right to select the proposal it believes will serve the best interest of the City.
- c. The City of Fayetteville reserves the right to accept or reject any or all proposals.
- d. The City of Fayetteville reserves the right to cancel the entire request for proposal.
- e. The City of Fayetteville reserves the right to remedy or waive technical or immaterial errors in the request for proposal or in proposals submitted.

- f. The City of Fayetteville reserves the right to request any necessary clarifications, additional information or proposal data without changing the terms of the proposal.
- g. The City of Fayetteville reserves the right to make selection of the Proposer to perform the services required on the basis of the original proposals without negotiation.
- h. The City reserves the right to ask for a best and final offer from one or more Proposers. The best and final offer process is not guaranteed; therefore, Proposers shall submit and respond to this RFP on the most favorable terms available.

5. EVALUATION CRITERIA:

The evaluation criterion defines the factors that will be used by the selection committee to evaluate and score responsive, responsible and qualified proposals. Proposers shall include sufficient information to allow the selection committee to thoroughly evaluate and score proposals. Each proposal submitted shall be evaluated and ranked by a selection committee. The contract will be awarded to the most qualified Proposer, per the evaluation criteria listed in this RFP. Proposers are not guaranteed to be ranked.

6. COSTS INCURRED BY PROPOSERS:

All expenses involved with the preparation and submission of proposals to the City, or any work performed in connection therewith, shall be borne solely by the Proposer(s). No payment will be made for any responses received, or for any other effort required of, or made by, the Proposer(s) prior to contract commencement.

7. ORAL PRESENTATION:

An oral presentation and/or interview may be requested of any firm, at the selection committee's discretion.

8. CONFLICT OF INTEREST:

- a. The Proposer represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance or services required hereunder, as provided in City of Fayetteville Code Section 34.26 titled "Limited Authority of City Employee to Provide Services to the City".
- b. The Proposer shall promptly notify Andrea Foren, City Purchasing Manager, in writing, of all potential conflicts of interest for any prospective business association, interest, or other circumstance which may influence or appear to influence the Proposer's judgment or quality of services being provided. Such written notification shall identify the prospective business association, interest or circumstance, the nature of which the Proposer may undertake and request an opinion to the City as to whether the association, interest or circumstance would, in the opinion of the City, constitute a conflict of interest if entered into by the Proposer. The City agrees to communicate with the Proposer its opinion via e-mail or first-class mail within thirty days of receipt of notification.

9. WITHDRAWAL OF PROPOSAL:

A proposal may be withdrawn prior to the time set for the proposal submittal based on a written request from an authorized representative of the firm; however, a proposal shall not be withdrawn after the time set for the proposal.

10. LATE PROPOSAL OR MODIFICATIONS:

- a. Proposal and modifications received after the time set for the proposal submittal shall not be considered. Modifications in writing received prior to the deadline will be accepted. The City will not be responsible for misdirected bids/proposals. Proposers should call the Purchasing Division at (479) 575-8256 to ensure receipt of their submittal documents prior to opening time and date listed.
- b. The time set for the deadline shall be local time for Fayetteville, AR on the date listed. All proposals shall be received in the Purchasing Division BEFORE the deadline stated. The official clock to determine local time shall be the atomic clock located in the Purchasing Division, Room 306 of City Hall, 113 W. Mountain, Fayetteville, AR.

11. LOCAL, STATE, AND FEDERAL COMPLIANCE REQUIREMENTS:

- a. The laws of the State of Arkansas apply to any purchase made under this request for proposal. Proposers shall comply with all local, state, and federal directives, orders and laws as applicable to this proposal and subsequent contract(s) including but not limited to Equal Employment Opportunity (EEO), Disadvantaged Business Enterprises (DBE), & OSHA as applicable to this contract.
- b. Pursuant to Arkansas Code Annotated §22-9-203 The City of Fayetteville encourages all *qualified* small, minority and women business enterprises to bid on and receive contracts for goods, services, and construction. Also, City of Fayetteville encourages all general contractors to subcontract portions of their contract to *qualified* small, minority and women business enterprises.

12. PROVISION FOR OTHER AGENCIES:

Unless otherwise stipulated by the Proposer, the Proposer agrees to make available to all Government agencies, departments, municipalities, and counties, the proposal prices submitted in accordance with said proposal terms and conditions therein, should any said governmental entity desire to buy under this proposal. Eligible users shall mean all state of Arkansas agencies, the legislative and judicial branches, political subdivisions (counties, local district school boards, community colleges, municipalities, counties, or other public agencies or authorities), which may desire to purchase under the terms and conditions of the contract.

13. COLLUSION:

The Proposer, by affixing his or her signature to this proposal, agrees to the following: "Proposer certifies that his proposal is made without previous understanding, agreement, or connection with any person, firm or corporation making a proposal for the same item(s) and/or services and is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action."

14. RIGHT TO AUDIT, FOIA, AND JURISDICITON:

- a. The City of Fayetteville reserves the privilege of auditing a Contractor's records as such records relate to purchases between the City and said Contractor.
- b. Freedom of Information Act: City contracts and documents prepared while performing City contractual work are subject to the Arkansas Freedom of Information Act. If a Freedom of

Information Act request is presented to the City of Fayetteville, the (contractor) will do everything possible to provide the documents in a prompt and timely manner as prescribed in the Arkansas Freedom of Information Act (A.C.A. §25-19-101 et. seq.). Only legally authorized photocopying costs pursuant to the FOIA may be assessed for this compliance.

- c. Legal jurisdiction to resolve any disputes shall be Arkansas with Arkansas law applying to the case.

15. CITY INDEMNIFICATION:

The successful Proposer(s) agrees to indemnify the City and hold it harmless from and against all claims, liability, loss, damage or expense, including but not limited to counsel fees, arising from or by reason of any actual or claimed trademark, patent or copyright infringement or litigation based thereon, with respect to the services or any part thereof covered by this order, and such obligation shall survive acceptance of the services and payment thereof by the City.

16. VARIANCE FROM STANDARD TERMS & CONDITIONS:

All standard terms and conditions stated in this request for proposal apply to this contract except as specifically stated in the subsequent sections of this document, which take precedence, and should be fully understood by Proposers prior to submitting a proposal on this requirement.

17. ADA REQUIREMENT FOR PUBLIC NOTICES & TRANSLATION:

Persons with disabilities requiring reasonable accommodation to participate in this proceeding/event, should call 479.521.1316 (telecommunications device for the deaf), not later than seven days prior to the deadline. Persons needing translation of this document shall contact the City of Fayetteville, Purchasing Division, immediately.

18. CERTIFICATE OF INSURANCE:

The successful Proposer shall provide a Certificate of Insurance in accordance with specifications listed in this request for proposal, prior to commencement of any work. Such certificate shall list the City of Fayetteville as an additional insured. Insurance shall remain valid throughout project completion.

19. PAYMENTS AND INVOICING:

The Proposer must specify in their proposal the exact company name and address which must be the same as invoices submitted for payment as a result of award of this RFP. Further, the successful Proposer is responsible for immediately notifying the Purchasing Division of any company name change, which would cause invoicing to change from the name used at the time of the original RFP. Payment will be made within thirty days of invoice received. The City of Fayetteville is very credit worthy and will not pay any interest or penalty for untimely payments. **Payments can be processed through Proposer's acceptance of Visa at no additional costs to the City for expedited payment processing.** The City will not agree to allow any increase in hourly rates by the contract without PRIOR Fayetteville City Council approval.

20. CANCELLATION:

- a. The City reserves the right to cancel this contract without cause by giving thirty (30) days prior notice to the Contractor in writing of the intention to cancel or with cause if at any time the Contractor fails to fulfill or abide by any of the terms or conditions specified.

- b. Failure of the contractor to comply with any of the provisions of the contract shall be considered a material breach of contract and shall be cause for immediate termination of the contract at the discretion of the City of Fayetteville.
- c. In addition to all other legal remedies available to the City of Fayetteville, the City reserves the right to cancel and obtain from another source, any items and/or services which have not been delivered within the period of time from the date of order as determined by the City of Fayetteville.
- d. In the event sufficient budgeted funds are not available for a new fiscal period, the City shall notify the Contractor of such occurrence and contract shall terminate of the last day of the current fiscal period without penalty or expense to the City.

21. ASSIGNMENT, SUBCONTRACTING, CORPORATE ACQUISITIONS AND/OR MERGERS:

- a. The Contractor shall perform this contract. No assignment of subcontracting shall be allowed without prior written consent of the City. If a Proposer intends to subcontract a portion of this work, the Proposer shall disclose such intent in the proposal submitted as a result of this RFP.
- b. In the event of a corporate acquisition and/or merger, the Contractor shall provide written notice to the City within thirty (30) calendar days of Contractor's notice of such action or upon the occurrence of said action, whichever occurs first. The right to terminate this contract, which shall not be unreasonably exercised by the City, shall include, but not be limited to, instances in which a corporate acquisition and/or merger represent a conflict of interest or are contrary to any local, state, or federal laws. Action by the City awarding a proposal to a firm that has disclosed its intent to assign or subcontract in its response to the RFP, without exception shall constitute approval for purpose of this Agreement.

22. NON-EXCLUSIVE CONTRACT:

Award of this RFP shall impose no obligation on the City to utilize the Contractor for all work of this type, which may develop during the contract period. This is not an exclusive contract. The City specifically reserves the right to concurrently contract with other companies for similar work if it deems such an action to be in the City's best interest. In the case of multiple-phase contracts, this provision shall apply separately to each item.

23. LOBBYING:

Lobbying of selection committee members, City of Fayetteville employees, or elected officials regarding request for proposals, request for qualifications, bids or contracts, during the pendency of bid protest, by the bidder/proposer/protestor or any member of the bidder's/proposer's/protestor's staff, and agent of the bidder/proposer/protestor, or any person employed by any legal entity affiliated with or representing an organization that is responding to the request for proposal, request for qualification, bid or contract, or has a pending bid protest is strictly prohibited either upon advertisement or on a date established by the City of Fayetteville and shall be prohibited until either an award is final or the protest is finally resolved by the City of Fayetteville; provided, however, nothing herein shall prohibit a prospective/bidder/proposer from contacting the Purchasing Division to address situations such as clarification and/or questions related to the procurement process. For purposes of this provision lobbying activities shall include but not be limited to, influencing or attempting to influence action or non-action in connection with any request for proposal,

request for qualification, bid or contract through direct or indirect oral or written communication or an attempt to obtain goodwill of persons and/or entities specified in this provision. Such actions may cause any request for proposal, request for qualification, bid or contract to be rejected.

24. ADDITIONAL REQUIREMENTS:

The City reserves the right to request additional services relating to this RFP from the Proposer. When approved by the City as an amendment to the contract and authorized in writing prior to work, the Contractor shall provide such additional requirements as may become necessary.

25. SERVICES AGREEMENT:

A written agreement, in substantially the form attached, incorporating the RFP and the successful proposal will be prepared by the City, signed by the successful Proposer and presented to the City of Fayetteville for approval and signature of the Mayor.

26. INTEGRITY OF REQUEST FOR PROPOSAL (RFP) DOCUMENTS:

Proposers shall use the original RFP form(s) provided by the Purchasing Division and enter information only in the spaces where a response is requested. Proposers may use an attachment as an addendum to the RFP form(s) if sufficient space is not available on the original form for the Proposer to enter a complete response. **Any modifications or alterations to the original RFP documents by the Proposer, whether intentional or otherwise, will constitute grounds for rejection of such RFP response.** Any such modifications or alterations a Proposer wishes to propose shall be clearly stated in the Proposer's RFP response and presented in the form of an addendum to the original RFP documents.

27. OTHER GENERAL CONDITIONS:

- a. Proposers must provide the City with their proposals signed by an employee having legal authority to submit proposals on behalf of the Proposer. The entire cost of preparing and providing responses shall be borne by the Proposer.
- b. The City reserves the right to request any additional information it deems necessary from any or all Proposers after the submission deadline.
- c. This solicitation is not to be construed as an offer, a contract, or a commitment of any kind; nor does it commit the city to pay for any costs incurred by Proposer in preparation. It shall be clearly understood that any costs incurred by the Proposer in responding to this request for proposal is at the Proposer's own risk and expense as a cost of doing business. The City of Fayetteville shall not be liable for reimbursement to the Proposer for any expense so incurred, regardless of whether or not the proposal is accepted.
- d. If products, components, or services other than those described in this bid document are proposed, the Proposer must include complete descriptive literature for each. All requests for additional information must be received within five working days following the request.
- e. **Any uncertainties shall be brought to the attention to Amanda Beilfuss immediately via telephone (479.575.8220) or e-mail (abeilfuss@fayetteville-ar.gov).** It is the intent and goal of the City of Fayetteville Purchasing Division to provide documents providing a clear and accurate

understanding of the scope of work to be completed and/or goods to be provided. We encourage all interested parties to ask questions to enable all Proposers to be on equal terms.

- f. Any inquiries or requests for explanation in regard to the City's requirements should be made promptly to Amanda Beilfuss, City of Fayetteville, Sr. Purchasing Agent via e-mail (abeilfuss@fayetteville-ar.gov) or telephone (479.575.8220). No oral interpretation or clarifications will be given as to the meaning of any part of this request for proposal. All questions, clarifications, and requests, together with answers, if any, will be provided to all firms via written addendum. Names of firms submitting any questions, clarifications, or requests will not be disclosed until after a contract is in place.
- g. At the discretion of the City, one or more firms may be asked for more detailed information before final ranking of the firms, which may also include oral interviews.
- h. Any information provided herein is intended to assist the Proposer in the preparation of proposals necessary to properly respond to this RFP. The RFP is designed to provide qualified Proposers with sufficient basic information to submit proposals meeting minimum specifications and/or test requirements but is not intended to limit a RFP's content or to exclude any relevant or essential data.
- i. Proposers irrevocably consent that any legal action or proceeding against it under, arising out of or in any manner relating to this Contract shall be controlled by Arkansas law. Proposer hereby expressly and irrevocably waives any claim or defense in any said action or proceeding based on any alleged lack of jurisdiction or improper venue or any similar basis.
- j. The successful Proposer shall not assign the whole or any part of this Contract or any monies due or to become due hereunder without written consent of City of Fayetteville. In case the successful Proposer assigns all or any part of any monies due or to become due under this Contract, the Instrument of assignment shall contain a clause substantially to the effect that is agreed that the right of the assignee in and to any monies due or to become due to the successful Proposer shall be subject to prior liens of all persons, firms, and corporations for services rendered or materials supplied for the performance of the services called for in this contract.
- k. The successful Proposer's attention is directed to the fact that all applicable Federal and State laws, municipal ordinances, and the rules and regulations of all authorities having jurisdiction over the services shall apply to the contract throughout, and they will be deemed to be included in the contract as though written out in full herein. The successful Proposer shall keep himself/herself fully informed of all laws, ordinances and regulations of the Federal, State, and municipal governments or authorities in any manner affecting those engaged or employed in providing these services or in any way affecting the conduct of the services and of all orders and decrees of bodies or tribunals having any jurisdiction or authority over same. If any discrepancy or inconsistency should be discovered in these Contract Documents or in the specifications herein referred to, in relation to any such law, ordinance, regulation, order or decree, s/he shall herewith report the same in writing to the City of Fayetteville.

1. PURPOSE:

The City of Fayetteville, Arkansas, hereinafter referred to as "the City", is requesting proposals for Benefits Broker Consulting Services.

The City is seeking proposals from qualified and licensed firms to provide consulting and brokerage services in the areas of plan design, administration of contracts, plan renewal and the overall maintenance and administration of the City's medical, dental, vision, long term disability, life, accidental death and dismemberment, supplemental benefits, and an employee assistance program (EAP).

This Request for Proposal (RFP) is issued in accordance with City policy to periodically allow the City an opportunity to review vendor proposals to provide services to the City.

2. CURRENT PROGRAMS:

The City of Fayetteville is located in the northwest corner of Arkansas and has an estimated population of 93,000. Fayetteville serves as the seat of Washington County. The City is part of the Fayetteville- Springdale-Rogers, AR-MO MSA (Metropolitan Statistical Area), with a population of just over 535,000. The City of Fayetteville operates under a Mayor-Council form of government. The City Council is composed of eight council members and a Mayor.

The City's 2022 Budget provides for 852 full-time equivalent positions and provides a full spectrum of benefits. The City offers two medical benefit choices to employees through Arkansas Blue Cross and Blue Shield. An PPO plan and a HDHP with a HSA are offered. The City offers a dental plan through Delta Dental, a vision plan through VSP, long term disability, group life, and accidental death and dismemberment plans through One America. American Fidelity offers supplemental benefits.

Currently, the City's benefits plan year is January 1 through December 31. The City typically renews benefits plans with Council approval in August and provide the City's annual benefits open enrollment in September.

3. SCOPE OF WORK:

The scope of work in this section has been provided to communicate what the City believes is critical for the success of this project. The City invites Proposers to provide different approaches or strategies to maximize the value of the City's benefits and minimize costs through the delivery of services.

A. Long Range Planning

- a. Provide an initial in-depth review and recommendations of the City's group insurance programs
- b. Assist in the development of long-range strategies and objectives
- c. Review and discuss contribution and pricing strategies
- d. Inform the City of new products and trends in benefits

- e. Provide an ongoing review and recommendation of programs and benefit plans

B. Plan Design and Rate Negotiation

- a. Assist in the design of benefit plans that meet the benefit needs and budget consideration of the City
- b. Draft and distribute renewal proposals to insurance carriers and/or administrators
- c. Evaluate responses to proposals including funding options, employee/employer contributions, and cost analysis
- d. Represent the City in all negotiations with providers on issues related to premiums, service, benefits levels, plan design, and special terms and conditions
- e. Assist in the design of alternative health plans and/or strategies to comply with the Affordable Care Act (ACA) requirements and/or changes
- f. Present results and make recommendations to the City to facilitate plan selections and cost feasibility
- g. Provide hands-on assistance during the implementation of all new plans or changes to existing plans

C. Management of Benefit Plans

- a. Provide monthly and/or quarterly review and analysis of plan expenses including an analysis of claims data, summaries of claims, and benchmarking data
- b. Provide analysis of loss ratio, claims history, and emerging utilization trends
- c. Conduct annual benchmarking of health plans against other comparable organizations on a national, regional, and local level
- d. Assist in evaluating the effectiveness of the City's wellness/engagement initiatives and employer wellness program compliance

D. Ongoing Support

- a. Design reports to reflect the effectiveness of the City's wellness/engagement activities
- b. Provide timely responses to ad hoc requests for information or analysis
- c. Assist the City in working with benefit vendors to ensure all plan components are operating efficiently (examples: reports received in a timely manner, plan provisions are understood and communicated correctly, online systems capabilities are understood by HR staff – e.g. data feeds)
- d. Assist with contract review, resolution of issues concerning insurance policies, certificates of insurance, and other documents relating to employee benefits

- e. Review and assist with resolving disputes regarding coverage, billing, and service delivery
- f. Assist with streamlining billing and enrollment services for COBRA and retiree administration
- g. Serve as a liaison between the City and benefit providers in the administration of each plan benefit

E. Regulatory Affairs Support

- a. Review and assist the City in interpreting federal and state laws and regulations impacting all benefit plans
- b. Review plan documents and provide interpretation
- c. Research legal and technical issues and provide information in response to legal and technical questions regarding employee benefits
- d. Assist with any government filing/reporting as needed
- e. Advise City staff and provide alerts regarding legal compliance and changing benefit issues

F. Employee Communication

- a. Assist with the planning and coordination of open enrollment meetings for group insurances, Section 125 plans, and with other employee meetings as needed
- b. Assist with education strategies to help employees use benefits wisely
- c. Assist with employee benefits communications
- d. Assist with the development of benefits information related to employee benefit programs (e.g. booklets, benefits summaries, rate sheets) to increase employee awareness of benefit plan designs and options
- e. Provide information in response to technical questions regarding employee benefits

G. Retirement Services Scope (**OPTIONAL** – Fees/Cost shall be separated, itemized, and included with RFP response). It is not a requirement for Proposers to submit on this section (for G (a), (b), and (c)). The City desires this as an option for proposers who regularly and routinely do this as a part of standard services. The City does not desire proposer to outsource these services.

- a. Vendor Management and Benchmarking:
 - On-going management of selected vendor
 - On-going fee and service negotiations
 - Provide Plan Benchmarking (including performance and fees)

- Provide Fee Benchmarking
- Periodic Recordkeeper/Vendor RFP support
- On-going plan review and design analysis
- Benchmarking trends in retirement plan savings and administration
- Coordinate development of written recommendations for enhancements, modifications, and/or additions
- Service calendar to serve as a multi-year plan and timeline of retirement services provided to the committee and to assist the committee with following the best practices in overseeing the plan
- Support for retirement plan issues

b. Plan Governance, Compliance, & Committee Process Support:

- Committee training and education
- Provide support and documentation of Retirement Committee
- Capture meeting minutes for committee through onsite meeting and/or conference calls
- Provide best practice plan governance to assist the committee on how it is best structured and maintained to make well advised plan decisions
- Monitor potential legal and compliance issues
- Updates on legislative and regulatory changes
- White papers, technical bulletins, and webcasts

c. Participant Communication and Education:

- Develop and monitor communication and education strategy in coordination with Plan Vendor to assist the committee in establishing goals and metrics to evaluate program effectiveness
- Coordinate strategy with provider
- Monitor communication objectives and benchmarks

4. SUBMITTAL REQUIREMENTS:

The Proposer shall provide adequate information that will render it qualified and capable of effectively accomplishing the scope of services. The proposal shall be reviewed by a Selection Committee which could include ranking. Since there is no assurance of the Proposer having any other opportunity to communicate its ability, the proposal response shall negate any ambiguity with respect to the Proposer's ability and approach.

The City of Fayetteville shall not be liable for any expense incurred while preparing a response to this document. In addition, City of Fayetteville shall reserve the right to accept any part or the Proposer's entire fee schedule and to negotiate any charges contained therein.

5. PROPOSAL CONTENT:

All respondents shall submit the following information with submittal at a minimum:

- a. **Methods and Approach.** Describe expected approach and identify each task. Describe the anticipated interaction with the City and a description of the method(s) which will be used to successfully accomplish the project. Provide a detailed timeline of the anticipated schedule for completing each task.
- b. **Scope of Work/Deliverables.** Provide deliverables for the Scope of Work outlined by the City in this RFP. Include services outlined in the Scope of Services, as well additional services offered or recommended by the bidder. Provide information on your firm's approach to accomplishing the work cited in the Scope of Work.
- c. **Technical or Professional Support.** Describe your technical or professional support available to the City at no extra cost through your firm, such as legal counsel, communications, training programs or other services.
- d. **Examples of Other Services.** Give three examples of when the proposing firm has recommended services which have gone beyond the contract requirements. Give three examples demonstrating the proposing firm being proactive in finding opportunities to enhance benefits and services.
- e. **Qualifications and Experience.** Provide relevant information regarding previous experience related to similar projects or contracts completed on behalf of cities or counties within the State of Arkansas or for other public entities outside of Arkansas during the past five (5) years. References in relation to similar projects are required. Proposer shall also provide information for all entities in which they are presently or have been engaged with during the past five (5) years. All proposers shall submit a minimum of three (3) governmental references, with work relationships within the past five (5) years.

Provide in this section, the company's primary business interest and/or operations including any affiliations.
- f. **List of Project Personnel.** Proposer shall provide a description of its staff and work force that will be assigned to effectively facilitate the requirements of this project. This description shall include, at a minimum, the number of permanent employees, part time employees, and an organizational chart reflecting their responsibilities. It is the desire of the City that senior level strategic input is provided at all stages of the project.

Resumes shall be no more than one page (a page being defined as a single sided document), and shall include, at a minimum:

- Position title for each person assigned to this project;
- Tenure with Proposer for each person assigned to this project;

- Education of each person;
 - Experience of each person;
 - Estimated number of hours for each person assigned to this project;
 - Total billable hourly rate for each person assigned to this project;
 - Any other pertinent information related to this project
- g. **Availability.** Proposers shall describe the availability of project personnel and company to participate in this project in the context of the Proposer's other commitments.
- h. **Listing of all Fees.** Proposer shall clearly itemize and provide a list of all fees to cover the requested scope of work and deliverables. Proposer shall also provide an hourly rate for any additional work which is not included in the scope of work.
- i. Identify any Fees you charge for such as:
- Data conversion services
 - Services management
 - Training
 - Online services

Fees proposed are extremely important; however, fees will not be the determining factor in the selection process. It is not the intent of the City of Fayetteville to limit innovative solutions by dollar constraints, but rather to determine which proposal has the potential of providing the best value for the services required.

6. **CONTRACT FORMATION:**

If the negotiation produces mutual agreement, a contract will be considered for approval by the City of Fayetteville City Council. If negotiations with the highest-ranking Proposer fail, negotiations may be initiated with the next highest-ranking Proposer until an agreement is reached. The City reserves the right to reject all offers and end the process without executing a contract.

The initial term of the audit contract shall be for a period of one (1) year, starting with the date approved by the Fayetteville City Council. The contract shall be renewable by mutual consent, at a mutually agreed fee on an annual basis thereafter for four (4) additional years, for a total contract term of five (5) years. The contract may be terminated by either party by giving the other party written notice of such intent not less than sixty (60) days prior to the effective date of the termination. In the event of termination, claims for compensation owed the consultant by the City shall be limited to verifiable services rendered.

7. **CONTRACT ADMINISTRATION:**

The Contract Administrator for this Request for Proposal (RFP) shall be the City of Fayetteville's assigned Project Manager, which is intended to be the City of Fayetteville Human Resources Director. The City's selected Project Manager will:

- a. Provide the successful Proposer direction and monitor the results within the limits of the contract's terms and conditions.
- b. Manage issues which may arise as to quality and acceptability of services performed.
- c. Shall judge as to the accuracy of quantities submitted by the successful Proposer in payment requests and the acceptability of the services which these quantities represent.
- d. Serve as the point-of-contact for developing contract changes and amendments to be approved by City of Fayetteville.
- e. Shall act as City of Fayetteville's Representative during the execution of any subsequent contract and related amendments. All questions arising after the contract award, shall be addressed to the Purchasing Division.

Other than the Project Manager, the successful Proposer shall not take guidance or influence from any group or individual in relation to this project. All communication, both formal and informal shall be routed through the Project Manager after the selection process.

8. SELECTION CRITERIA:

The following criteria will be used by the City to evaluate and score responsive proposals. Proposers shall include sufficient information to allow the City to thoroughly evaluate and score the proposal. Each proposal submitted is not required to be ranked by the selection committee. The contract may be awarded to the most qualified firm, per the evaluation criteria listed below, based on the evaluation of the selection committee. Following the evaluation of the proposals, the Selection Committee may request that the top-ranking firm(s) make an oral presentation or be interviewed. If presentations are necessary, they will take place in Fayetteville, Arkansas. Notices will be sent by the Purchasing Division.

- 1) 30% **Qualifications in Relation to Specific Project to be Performed:** Information reflecting qualifications of the firm. Indicated specialized experience and technical competence of the firm in connection with the type and complexity of the service required. Subcontractors, if used, shall be listed with RFP response.
- 2) 25% **Experience, Competence and Capacity for Performance:** Include information reflecting the names, titles, and qualifications (including experience and technical competence) of the major personnel assigned to this specific project. Provide detailed breakdown of any subcontractor's or sub consultant's staff to be used and how they are to be used to supplement the Proposer's staff (if applicable).
- 3) 20% **Proposed Method of Doing Work:** A proposed work plan (description of how the project would be conducted as well as other facts concerning approach to scope desired) indicating methods and schedules for accomplishing scope of work. Include with this the amount of work presently underway.

- 4) 15% **Past Performance:** Previous evaluations shall be considered a significant factor. If previous evaluations with the City are not available, the professional firm's past performance records with other governmental agencies, and others, will be used, including quality of work, timely performance, diligence, and any other pertinent information. Firm shall provide a list of similar jobs performed and person whom the City can contact for information.

- 5) 10% **Cost/Fees:** Proposer shall provide a total listing of any fee the City could be charged. A fee shall be included for the presented scope of work as well as any other additional fee(s). All fees shall be clearly identified with RFP response and be itemized as much as possible. Any cost/fees for optional scope shall be itemized and separate from the rest of the scope listed above.

9. ADDITIONAL DOCUMENTS AND INFORMATON:

The following documents are included with this solicitation as additional information:

- a. Appendix A – Current City Organizational Chart
- b. Appendix B – List of Products
- c. Appendix C – 2023 Benefits Resolution

CONTINUES ON NEXT PAGE

1. DISCLOSURE INFORMATION:

Proposer must disclose any possible conflict of interest with the City of Fayetteville, including, but not limited to, any relationship with any City of Fayetteville employee. Proposer response must disclose if a known relationship exists between any principal or employee of your firm and any City of Fayetteville employee or elected City of Fayetteville official.

If, to your knowledge, no relationship exists, this should also be stated in your response. Failure to disclose such a relationship may result in cancellation of a purchase and/or contract as a result of your response. This form must be completed and returned in order for your bid/proposal to be eligible for consideration.

PLEASE CHECK ONE OF THE FOLLOWING TWO OPTIONS, AS IT APPROPRIATELY APPLIES TO YOUR FIRM:

_____ 1) NO KNOWN RELATIONSHIP EXISTS

_____ 2) RELATIONSHIP EXISTS (Please explain): _____

I certify that; as an officer of this organization, or per the attached letter of authorization, am duly authorized to certify the information provided herein are accurate and true; and my organization shall comply with all State and Federal Equal Opportunity and Non-Discrimination requirements and conditions of employment.

Pursuant Arkansas Code Annotated §25-1-503, the Contractor agrees and certifies that they do not currently boycott Israel and will not boycott Israel during any time in which they are entering into, or while in contract, with any public entity as defined in §25-1-503. If at any time during contract the contractor decides to boycott Israel, the contractor must notify the contracted public entity in writing.

2. PRIMARY CONTACT INFORMATION:

At the discretion of the City, one or more firms may be asked for more detailed information before final ranking of the firms, which may also include oral interviews. **NOTE: Each Proposer shall submit to the City a primary contact name, e-mail address, and phone number (preferably a cell phone number) where the City selection committee can call for clarification or interview via telephone.**

Corporate Name of Firm: _____

Primary Contact: _____ Title of Primary Contact: _____

Phone#1 (cell preferred): _____ Phone#2: _____

E-Mail Address: _____

3. ACKNOWLEDGEMENT OF ADDENDA:

Acknowledge receipt of addenda for this invitation to bid, request for proposal, or request for qualification by signing and dating below. All addendums are hereby made a part of the bid or RFP documents to the same extent as though it were originally included therein. Proposers/Bidders should indicate their receipt of same in the appropriate blank listed herein. Failure to do so may subject Contractor to disqualification.

ADDENDUM NO.	SIGNATURE AND PRINTED NAME	DATE ACKNOWLEDGED

4. PRICING:

Pricing shall be attached as a separate form. Reference RFP for details on what all pricing shall include.

5. DEBARMENT CERTIFICATION:

As an interested party on this project, you are required to provide debarment/suspension certification indicating in compliance with the below Federal Executive Order. Certification can be done by completing and signing this form.

Federal Executive Order (E.O.) 12549 "Debarment and Suspension" requires that all contractors receiving individual awards, using federal funds, and all sub-recipients certify that the organization and its principals are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from doing business with the Federal Government.

Signature certifies that neither you nor your principal is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

Questions regarding this form should be directed to the City of Fayetteville Purchasing Division.

NAME OF COMPANY: _____

PHYSICAL ADDRESS: _____

MAILING ADDRESS: _____

PRINTED NAME: _____

PHONE: _____ FAX: _____

E-MAIL: _____

SIGNATURE: _____

TITLE: _____ DATE: _____

RESIDENTS OF FAYETTEVILLE

CITY COUNCIL
 SONIA HARVEY
 D'ANDRE JONES
 MARK KINION
 MIKE WIEDERKEHR
 SLOAN SCROGGIN
 SARAH BUNCH
 TERESA TURK
 HOLLY HERTZBERG
 CONTACT CITY CLERK'S OFFICE FOR DETAILS

CITY ATTORNEY
 KIT WILLIAMS
 CONTACT CITY ATTORNEY FOR ORGANIZATIONAL INFORMATION

CITY CLERK TREASURER
 KARA PAXTON
 Contact City Clerk for Organizational Information

MAYOR
 LIONELD JORDAN
 Detailed Organizational Information Below

DISTRICT COURT JUDGE
 CASEY JONES
 Contact District Judge for Organizational Information

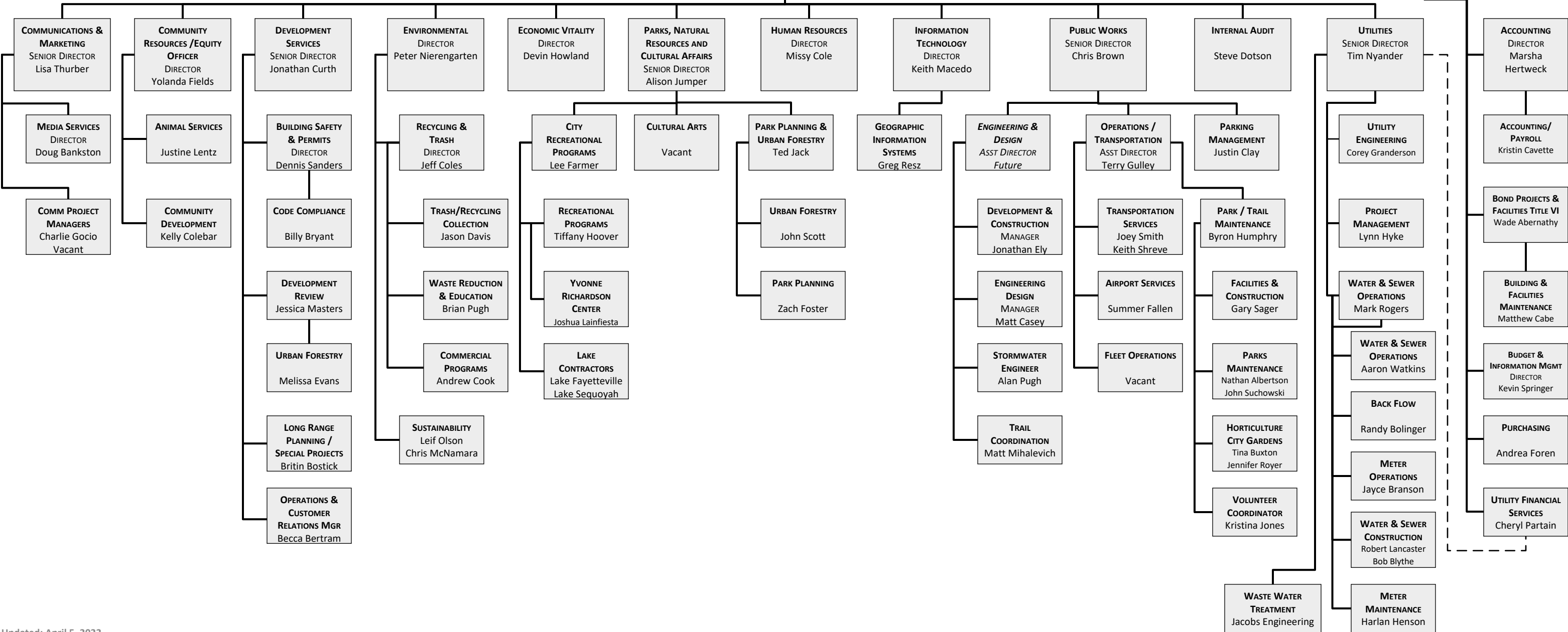
MAYOR'S OFFICE
 ADMINISTRATION
 Patti Mulford

CHIEF OF POLICE
 Mike Reynolds
 Organizational Chart Available

CHIEF OF STAFF
 Susan Norton

FIRE CHIEF
 Brad Hardin
 Organizational Chart Available

CHIEF FINANCIAL OFFICER
 Paul Becker
 Organizational Chart Available



RFP 22-10, APPENDIX B

PRODUCTS THE CITY'S BENEFITS BROKER ASSISTS WITH:

Voluntary Benefits

- ◆ **Health Insurance**
- ◆ **Dental Insurance**
- ◆ **Vision Insurance**
- ◆ **Life Insurance**
- ◆ **Accidental Death & Dismemberment**
- ◆ **Short Term Disability**
- ◆ **Supplemental Insurance: Cancer, Critical Illness & Accident**

Employer Paid Benefits

- ◆ **Life Insurance**
- ◆ **Accidental Death & Dismemberment**
- ◆ **Long Term Disability**

Employer Programs:

- ◆ **Employee Assistance Program**

Optional:

- ◆ **Retirement Plan Services**



113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Resolution: 176-22

File Number: 2022-0629

2023 EMPLOYEE BENEFITS PACKAGE:

A RESOLUTION TO APPROVE THE 2023 EMPLOYEE BENEFITS PACKAGE

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE,
ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the 2023 employee benefits package as recommended in the staff memorandum attached to this Resolution.

PASSED and APPROVED on 8/2/2022

Approved:


Lioneld Jordan, Mayor

Attest:


Kara Paxton, City Clerk Treasurer





City of Fayetteville, Arkansas

113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Text File

File Number: 2022-0629

Agenda Date: 8/2/2022

Version: 1

Status: Passed

In Control: City Council Meeting

File Type: Resolution

Agenda Number: C.2

2023 EMPLOYEE BENEFITS PACKAGE:

A RESOLUTION TO APPROVE THE 2023 EMPLOYEE BENEFITS PACKAGE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the 2023 employee benefits package as recommended in the staff memorandum attached to this Resolution.

City of Fayetteville Staff Review Form

2022-0629

Legistar File ID

8/2/2022

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Missy Cole

7/15/2022

HUMAN RESOURCES (120)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends City Council approve the 2023 employee benefits renewals as proposed in the staff memo.

Budget Impact:

Citywide	Citywide																								
Account Number	Fund																								
Project Number	Project Title																								
<p>Budgeted Item? <u>Yes</u></p> <p>Does item have a cost? <u>No</u></p> <p>Budget Adjustment Attached? <u>No</u></p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">Current Budget</td> <td style="width: 10%;">\$</td> <td style="width: 10%;"></td> <td style="width: 50%; text-align: right;">6,662,368.00</td> </tr> <tr> <td>Funds Obligated</td> <td>\$</td> <td></td> <td style="text-align: right;">3,224,907.34</td> </tr> <tr> <td>Current Balance</td> <td>\$</td> <td></td> <td style="text-align: right;">3,437,460.66</td> </tr> <tr> <td>Item Cost</td> <td>\$</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Budget Adjustment</td> <td>\$</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Remaining Budget</td> <td>\$</td> <td></td> <td style="text-align: right;">3,437,460.66</td> </tr> </table>	Current Budget	\$		6,662,368.00	Funds Obligated	\$		3,224,907.34	Current Balance	\$		3,437,460.66	Item Cost	\$		-	Budget Adjustment	\$		-	Remaining Budget	\$		3,437,460.66
Current Budget	\$		6,662,368.00																						
Funds Obligated	\$		3,224,907.34																						
Current Balance	\$		3,437,460.66																						
Item Cost	\$		-																						
Budget Adjustment	\$		-																						
Remaining Budget	\$		3,437,460.66																						

V20210527

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF AUGUST 2, 2022

TO: Mayor and City Council
THRU: Susan Norton, Chief of Staff
FROM: Missy Cole, HR Director
DATE: July 12, 2022
SUBJECT: 2023 Employee Benefits Renewal

RECOMMENDATION:

Staff recommends Council approve the employee benefits package for 2023 as outlined below and in the attached documents.

BACKGROUND:

Staff and Gallagher Benefit Services, the City's benefits broker, have reviewed the annual renewals for employee insurance plans. Employee benefits renewals are brought forward at this time to ensure the annual open enrollment may proceed according to schedule.

DISCUSSION:

Health Insurance

The one year look back period of the City's health claims shows a 131.3% utilization rate of claims paid versus premiums paid. Under the City's current renewal rate guarantee with Arkansas Blue Cross Blue Shield, the utilization rate would result in a 19.8% premium increase for 2023 for the City's medical plans. Blue Cross Blue Shield has offered to reduce the premium increase to 16.8% if the City will move vision vendors from Superior Vision to VSP, BCBS's preferred provider. Staff reviewed the plan designs and geographical coverage map of VSP and recommends a move to VSP for vision coverage to help mitigate the health premium increase and to provide more vision coverage options to employees. Staff also recommends renewing the health plan with the same plan design and same cost sharing percentages for 2023.

Employee Paid Vision Insurance

Staff recommends moving to VSP and offering employees two plan design options. Rates are guaranteed for 3 years. The Base Plan (Silver II) is like the current plan design offered by the City. The Buy-Up Plan (Gold II) is a new option for employees to choose if they are interested in enhanced vision benefits.

Employee Paid Dental Insurance

The one year look back period shows the loss ratio for the City's dental claims at 85.55%, which results in a 4.5% increase to rates for 2023. Staff recommends renewing with Delta Dental.

City Paid Life and LTD Benefits

OneAmerica has provided a rate hold on Employer Paid Basic Life and Employer Paid LTD products for 2023. Staff recommends renewing with OneAmerica for the same benefit coverage and current rates.

Flexible Spending Accounts

Staff recommends American Fidelity continue as the administrator of Flexible Spending Accounts with no cost for services.

Health Saving Accounts

Staff recommends First Security Bank continue as the administrator of Health Savings Accounts with no cost for services.

COBRA

Staff recommends Consolidated Admin Services (CAS) continue as the administrator of COBRA services.

Voluntary Employee Paid Benefits

OneAmerica has provided a rate hold for 2023 on employee paid Short Term Disability and Employee Paid Life Insurance. Staff recommends renewing with OneAmerica for these products.

Supplemental Benefits Paid by Employees

Staff recommends continuing to offer additional supplemental benefits to employees through American Fidelity which include: Disability Income Insurance, Accident Only Insurance, Cancer Insurance, Critical Illness Insurance, Life Insurance, AF Term Life Insurance, AF Permanent Life Insurance and Hospital Gap Insurance.

BUDGET/STAFF IMPACT:

The costs of these planned insurance/benefit items are being budgeted in the City's 2023 budget.

Attachments:

Health Plan Costs 2023 vs. 2022

Employee Paid Dental and Vision Premiums 2023 vs. 2022

HEALTH PLAN MONTHLY COSTS 2023 VS. 2022

PPO Plan							
Rate Tier	Total Monthly Premium 2022	Total Monthly Premium 2023	Monthly Employee Contribution 2022	Monthly Employee Contribution 2023	Monthly Employer Contribution 2022	Monthly Employer Contribution 2023	Employee/ Employer Cost-Share %
Employee Only	\$719.14	\$ 839.96	\$183.30	\$214.10	\$535.84	\$625.86	25.49%/74.51%
Employee + Spouse	\$1,568.08	\$ 1,831.52	\$591.94	\$691.40	\$976.14	\$1,140.12	37.75%/62.25%
Employee + Child(ren)	\$1,294.42	\$ 1,511.88	\$488.64	\$570.72	\$805.78	\$941.16	37.75%/62.25%
Family	\$2,134.22	\$ 2,492.76	\$805.66	\$941.02	\$1,328.56	\$1,551.74	37.75%/62.25%

High Deductible Health Plan							
Rate Tier	Total Monthly Premium 2022	Total Monthly Premium 2023	Monthly Employee Contribution 2022	Monthly Employee Contribution 2023	Monthly Employer Contribution 2022	Monthly Employer Contribution 2023	Employee/ Employer Cost-Share %
Employee Only	\$374.16	\$437.02	\$ 52.60	\$61.44	\$321.56	\$375.58	14.06%/85.94%
Employee + Spouse	\$806.96	\$942.52	\$ 120.08	\$140.24	\$686.88	\$802.28	14.88%/85.12%
Employee + Child(ren)	\$611.28	\$713.98	\$ 90.96	\$106.24	\$520.32	\$607.74	14.88%/85.12%
Family	\$1,133.18	\$1,323.54	\$ 168.62	\$196.94	\$964.56	\$1,126.60	14.88%/85.12%

Dental Premium 2023 vs. 2022		
Plan Tier	2022 Employee Monthly Premium	2023 Employee Monthly Premium
Employee Only	\$27.50	\$28.74
Employee + Spouse	\$54.98	\$57.46
Employee + Child(ren)	\$63.24	\$66.10
Family	\$98.10	\$102.52

Vision Premiums 2023 vs. 2022			
Plan Tier	2022 Employee Monthly Premium	2023 Employee Monthly Premium (Silver II Plan)	2023 Employee Monthly Premium (Gold II Plan)
Employee Only	\$6.54	\$6.00	\$7.72
Employee + Spouse	\$12.68	\$11.96	\$15.40
Employee + Child(ren)	\$12.68	\$12.80	\$16.48
Family	\$18.66	\$20.46	\$26.34



CITY OF
FAYETTEVILLE
ARKANSAS

Renewal Analysis and Process

Gallagher Benefit Services | 7/2022



Gallagher

Insurance | Risk Management | Consulting

Overview



Gallagher

Insurance | Risk Management | Consulting

Medical-BCBS

- Original renewal 19.8%
- Bundled with Vision 16.8%
- 2021 loss ratio is 131%
- 2022 YTD is 124%

Vision-Move to VSP

- Choice of 2 plans (Silver and Gold)

Dental-Delta Dental

- Renew with no changes at 4.5% increase

Life & Disability-One America

- Renew with no changes

FSA-American Fidelity

- Continue with Administrator

HSA-First Security Bank

- Continue with Administrator

COBRA-CAS

- Continue with Administrator

Voluntary Benefits-One America

- Renew with no changes

Voluntary Benefits-American Fidelity

- Renew with no changes

Historical Lookback



Insurance | Risk Management | Consulting

Renewal Year	Percent of Increase
2016	6.4%
2017	5.6%
2018	20%
2019	15%
2020	0%
2021	6%
2022	16.8%

Experience Period	Total Claims	Premium	Paid Loss Ratio
5/1/15 – 4/30/16	\$4,322,202	\$4,216,666	102.5%
5/1/16 – 4/30/17	\$4,576,036	\$4,513,431	101.4%
5/1/17 – 4/30/18	\$4,713,036	\$4,913,154	95.3%
5/1/18 – 4/30/19	\$4,831,586	\$5,757,503	83.9%
5/1/19 – 4/30/20	\$5,455,647	\$6,274,795	86.9%
5/1/20 – 4/30/21	\$5,719,772	\$6,270,906	91.2%
5/1/21 - 4/30/22	\$7,289,359	\$6,248,761	116.7%
Totals	\$36,907,638	\$38,195,216	96.6%

Medical Plan – BCBS of Arkansas



Gallagher

Insurance | Risk Management | Consulting

Services Provided	Traditional PPO \$1,000		High Deductible \$3,000	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible (individual/family)	\$1,000/\$2,000	\$1,000/\$2,000	\$3,000/\$6,000	\$6,000/\$12,000
Coinsurance Maximum (individual/family)	\$2,000/\$4,000	\$3,000/\$6,000	\$0/\$0	Unlimited
Out-of-Pocket Maximum (individual/family)	\$3,000/\$6,000	\$4,000/\$8,000	\$3,000/\$6,000	Unlimited
Lifetime Maximum	Unlimited			
Primary Care Office Visits	20% after deductible	40% U&C after deductible	0% after deductible	20% U&C after deductible
Specialist Office Visits	20% after deductible	40% U&C after deductible	0% after deductible	20% U&C after deductible
Hospitalization – Inpatient	20% after deductible	40% U&C after deductible	0% after deductible	20% U&C after deductible
Hospitalization – Outpatient	20% after deductible	40% U&C after deductible	0% after deductible	20% U&C after deductible
Emergency Room	20% after deductible		0% after deductible	
Urgent Care	20% after deductible	40% U&C after deductible	0% after deductible	20% U&C after deductible
Preventive Services	0%	20% U&C after deductible	0%	20% U&C after deductible
Prescription Drugs	\$10/\$40/\$60/\$150	Not covered	0% after deductible	Not covered



Medical Rate Comparison

HEALTH PLAN MONTHLY COSTS 2023 VS. 2022								
PPO Plan								
Rate Tier	Enroll	Total Monthly Premium 2022	Total Monthly Premium 2023	Monthly Employee Contribution 2022	Monthly Employee Contribution 2023	Monthly Employer Contribution 2022	Monthly Employer Contribution 2023	Employee/ Employer Cost-Share %
Employee Only	45	\$719.14	\$ 839.96	\$183.30	\$214.10	\$535.84	\$625.86	25.49%/74.51%
Employee + Spouse	6	\$1,568.08	\$ 1,831.52	\$591.94	\$691.40	\$976.14	\$1,140.12	37.75%/62.25%
Employee + Child(ren)	3	\$1,294.42	\$ 1,511.88	\$488.64	\$570.72	\$805.78	\$941.16	37.75%/62.25%
Family	3	\$2,134.22	\$ 2,492.76	\$805.66	\$941.02	\$1,328.56	\$1,551.74	37.75%/62.25%
Total Monthly	57	\$52,056	\$60,801	\$15,683	\$18,318	\$36,373	\$42,483	
Total Annual		\$624,668	\$729,615	\$188,196	\$219,817	\$436,472	\$509,797	
High Deductible Health Plan								
Rate Tier	Enroll	Total Monthly Premium 2022	Total Monthly Premium 2023	Monthly Employee Contribution 2022	Monthly Employee Contribution 2023	Monthly Employer Contribution 2022	Monthly Employer Contribution 2023	Employee/ Employer Cost-Share %
Employee Only	316	\$374.16	\$437.02	\$ 52.60	\$61.44	\$321.56	\$375.58	14.06%/85.94%
Employee + Spouse	89	\$806.96	\$942.52	\$ 120.08	\$140.24	\$686.88	\$802.28	14.88%/85.12%
Employee + Child(ren)	65	\$611.28	\$713.98	\$ 90.96	\$106.24	\$520.32	\$607.74	14.88%/85.12%
Family	225	\$1,133.18	\$1,323.54	\$ 168.62	\$196.94	\$964.56	\$1,126.60	14.88%/85.12%
Total Monthly	695	\$484,753	\$566,188	\$71,161	\$83,114	\$413,592	\$483,074	
Total Annual		\$5,817,032	\$6,794,254	\$853,927	\$997,362	\$4,963,105	\$5,796,892	
TOTAL	752	\$6,441,701	\$7,523,868	\$1,042,124	\$1,217,179	\$5,399,577	\$6,306,689	
% Change			16.8%		16.8%		16.8%	



City HSA Contributions

City of Fayetteville HSA Contributions for HDHP

HSA Engagement Contributions						
Plan Tier	Participation Plan Type	City's Contribution (per payroll)	City's Contribution (per month)	City's Contribution (annual)	Employee's Maximum Annual Contribution*	Current IRS MAX Annual Contribution
EE	Participant	\$35.40	\$70.80	\$849.60	\$2,800.40	\$3,650.00
EE	Non-Participant	\$30.98	\$61.96	\$743.52	\$2,906.48	\$3,650.00
ES	Participants (EE + Spouse)	\$53.33	\$106.66	\$1,279.92	\$6,020.08	\$7,300.00
ES	1 Participant	\$46.67	\$93.34	\$1,120.08	\$6,179.92	\$7,300.00
ES	Non-Participants	\$40.00	\$80.00	\$960.00	\$6,340.00	\$7,300.00
EC	Participant (EE)	\$66.25	\$132.50	\$1,590.00	\$5,710.00	\$7,300.00
EC	Non-Participant	\$57.97	\$115.94	\$1,391.28	\$5,908.72	\$7,300.00
Family	Participants (EE + Spouse)	\$78.33	\$156.66	\$1,879.92	\$5,420.08	\$7,300.00
Family	1 Participant	\$68.54	\$137.08	\$1,644.96	\$5,655.04	\$7,300.00
Family	Non-Participants	\$58.75	\$117.50	\$1,410.00	\$5,890.00	\$7,300.00



Dental Plan

Delta Dental of Arkansas

	In-Network PPO and Premier	Non-Participating Dentists
Annual Deductible (only applies to basic, major and orthodontic services)	\$50/\$150	\$50/\$150
Annual Benefit Maximum	\$1,500	\$1,500
Preventive Dental Services (cleanings, exams, x-rays)	100%	90%
Basic Dental Services (fillings, root canal therapy, oral surgery)	80%	72%
Major Dental Services (extractions, crowns, inlays, onlays, bridges, dentures, repairs)	50%	45%
Orthodontic Services (dependent children under age 19)	50%	45%



Monthly Rates 2023	
Employee	\$28.74
Employee + Spouse	\$57.46
Employee + Child(ren)	\$66.10
Family	\$102.52



Vision-VSP

Plan Options

Vision	Current-Superior Vision	VSP Silver II
Vision Frequency	12/12/24	12/12/24
Co-Pay Exam/Materials	\$10/\$15	\$10/\$15
In Network		
Frames/Contact Lens Allowance	\$100 (after \$15 copay)/\$130	\$130 (lenses and Frames)
Vision Network	Superior	VSP
Contribution	Voluntary	Voluntary

Vision	Current-Superior Vision	VSP Gold II
Vision Frequency	12/12/24	12/12/12
Co-Pay Exam/Materials	\$10/\$15	\$10
In Network		
Frames/Contact Lens Allowance	\$100 (after \$15 copay)/\$130	\$150
Vision Network	Superior	VSP
Contribution	Voluntary	Voluntary

Monthly Rates

VSP Silver II	2023
Employee	\$6.00
Employee + Spouse	\$11.96
Employee + Child	\$12.80
Family	\$20.46

VSP Gold II	2023
Employee	\$7.72
Employee + Spouse	\$15.40
Employee + Child	\$16.48
Family	\$26.34

Thank You!

Kristy Arciszewski
314-412-9401
kristy_arciszewski@ajg.com

Tiffany Gasca
515.681.2663
tiffany_gasca@ajg.com
300 Jefferson, Suite 600
Springfield, MO 65906

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Gallagher

Insurance | Risk Management | Consulting



RFP 22-10 Addendum 2

Brown & Brown of Arkansas, Inc.

Supplier Response

Event Information

Number: RFP 22-10 Addendum 2
Title: Benefits Broker
Type: Request for Proposal
Issue Date: 8/21/2022
Deadline: 9/13/2022 02:00 PM (CT)
Notes:

The City of Fayetteville is seeking requests for proposal from qualified and experienced firms to provide brokerage and consulting services for benefits to City employees for one (1) year with four (4) one-year renewal options, giving a possible contract term of five (5) years. Any questions concerning this solicitation process should be directed to Amanda Beilfuss, City of Fayetteville Sr. Purchasing Agent, at abeilfuss@fayetteville-ar.gov.

Contact Information

Contact: Amanda Beilfuss
Address: Purchasing
Room 306
City Hall
113 West Mountain Street - Room 306
Fayetteville, AR 72701
Email: abeilfuss@fayetteville-ar.gov

Brown & Brown of Arkansas, Inc. Information

Contact: Todd Setser
Address: 1479 Executive Pl
Suite A
Springdale, AR 72762
Phone: (479) 717-0500 x0500
Email: todd.setser@bbrown.com
Web Address: <https://www.bbinsurance.com/>

By submitting your response, you certify that you are authorized to represent and bind your company.

Jerrad Todd Setser

Signature

Submitted at 9/13/2022 01:32:41 PM (CT)

todd.setser@bbrown.com

Email

Requested Attachments

RFP 22-10, Benefits Broker

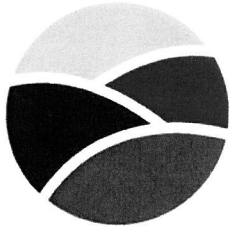
City of Fayetteville RFP 22-10.pdf

Please attach the signed and completed RFP forms, located in the "Attachments" tab, along with any additional documents.

Response Attachments

Sign Bid Forms.pdf

Signed Bid Forms



CITY OF
FAYETTEVILLE
ARKANSAS

City of Fayetteville, Arkansas
Purchasing Division – Room 306
113 W. Mountain
Fayetteville, AR 72701
Phone: 479.575.8256

TDD (Telecommunication Device for the Deaf): 479.521.1316

RFP (REQUEST FOR PROPOSAL)

Request for Proposal: RFP 22-10, Benefits Broker

DEADLINE: Tuesday, September 13, 2022 before 2:00 PM, local time

Pre-Proposal Conference: Wednesday, August 31, 2022 at 2:00 PM, local time, via zoom

Sr. Purchasing Agent: Amanda Beilfuss, abeilfuss@fayetteville-ar.gov

DATE OF ISSUE AND ADVERTISEMENT: 08/21/2022

REQUEST FOR PROPOSAL
RFP 22-10, Benefits Broker

No late proposals shall be accepted. RFP's shall be submitted through the City's third-party electronic bidding platform. Submitting through the City's electronic bidding platform is required. All bids shall be submitted in accordance with the attached City of Fayetteville specifications and bid documents attached hereto. Each bidder is required to fill in every blank and shall supply all information requested; failure to do so may be used as basis of rejection. Any bid, proposal, or statements of qualification will be rejected that violates or conflicts with state, local, or federal laws, ordinances, or policies.

The undersigned hereby offers to furnish & deliver the articles or services as specified, at the prices & terms stated herein, and in strict accordance with the specifications and general conditions of bidding, all of which are made a part of this offer. This offer is not subject to withdrawal unless upon mutual written agreement by the Proposer/Bidder and City Purchasing Manager.

Name of Firm: BROWN & BROWN OF ARKANSAS, INC.
Contact Person: TODD SETSER Title: EXECUTIVE VICE PRESIDENT
E-Mail: Todd.Setser@BBrown.com Phone: 479-717-0503
Business Address: 1479 EXECUTIVE PL. STE. A
City: SPRINGDALE State: AR Zip: 72762
Signature: Todd Setser Date: 9-13-22

1. DISCLOSURE INFORMATION:

Proposer must disclose any possible conflict of interest with the City of Fayetteville, including, but not limited to, any relationship with any City of Fayetteville employee. Proposer response must disclose if a known relationship exists between any principal or employee of your firm and any City of Fayetteville employee or elected City of Fayetteville official.

If, to your knowledge, no relationship exists, this should also be stated in your response. Failure to disclose such a relationship may result in cancellation of a purchase and/or contract as a result of your response. This form must be completed and returned in order for your bid/proposal to be eligible for consideration.

PLEASE CHECK ONE OF THE FOLLOWING TWO OPTIONS, AS IT APPROPRIATELY APPLIES TO YOUR FIRM:

- 1) NO KNOWN RELATIONSHIP EXISTS
- 2) RELATIONSHIP EXISTS (Please explain): _____
- _____

I certify that; as an officer of this organization, or per the attached letter of authorization, am duly authorized to certify the information provided herein are accurate and true; and my organization shall comply with all State and Federal Equal Opportunity and Non-Discrimination requirements and conditions of employment.

Pursuant Arkansas Code Annotated §25-1-503, the Contractor agrees and certifies that they do not currently boycott Israel and will not boycott Israel during any time in which they are entering into, or while in contract, with any public entity as defined in §25-1-503. If at any time during contract the contractor decides to boycott Israel, the contractor must notify the contracted public entity in writing.

2. PRIMARY CONTACT INFORMATION:

At the discretion of the City, one or more firms may be asked for more detailed information before final ranking of the firms, which may also include oral interviews. NOTE: Each Proposer shall submit to the City a primary contact name, e-mail address, and phone number (preferably a cell phone number) where the City selection committee can call for clarification or interview via telephone.

Corporate Name of Firm: BROWN & BROWN OF ARKANSAS, INC.

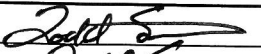
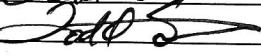
Primary Contact: TODD SETSER Title of Primary Contact: Executive Vice President

Phone#1 (cell preferred): 479-387-5048 Phone#2: 479-717-0503

E-Mail Address: Todd.Setser@BBrown.com

3. ACKNOWLEDGEMENT OF ADDENDA:

Acknowledge receipt of addenda for this invitation to bid, request for proposal, or request for qualification by signing and dating below. All addendums are hereby made a part of the bid or RFP documents to the same extent as though it were originally included therein. Proposers/Bidders should indicate their receipt of same in the appropriate blank listed herein. Failure to do so may subject Contractor to disqualification.

ADDENDUM NO.	SIGNATURE AND PRINTED NAME	DATE ACKNOWLEDGED
RFP 22-10 A1	 TODD SETSER	9-6-22
RFP 22-10 A2	 TODD SETSER	9-13-22

4. PRICING:

Pricing shall be attached as a separate form. Reference RFP for details on what all pricing shall include.

5. DEBARMENT CERTIFICATION:

As an interested party on this project, you are required to provide debarment/suspension certification indicating in compliance with the below Federal Executive Order. Certification can be done by completing and signing this form.

Federal Executive Order (E.O.) 12549 "Debarment and Suspension" requires that all contractors receiving individual awards, using federal funds, and all sub-recipients certify that the organization and its principals are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from doing business with the Federal Government.

Signature certifies that neither you nor your principal is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

Questions regarding this form should be directed to the City of Fayetteville Purchasing Division.

NAME OF COMPANY: BROWN & BROWN OF ARKANSAS, INC

PHYSICAL ADDRESS: 1479 EXECUTIVE PLACE, SUITE A SPRINGDALE AR 72762

MAILING ADDRESS: SAME AS ABOVE

PRINTED NAME: TODD SETSER

PHONE: 479-717-0503 FAX: 479-717-0501

E-MAIL: TODD.SETSER@BBROWN.COM

SIGNATURE: 

TITLE: EXECUTIVE VICE PRESIDENT DATE: 9/13/22

CITY OF FAYETTEVILLE

Brown & Brown Response to Request for Proposal

Date: September 13, 2022



September 13, 2022

Dear City of Fayetteville,

On behalf of the entire consulting team at Brown & Brown, we want to thank you for the opportunity to offer our proposal to assist you in the management of your employee benefit programs.

The Brown & Brown team we have assembled for City of Fayetteville is one that will provide you with unparalleled service and experience, enhance your strategic decision making, provide you with unique and detailed program assessments and support you in all aspects of your employee benefit programs.

Throughout this proposal response you will see several common themes – client priorities, unique data driven strategic thinking, best-in-breed analytic systems and deep marketplace intelligence. These themes are our commitments to City of Fayetteville and your team members.

As you know, health care costs are a significant challenge for every employer. There are no simple solutions or quick product fixes to the challenges we face. However, there are solutions which vary by employer and by employee population. Both the assessment of problems and the development of creative solutions require a serious approach and a team with the experience and ability to provide comprehensive results.

In the following pages, we hope to demonstrate why we are well-positioned to develop creative solutions and deliver tangible results for City of Fayetteville. We are eager to meet with you and your benefits team to discuss how we may serve you effectively. If you have questions about any of the material contained in this response, please do not hesitate to contact me.

Best Regards,



J. Todd Setser, CIC, REBC

Executive Vice President

Brown & Brown of Arkansas, Inc.

Direct: 479.717.0503

Cell: 479.387.5048

Email: Todd.Setser@BBrown.com

Executive Summary

We are grateful for the opportunity to showcase our capabilities throughout this request for proposal response. Brown & Brown is uniquely qualified to handle City of Fayetteville benefit consultant needs. We believe our distinction lies in the experience and specialization of our teammates, the vast array of value-added services we provide our clients, along with our exclusive reporting tools, advanced technologies and the in-depth industry and insurance market knowledge we possess.

In reviewing our responses to this request for proposal, you will discover that Brown & Brown offers specific advantages to each area outlined. We add value for our clients where most firms cannot. We strive to exceed our client's service expectations and raise the bar for ourselves every year. Our goal is to be much more than a transactional broker.

We believe our experienced and innovative team can deliver superior service while demonstrating a commitment to placing the interests of City of Fayetteville at the forefront. We are confident that our response will support this belief and we look forward to the opportunity to demonstrate our consulting capabilities in greater detail.

We do understand with being fully insured you have limited access to plan data. We can work with what the carriers provide to give you reporting which can lead to action items that will drive results. We want to bring to the City of Fayetteville, the tools that will help you manage your plan to the best of your ability.

The first action item, should we be selected, is to go through a review of what you have accomplished over the last several years and talk about your goals for the future. During this meeting, we will discuss fundamentals and gain understanding of your risk tolerance, project goals, and then build your timeline. We feel entities of your size should analyze self-funding as a common exercise. Some clients are not comfortable with this, but we would perform a self-funded analysis and go over the pros and cons of moving to a finance model like this. Health insurance is a company or municipality's largest spend, so we focus a lot on this one benefit.

We will not be bidding on the Financial Services area, at this time, but will focus on the health and welfare products of the RFP. We would want to spend more time in this area later, when we can sit down with those involved and truly understand what you are trying to accomplish.

We do agree with the Scope of Work, listed in the RFP 22-10 and have the ability to perform all duties as defined and additional as needed. We have tried to consolidate the offerings in a concise manner to best bring the City the desired result. We are proposing an annual fee based on the desired scope of work and do not bid at a rate per hour. It is our job to manage the workload and bring in the best people to do the job. We have confidence in our team and look forward to working with the City of Fayetteville.



J. Todd Setser, CIC, REBC

Executive Vice President

Brown & Brown of Arkansas, Inc.

Brown & Brown of Arkansas, Inc.

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Section 1: Methods and Approach

Company Background

Brown & Brown was founded in 1939 as a two-partner firm and has risen to become one of the largest insurance brokerages in the world. Powered by a culture that values high performance and perseverance, Brown & Brown is arguably the most efficient operating platform in the insurance brokerage business. With a long-standing history of proven success, Brown & Brown continues to grow and thrive in the extremely competitive and constantly changing insurance industry.

Who We Are

- Data-driven, creative consultants focused on:
 - » Employee Benefits
 - » Population Health
 - » Mental and Behavioral Health
 - » Property and Casualty
 - » Risk Management
 - » Total Rewards and Compensation
 - » Personal Insurance
- National resources paired with the speed and agility of a small, boutique brokerage
- 5th Largest Insurance Broker
- 6,000+ Teammates, 300+ Offices

Brown & Brown
BBrown.com

The Brown & Brown Difference



Proven Strategies, Successful Outcomes

We turn analytics into targeted strategies that produce positive results. Brown & Brown's strategies helped customers beat medical trend and effectively manage health plan costs.



We Solve Problems, Plain and Simple

Through personalized support and consultation, we help reduce the burden of plan management, lower costs and maximize employee benefits.



Service with a Sense of Urgency

Expect a proactive and responsive team you can trust. Our service model equally supports your benefit administration needs and rising health care costs.



Transparent Partnership, Tremendous Value

The breadth and depth of the services we offer go above and beyond what is expected from most brokerages. We go deep into the details, dedicating our time to your success.



Our Mission

We are dedicated to making a positive difference in the lives of our customers by helping to protect what they value most.

Guiding Principles

We believe in doing what is best for our customers, communities, teammates, carrier partners and shareholders—always. The cornerstones of our organization's guiding principles are people, performance, service and innovation.

Our Culture

Brown & Brown's deeply rooted culture is built on integrity, innovation, superior capabilities and discipline. Our culture is not built through "big company" messaging; it is created by those that put in the work and remain true to shared values and a commitment to always doing what is best for our customers and our communities.

The cornerstone of our success all starts with the tremendous emphasis our management places on making Brown & Brown a great place to work. Brown & Brown has repeatedly been certified as a Great Place to Work®, and as a result, our employee benefit practice has experienced minimal talent turn-over.



We believe that employees who enjoy their work environment will reflect that enjoyment in the interactions they have with their clients, in turn resulting in an enhanced client experience. We put a premium on retaining employees, allowing our clients to enjoy years of consistent service and strategy execution from the same individuals.

We value creativity in our employees and encourage innovative ideas. Each of our employees cares about the others and contributes meaningfully to our strong, team-based environment internally. We receive regular compliments

300 +
LOCATIONS

11,000 +
TEAMMATES

5th Largest
INSURANCE
BROKERAGE 
In the nation according to
Business Insurance Magazine

from our competitors, our clients, and the insurance carrier marketplace as to the caliber of talent and the character of the employees we are able to recruit and retain. We have fun working together and working with our clients.

Local People & Powerful Solutions

As a top five broker, we use our size to the benefit of our customers through market leverage, scalability and expansive resources. Our national resources are available to support critical items such as regulation changes, pharmacy, international, benefits administration and much more.

We layer our national resources with a local, dedicated service team. This local team delivers a high-touch experience for day-to-day support and long-term strategic planning. This gives you the benefits of the size of a national brokerage without losing the personal, swift support that comes from a local team.

Growth Oriented

With a long-standing history of proven success, we continue to grow and thrive in the extremely competitive and ever-evolving insurance industry. Brown & Brown is currently the 5th largest U.S. insurance broker. Brown & Brown ended calendar year 2021 with \$3.1 billion in revenue and more than 11,000 teammates in over 300 offices.



Brown & Brown's annual report can be found on our website at investor.bbinsurance.com/annual-reports.

Describe expected approach and identify each task. Describe the anticipated interaction with the City and a description of the method(s) which will be used to successfully accomplish the project. Provide a detailed timeline of the anticipated schedule for completing each task.

Serving as an extension of your benefits function, we team with your staff to deliver results. Our goal is to anticipate your needs and resolve concerns before they become problems. Our delivery model for routine annual services is a proven way to gather information and measure progress against our clients' strategic direction. Our process begins with a research and discovery session. In this research and discovery session, Brown & Brown will begin by surveying your stakeholders and work to help them understand the spectrum of solutions. In an effort to develop a strategic roadmap, inclusive of short- and long-term goals, we outline opportunities for cost reduction and improved results.

Additionally, we will work to identify the needs, concerns and desires of your various employee groups. Through detailed discussions between your finance, human resources and benefits departments, as well as employee groups, we often find varying concerns, priorities and perceptions. As a consultant to City of Fayetteville Arkansas, our task is to identify the needs of the various stakeholders and develop a common benefit plan strategy.



From a tactical perspective, our five step service model incorporates all components of benefits management, including:

Objective Setting: This is a detailed process to be consistent with City of Fayetteville Arkansas's philosophy, financial and retention objectives.

Program Design: We will utilize benchmarking data and our Health Plan Intelligence (HPI) analysis to design a program that meets your diverse member needs while remaining cost-effective.

Vendor Evaluation and Marketing: Brown & Brown will aggressively negotiate the appropriate renewal action with insurance carriers and when appropriate, market the plan. A formal request for proposal will be delivered to qualified markets and a comprehensive market evaluation will be provided to assist in vendor selection.

Implementation, Communication, and On-going Support: Brown & Brown will work closely with the selected vendors to ensure timely implementation, provide employee communication materials and continued administrative support.

Data Analysis and Program Monitoring: We continually monitor actual plan performance to determine if your objectives are being met.

Once we establish your objectives and expectations, we will evaluate, design, communicate, implement and monitor all facets of your benefits. We utilize sophisticated data analysis tools to help you understand how your plan participants utilize health care. We then assist City of Fayetteville Arkansas in purchasing services in the most efficient manner.

More specifically, at the outset of our relationship (if Brown & Brown is awarded your business) and directed toward your current 2023 benefit plans and your 2024 renewal, we would do the following to ensure a smooth transition:

1. Meet with the City of Fayetteville Arkansas to address existing issues that require attention.
2. Establish goals and objectives and set a multi-year approach to your benefits programs.
3. Immediately collect all data available to perform an audit on current status of all health & welfare programs.
4. Implement Brown & Brown Service Calendar and work in progress for the upcoming year to use as a guideline for City of Fayetteville Arkansas and Brown & Brown.
5. The above will happen within 1 week of takeover or endorsed Broker of Record letter.

Please refer to our Core Services outline beginning on page 8 for an overview of our on-going services that will be provided. All services discussed throughout this RFP response and listed in our Core Services are included in our flat fee and directed solely by the Brown & Brown Team as outlined earlier in this response.

Section 2: Scope of Work / Deliverables

Provide deliverables for the Scope of Work outlined by the City in this RFP. Include services outlined in the Scope of Services, as well as additional services offered or recommended by the bidder. Provide information on your firm's approach to accomplishing the work cited in the Scope of Work.

Brown & Brown offers several additional areas of expertise compared to a traditional benefits broker.

Objective Setting

- Develop an understanding of City of Fayetteville Arkansas's financial and human resources objectives
- Provide an inventory of all employee benefit plans
- Assist in the development of long-term financial objectives
- Conduct quarterly strategy and open items meetings

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- Coordinate objective setting meetings with all applicable vendors
- Develop Client Service Calendar & Open Items Checklists to manage ongoing tasks

Medical Administration and Network Evaluation

- Request For Proposal (RFP) development and distribution to potential market partners
- Collect and organize RFP responses including scoring & negotiation
- Comprehensive market analysis for medical and prescription drug plans
- Detailed provider network analysis including claims repricing and provider disruption
- Assistance with the selection of finalists as well as site visit coordination, and needs-based vendor selection and implementation support

Risk Pool Management - Medical Plan Rate and Contribution Setting

- Rate setting and alignment in a dual plan environment (e.g., PPO / HDHP)
- Apply Risk Pool Management processes for:
 - The establishment and alignment of rates in a multi-plan environment
 - Contribution setting and alignment between tiers (e.g., Single, Single + 1, and Single + Family)
 - Development of cost projections for all employee medical & prescription drug plans
 - Member Burden Analysis, Rate Alignment Summary, and Contribution Alignment Summary
- Semi-annual benchmarking analysis to ensure the competitiveness of medical and Rx plans
- Actuarial development of high case liability at all stop-loss levels to determine optimal specific deductible limits, if client becomes self-insured
- Routine marketplace updates

In reference to some items called out in the addendum to RFP 22-10, Addendum 1

- Item 12 on page 6 of the RFP 22-10
 - We will not be extending these services to any other government entities.
- Item 18 page 7 of the RFP 22-10 (Certificate of Insurance)
 - We will not be naming City of Fayetteville as an additional insured. This is not typically done for purposes of liability coverage, because clients are all additionally insured through our coverage up to \$50,000,000 and do not have to be named. If this is a deal breaker, we will need to go our Insurance Operations for an exception. We see no issue of the City being protected under the normal certificate language.

Section 3: Technical or professional support

Describe your technical or professional support available to the City at no extra cost through your firm, such as legal counsel, communications, training programs or other services.

We have resources available to each office, as needed. When we are requested to provide such needed services, we go through our regional management team and secure the service needed, if it cannot be done in the local office. Sometimes this is financial, most times it is legal, sometimes it is for technical IT assistance. Our goal is sharing of resources allows us to give a lower cost price point. We have priced the services for the City of Fayetteville to allow for all such services. We can handle all facets of communication, training programs, and legal. Other services have been described below. Some of those may be for Population Health, which will entail the assistance of Dr. Louis Short or Joel Axler, if it gets into the Mental Health aspects of Population Health. We also have the ability to assist with Diversity, Equality, Inclusion, and Belonging, if that is another service you are interested in. Total rewards would be another area, where we have a specialist on board to assist with trends and strategies. Limiting the RFP to 25 pages cut our offerings down a bit, but we can share more, if we are selected.

Compliance and Legal Support

- Development of an annual compliance calendar
- Advise the firm of State and Federal Regulations and changes impacting medical and Rx plans
- COVID-19 Regulatory Updates
- Provide COBRA administration services through a third party vendor
- Provide access to online compliance and regulatory resources
- Review and development of HIPAA privacy and security manuals
- Execution of Business Associate agreement(s) as required under HIPAA and ensure complete confidentiality of all records and data
- Review medical and prescription drug plan documents to ensure compliance with State and Federal regulation, if needed
- Provide access to Human Resource Professionals
- Ensure compliance with Section 125, COBRA, HIPAA, Medicare, FMLA, etc. and provide updates to the firm as they occur
- Account Management Services
 - Daily access to the account management team
 - Assistance with State and Federal Regulations impacting medical plan

Brown & Brown will assist with all normal facets of work with the Employee Benefit Program with the City of Fayetteville. Regarding technical support, you will have full access to all

Employment Counsel On-Call Triage Service

We will also provide access to Employment Counsel On-Call Triage Services. Human Resource Professionals and C-Suite Executives are confronted with Employment Law Compliance and HR-Related risk every day. The regulations that govern today's workplace are extensive and there is no sign of slowing down. Brown & Brown recognizes that addressing this risk costs employer significant time and money. To help alleviate the load, Brown & Brown works with Foley & Foley, P.C. to offer a unique

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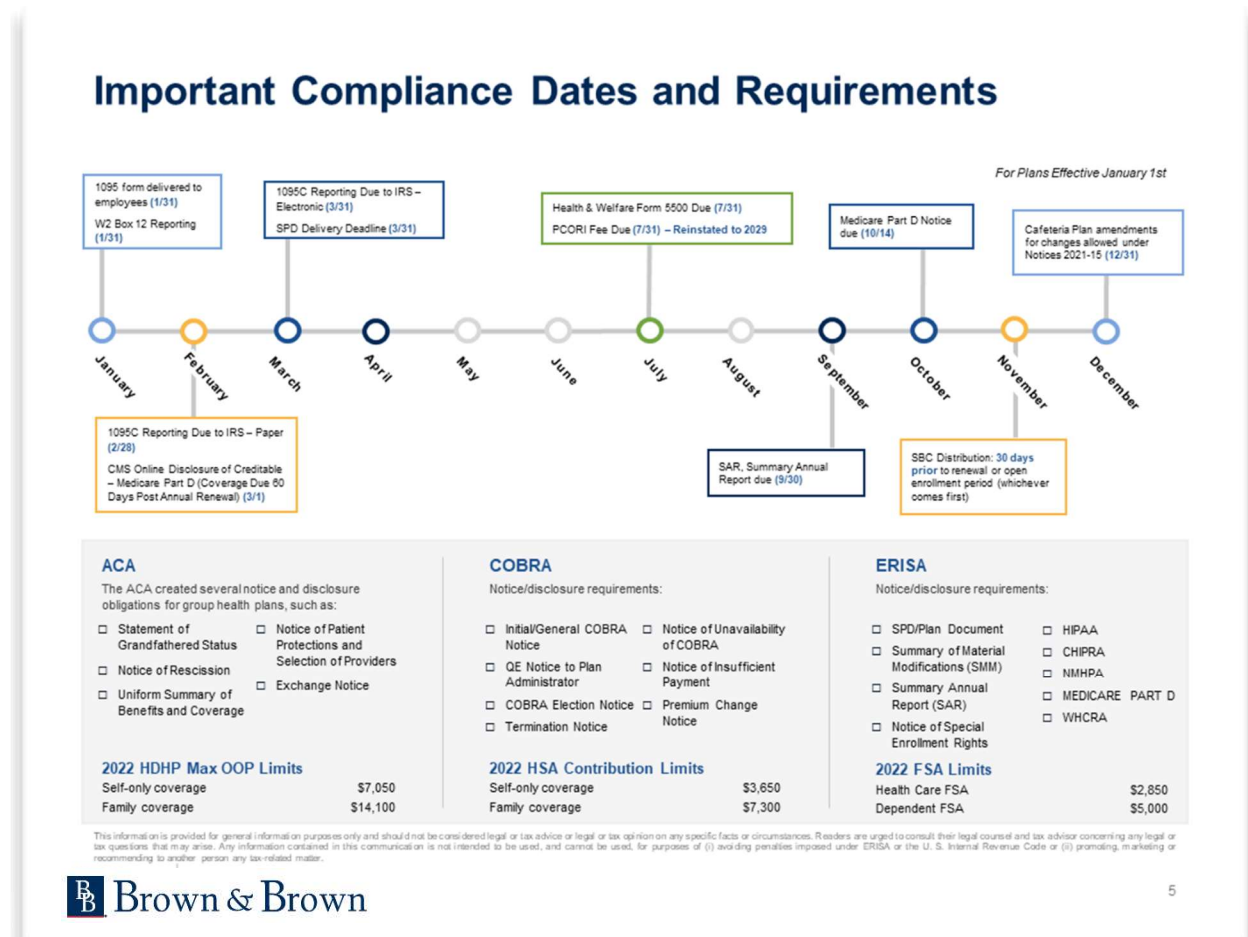
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solution to workplace compliance liability that is highly effective and not otherwise available. The on-call service provides your company with employment counsel to assess HR-related risk management issues when they occur.

- Legal Triage Program
- Risk Management & Diagnostic HR Compliance Audit
- Employee Handbook Analysis

Regulatory & Legislative Strategy Department

Brown & Brown recognizes that one of the most important aspects of working with clients is to provide timely and accurate information on topics that affect how employers and benefit plans operate. As brokers and consultants, our value to our clients depends on how well we can achieve this goal. This is

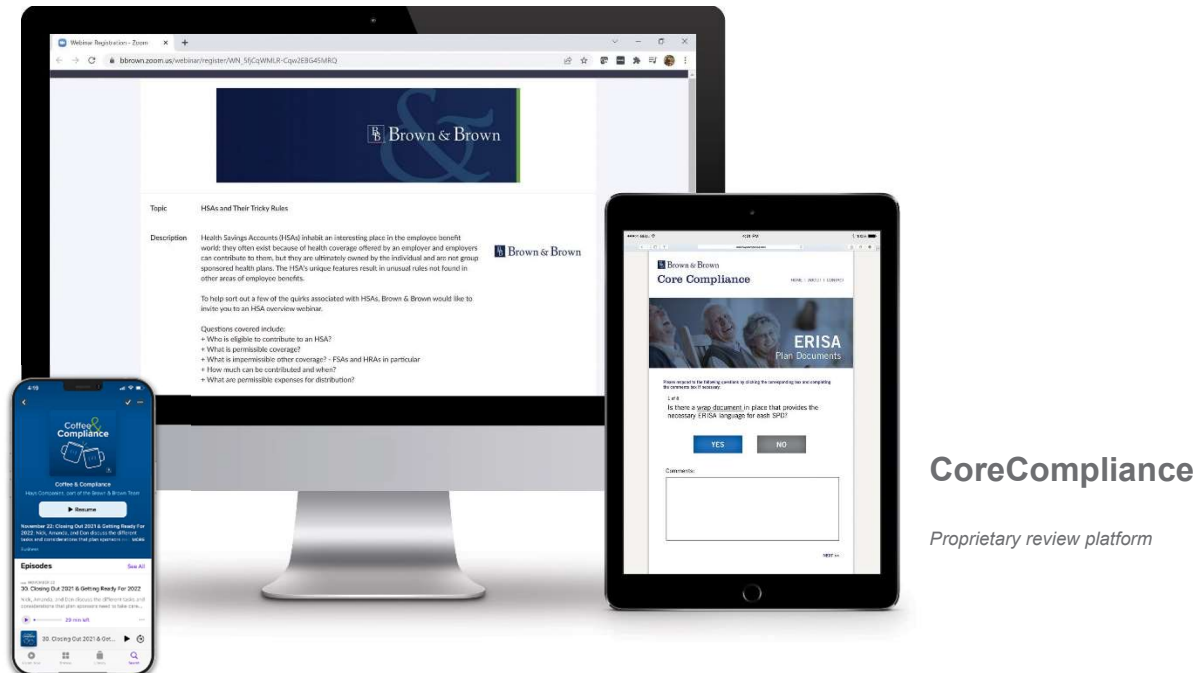


increasingly important as the benefits' field continues to look for products and systems that can make plans more effective and efficient. Through our Regulatory & Legislative Strategy team, Brown & Brown provides ongoing updates to changes in all federal laws regarding the operation of client's benefit programs. This includes monthly communication pieces on topical subjects, periodic webinars, white papers and e-mail messages of importance. We will review client materials and make suggestions on how to best meet the requirements. In some cases, Brown & Brown will assist the client by connecting it with an appropriate legal source. Annually, we compile a **Compliance Calendar** for your use. Any time there is a new requirement or update on existing regulations, Brown & Brown will notify City of Fayetteville to support a full understanding by your staff.

We maintain an extensive library of compliance data, tax guides, surveys, sample policies and benefit/HR periodicals. New developments are quickly communicated via e-mail alerts, monthly topical mailings and webinars. We also hold regular client seminars on timely benefit topics.

CoreCompliance™

This application performs audits, measures and manages every aspect of our client's compliance. We encourage every client to periodically go through the review to affirm its compliance with the relevant regulations and requirements. The CoreCompliance™ application operates on a proprietary platform that adapts to each client's specific needs. The items for review are determined based on responses to specific compliance questions during the live compliance exploration.



Spot On Resources

This platform intended to act as an additional layer of support beyond your Brown & Brown service team and is positioned to further assist you in managing employee issues while saving you time and money. Mineral provides the following service model to our clients:

Live:

A team of SPHR or PHR certified HR specialists standing by to answer your questions or provide advise via phone or email Monday-Friday 8 AM – 7 PM CST. Written follow up on complex issues or researched matters. National/federal and regional/state specific specializations.

Learn:

Nearly 300 management and/or employee electronically deployable training solutions that develop employees and check compliance. Popular subject categories include employment, workplace safety, harassment, environmental compliance, wellness, HIPAA, discrimination and customer service.

Toolkits:

An award-winning, SHRM-endorsed resource center for your workforce issues. Access thousands of forms, documents, tools and checklists (including electronic employee handbook and policy builder, job description writer and salary benchmarking).

Wellness Program Development, Implementation, and Monitoring

- Access to a clinical wellness coordinator for the development and implementation of health and wellness programs
- Clinical analysis of cost and utilization trends to identify wellness opportunities
- Delivery of turn-key wellness programs including smoking cessation, stress and exercise management, depression prevention, and medication adherence
- Robust Outcomes-Based Management Solutions customized to City of Fayetteville Arkansas's organizational needs and designed to deliver effective risk management results.

Implementation and Communication

- Development of custom web, mobile or print-based member communications
- Open enrollment support
- Travel to all key City of Fayetteville Arkansas locations
- On-site employee presentations
- Benefit Administration Manuals and ongoing administration support

Benefits Technology

- Mobile Benefits App created/branded specifically for City of Fayetteville Arkansas (managed and updated by Brown & Brown team)
- Online benefit administration platform
- HRIS & Benefits administration outsourcing assistance (RFP and implementation)
- Benefits administration renewal
- Brown & Brown EBTech Team
- Ben admin credits (fee offsets) for various benefit placements

HR Consulting

- SPHR or PHR on-demand/live hotline support in addition to dedicated one-stop Brown & Brown service team
- Unlimited access and coordination assistance to our Employee and/or Management eLearning Training Forum with customizable training track support
- Total Value / Total Compensation Statements
- Employee surveys
- Handbook Reviews & Wrap Plan Documents
- Comprehensive Industry specific benchmarking and total rewards review

Other

- Continuing Education Opportunities
- Vendor lunch and learns/employee education opportunities

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At Brown & Brown we have discovered that one of the biggest challenges our customers face is communicating their benefits packages to their employee population. To help solve this concern we do create custom communications materials for all our clients.

However, we try and take this a step further, it is shown that individuals in different generations prefer to communicate or receive communications in different methods. Because of this we create a communications strategy based on our client's specific demographics. For instance, baby boomers prefer paper communications, while millennials prefer mobile forms of communications. Because of these differences we will create custom printed benefit guides, digital flip books, as well a mobile benefits app. Doing this will allow for our customers to get their information into the hands of their employees the way that employee prefers.

As we partner with our customers throughout the year to communicate different benefits, programs or strategies we continue this same pattern of customized and tailored forms of communication. Often, we will create an annual communications calendar and help our customers' communications campaign throughout the year.



[Benefits Guide]



[Executive Summary]



How Do We Cover the Communication Gaps?

Brown & Brown

Brown & Brown implements a communication strategy that engages and empowers employees to make educated benefit decisions, saving you money and valuable time.

5 STEP COMMUNICATION PROCESS:

Step 1 Identify your culture and audience

Step 2 Choose proper communication channel

Step 3 Plan and develop branding content

Step 4 Plan and execute

Step 5 Evaluate and

Communication Gaps Across Today's Top Generations

Brown & Brown

Baby Boomers (born 1945-1965)	Generation X (born 1966-1980)	Millennials (born 1981-1996)	Generation Z (born 1997-2012)
<p>Generational Tendencies:</p> <ul style="list-style-type: none"> Extremely open and committed Integrated technology into their life Confident in financial services Learn by observation and doing Direct, socially and reformer key Public recognition important 	<p>Generational Tendencies:</p> <ul style="list-style-type: none"> Entrepreneurial at heart Wants to balance professional and personal Confident, capable and self-motivated Eager for a variety of professional experiences Job security and recognition key Values independent projects and feedback Willingness to learn and adapt 	<p>Generational Tendencies:</p> <ul style="list-style-type: none"> Eventually technologically Flexibility encourages innovation and success Strongly team oriented Order in work or teams Worries crucial for career growth Compliance and ethics of conduct Easily distracted yet can multi-task 	<p>Generational Tendencies:</p> <ul style="list-style-type: none"> Born after the widespread adoption of the internet Proactively seeks learning opportunities to enhance skills Diverse and socially progressive Focus on financial security over personal fulfillment Competitive, autonomous and self-motivated Public to seek opportunities in projects with others for face-to-face collaboration
<p>Methods of Communication:</p>	<p>Methods of Communication:</p>	<p>Methods of Communication:</p>	<p>Methods of Communication:</p>
<p>Engagement Drivers:</p> <ul style="list-style-type: none"> Interactive meeting format Health and financial benefits Step-by-step assistance Focus on savings and safety 	<p>Engagement Drivers:</p> <ul style="list-style-type: none"> Financial rewards Variety and diversity Options are encouraged Health and goal setting 	<p>Engagement Drivers:</p> <ul style="list-style-type: none"> Motivated by immediate rewards Simplicity and convenience Social connectivity and freedom Job satisfaction and progress 	<p>Engagement Drivers:</p> <ul style="list-style-type: none"> Stability and financial security Capable to accept feedback Independent work with social support People utilized career paths, multiple work formats, mentoring opportunities
<p>21% Percent of U.S. population</p>	<p>20% Percent of U.S. population</p>	<p>22% Percent of U.S. population</p>	<p>20% Percent of U.S. population</p>

Brown & Brown recognizes that one of the most important aspects of working with clients is to provide timely and accurate information on topics that affect how employers and benefit plans operate. As brokers and consultants, our value to our clients depends on how well we can achieve this goal. This is increasingly important as the benefits field continues to look for products and systems that can make plans more effective and efficient. Through our Compliance and Research Department, Brown & Brown provides ongoing updates to changes in all federal laws regarding the operation of client's benefit programs. This includes monthly communication pieces on topical subjects, a quarterly newsletter, periodic webinars, white papers, and e-mail messages of importance. We will review client materials and make suggestions on how to best meet the requirements. In some cases, Brown & Brown will assist the client by connecting it with an appropriate legal source.

Section 4: Examples of Other Services

Give three examples of when the proposing firm has recommended services which have gone beyond the contract requirements. Give three examples demonstrating the proposing firm being proactive in finding opportunities to enhance benefits and services.

Example 1

We helped a client rearrange their risk tolerance and took a 17.25% increase down to a -1% decrease, with an opportunity to save several hundred thousand dollars more, if projections work out.

Example 2

By bringing in our PBM Consulting resources, we were able to help a client reduce their pharmacy spend by 50% using strategies that led to more transparency, maximum rebates and cost shifting to manufacturers.

Example 3

We helped initiate our Medicare Advocacy program and assisted members age 65+ off the plan and found them better coverage while helping clients move high risk members off the plan, which normally cost the plans 3 times more than the average age.

Other Services

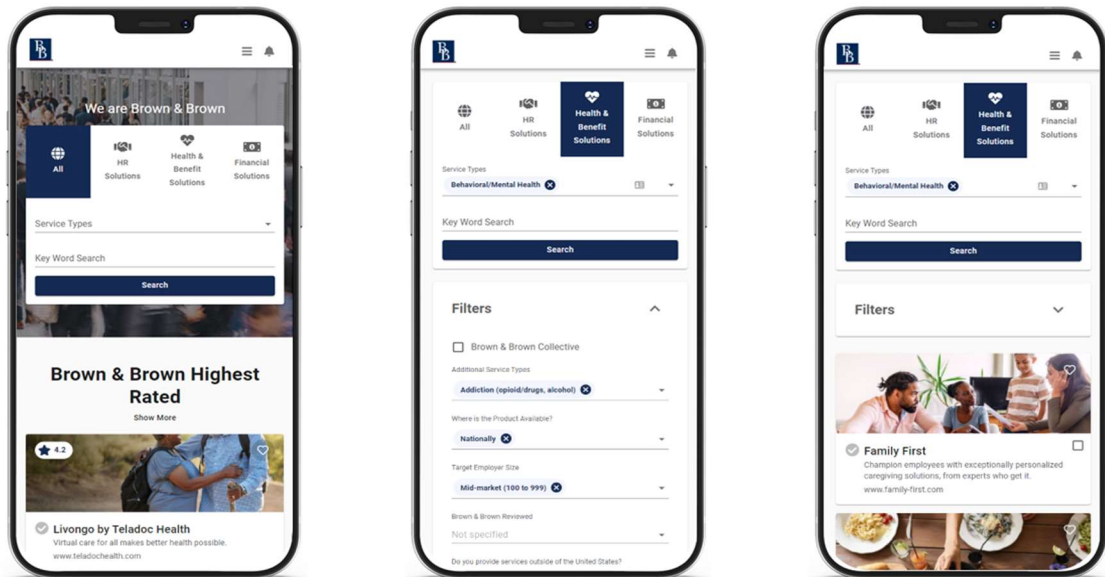
NAVIGATING TRENDS

DEIB+ Initiatives Impacting HR and Benefits

- Employers are implementing a broad range of DEIB initiatives that span many aspects of their organizational strategy.
- Some employers were early adopters and have implemented strong programs with clear guiding principles, changes to benefits and robust measurement strategies.
- Within each initiative below, there are varying degrees of standard to progressive strategies.



The Brown & Brown Innovation Hub



The Innovation Hub is a resource we have built out to include over 300 vendors, who have been vetted and scored according to their quality, market size, offerings, pricing, and results. This makes it easier for us to look for solutions in the market, when clients are in the need of tools.

Additional Resources

Brown & Brown also offers the following resources free-of-charge to support our educational efforts for clients and employees:

Legislative Briefs

We have easy-to-read articles designed to summarize health care reform legislative information and provisions.

Legislative Guides

Here, you will find guidance to commonly asked health care reform questions. We will also provide you the forms you need to meet your everyday compliance needs.

Employee Communications

As provisions take effect and regulations change, explaining health care reform to employees is essential. We customize documents that will help employees understand how reform may affect them and their families.

Consistent Regulatory & Legislative Strategy Webinars

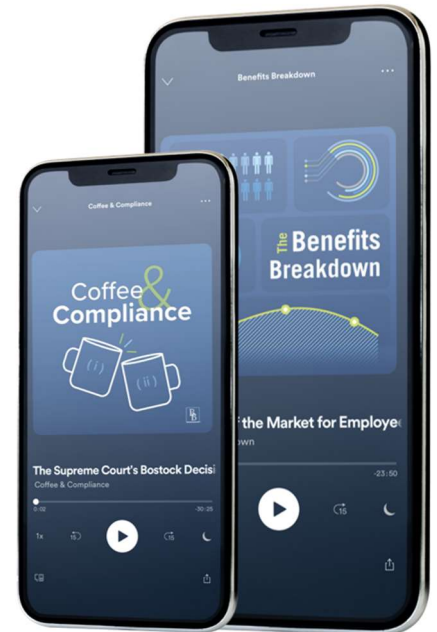
Brown & Brown's Regulatory & Legislative Strategy team specializes in ensuring competency in reporting requirements and currently conducts seminars and webinars nation-wide on employer reporting requirements under the Affordable Care Act (ACA). Team staff is available for in-person and on-site presentations in tandem.

Seminars

Our seminars cover a wide range of topics and aim to address new issues or ongoing trends. For example, we collaborated with the University of Wisconsin-Madison School of Business to co-host a seminar featuring Dr. Mark Browne, Ph.D., Chair of the Actuarial Science, Risk Management and Insurance Department. Dr. Browne addressed the macro-economic drivers behind the PPACA legislation, and a Brown & Brown attorney then fielded questions as to the specific execution issues associated with legislation. The feedback received from attendees for all of our sessions has been extremely positive.

We also understand that offering educational opportunities for our clients does not translate to client readiness. Brown & Brown's consulting teams, actuaries and Regulatory & Legislative Strategy Team developed a Compliance Tool Kit and a process to support client readiness. This process provides direct client support in the following areas:

- Regular ACA overviews and ongoing education (both day-to-day and executive-level)
- Financial and actuarial analysis as to the specific organizational impact of ACA
- Three Year Strategic Plan outlining compliance and cost control options



On an annual basis, Brown & Brown compiles a compliance calendar for every client. Any time there is a new requirement or update on existing regulations, Brown & Brown notifies all the affected clients and ensures full understanding by the client. Due to our national presence, all consultants are aware of compliance requirements in the states their clients operate. Additionally, Brown & Brown has a dedicated Research & Compliance Department in our Minneapolis headquarters that is responsible for disseminating this information.

Legislative Briefs: We have easy-to-read articles designed to summarize health care reform legislative information and provisions.

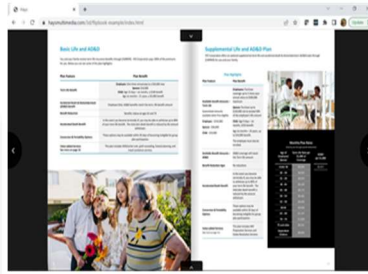
Legislative Guides: Here you will find answers to commonly asked health care reform questions. We will also provide you the forms you need to meet your everyday compliance needs.

Employee Communications: As provisions take effect and regulations change, explaining health care reform to employees is a necessity. We customize documents that will help employees understand how reform affects them and their families.

Benefits Guide



Digital Flipbook



[3D Flipbook Demo](#)

Open Enrollment & New Hire Onboarding Videos



[Demo Open Enrollment Video](#)

Regular Compliance Webinars: Brown & Brown Research & Compliance department specializes in ensuring competency in reporting requirements and currently conducts seminars and webinars nation-wide on employer reporting requirements under the Affordable Care Act (ACA). Team staff is available for in-person and on-site presentations in tandem

Section 5: Qualifications and Experience

Provide relevant information regarding previous experience related to similar projects or contracts completed on behalf of cities or counties within the State of Arkansas or for other public entities outside of Arkansas during the past five (5) years. References in relation to similar projects are required. Proposer shall also provide information for all entities in which they are presently or have been engaged with during the past five (5) years. All proposers shall submit a minimum of three (3) governmental references, with work relationships within the past five (5) years. Provide in this section, the company's primary business interest and/or operations including any affiliations.

City of Springdale, AR – Fully Insured – Brown & Brown Lead Consultant, Todd Setser

- Gina Lewis, HR Director, glewis@springdalear.gov

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We act as the consultant to negotiate the carrier renewals each year and help with plan design and strategy. We assist with enrollments, elevated claims issues, and compliance assistance as needed. We buildout a Benefit Admin Platform each year. We also assist with the communication pieces including a benefit guide. We review reporting with the carrier and help with plan design recommendations as needed.

Springdale Water, AR – Self-Funded - Brown & Brown Lead Consultant, Todd Setser

- Kim Patulak, HR Director, kpatulak@springdalewater.com

We act as the broker/consultant to Springdale Water health and welfare benefit plans. We negotiate the carrier renewals each year and help with plan design and cost containment strategies for the medical and RX plan. We assist with elevated claims issues, and compliance assistance as needed. We buildout a Benefit Admin Platform each year. We also assist with the communication pieces including a benefit guides. We review reporting with the client and report to the Water Commission each year with recommendations. We use data analytics through SpringBuk to help assist us with trends and benchmarking.

City of Bella Vista, AR – Fully Insured - Brown & Brown Lead Consultant, Todd Setser

- Glenda Kelderman, HR Director, gkelderman@bellavistaar.gov

We act as the consultant to negotiate the carrier renewals each year and help with plan design and strategy. We assist with enrollments, elevated claims issues, and compliance assistance as needed. We also assist with the communication pieces including a benefit guide. We review reporting with the carrier and help with plan design recommendations as needed.

City of Plano, TX – Self-Funded - Brown & Brown Lead Consultant, Brent Christensen

- Andrea Cockrell, Administrative Services Manager, andrea@plano.gov

We are the broker/consultant for the health and welfare benefit plans for the City of Plano. We manage all strategic initiatives for the City and provide analytics support through our HPI database and warehousing tool for support and direction. We work with all the associated vendor partners and negotiate the renewals and also manage the stoploss shop and renewal process through completion each year. We provide direction on plan design and support the benefits team with their needs in reporting to the risk pool trustees board and the city Council when appropriate. We provide monthly financial reporting and help the City with setting budget and finalizing contributions. We provide custom communications for the City's benefits and marketing campaigns during the year and at open enrollment. We assist with the resolution of elevated claim issues and provide regular compliance assistance.

Section 6: List of Project Personnel

Proposer shall provide a description of its staff and work force that will be assigned to effectively facilitate the requirements of this project. This description shall include, at a minimum, the number of permanent employees, part time employees, and an organizational chart reflecting their responsibilities. It is the desire of the City that Senior level strategic input is provided at all stages of the project.

Brown & Brown will provide City of Fayetteville with a dedicated employee benefits consulting team. Your team will include a Strategic Consultant, Lead Consultant, Account Executive, Benefits Consultant, Underwriting Consultant, and Communications Specialist/Benefits Administrator.

Local Team



Todd Setser, Executive Vice President

Todd Setser will be the Lead Strategic Consultant for Brown & Brown in the Springdale office. He would be responsible for overseeing the performance of the City of Fayetteville. He specializes in providing benefits consulting and has over 28 years of experience in the benefits world and 16 with Brown & Brown. His passion for seeking to understand has led him to never settle. His motto has always been, "There has to be a better way, we just need to find it."

Todd graduated from the University of Texas at Dallas and holds his Bachelor of Science in Business Administration. Todd also attended the University of Arkansas prior to moving to Dallas. He also holds his CIC (Certified Insurance Counselor) and REBC (Registered Benefits Consultant) certifications.

Todd helped develop an online Benefit Administration system in 2000, which served clients for more than 15 years. He understands the complexity that exists with BenAdmin systems and is a resource when it comes to procuring these services. Todd served on the National selection committee, where they vetted over 60 Benefit Systems to get the selection down to four Best in Class systems.



Kim Kent, Lead Account Executive

Kim Kent is an AE for Brown & Brown in the Springdale office. She acts in a support capacity to Strategic Consultants in all aspects of the client relationship. This includes, but is not limited to: vendor management, implementation of new products and services, compliance, claims resolution, eligibility issues, facilitating the annual renewal process, vendor marketing process, and review of contracts, summary plan descriptions, benefit documents, and other legal agreements. Kim has been a teammate of Brown & Brown for 12 years

In addition to her supporting role, Kim maintains a day-to-day relationship with vendors and clients to assure all aspects of the client services model are being completed timely and effectively. Kim also serves as a Regional Ambassador for the National Population Health Team of Brown & Brown. Kim is also a Certified Natural Health Professional and a Certified Aromatherapy Specialist.



Amanda Ragsdale, Account Executive

Mandi recently joined our team and serves our clients out of the Springdale Office. She acts in a support capacity to the Lead Account Executive in all aspects of the client relationship. This includes, but is not limited to: implementation of new products and services, compliance, claims resolution, eligibility issues, annual renewal process facilitation, and review of contracts, summary plan descriptions, benefit documents including benefit guides.

Mandi also works with clients and vendor partners to assist in answering questions and resolving day-to-day issues. She confers with the account management team to identify, plan and develop methods and procedures to obtain greater financial and administrative efficiencies for Brown & Brown clients' benefit programs.

Prior to joining Brown & Brown, Mandi has been on the broker side since 2018. Mandi's has a background in Human Resources, where she worked for 14 years, before moving to the broker side of the business. She holds her PHR and SHRM certification.

Regional Office



Jared Bowcutt, Senior Vice President

Jared is a high energy health care consultant that is never satisfied with the status quo. Since the age of 19 his personal motto has been "See It, Own It, Solve It, Do It". He is driven to out-think, out-innovate and out-service the competition. He specializes in providing strategic benefits consulting and financial analysis for employee benefit programs, that help employers reduce cost while creating richer, more inviting benefits.

Jared currently helps lead the employee benefits practice of the Brown & Brown Dallas office. This includes helping with the management of sales, marketing, strategy, client retention and teammate recruiting.

He started his journey at Hays as a Producer and Senior Consultant in 2017. In late 2018, Hays Companies was acquired by Brown & Brown.

Prior to joining Brown & Brown, Jared worked as the Regional Vice President of Business Development and Regional Sales Director for a national provider of hospital services. As well he had many other roles in DME and Medical device. This unique background in the delivery of health care services has allowed Jared to view things from the provider aspect and has helped him bring key strategies to the table with his clients and negotiating with carriers.

Jared graduated from the University of Utah with a Bachelor of Science in Economics. He holds his Life and Health insurance licenses. Jared is also a member of the DFW chapter of FEI



Joseph McFarland, Regional Financial Consultant Lead

Joe is currently a Senior Financial Consultant of the Brown & Brown Texas office. He joined Brown & Brown in 2019. His responsibilities include financial analysis providing monthly financial reporting, ad hoc utilization and financial reporting, and big data analysis of plan performance. He is actively engaged with Brown & Brown customers, solving problems, and developing and implementing focused solutions to meet their

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challenges. He takes pride in providing strategic benefits consulting and financial analysis of employee benefit programs.

Before joining Brown & Brown, Joe served as a Large Group Underwriting Consultant for the Aetna, a CVS Company. Here he consulted with his sales team to drive strategy and provide solutions for his book of business. He worked renewal and new business for both fully insured and self-funded clients ranging in sizes from 50 – 3,000 employees.

Prior to joining Aetna, a CVS Company, Joe graduated with his MBA from Utah Valley University where his focus was in Finance. All extra curriculums during this time was building financial skills through sitting for the CFA Level I exam and competing in the CFA Challenge.

Preceding to furthering Joe's education, he worked as an Underwriting Analyst with another brokerage where he assisted in performing in depth financial analysis between being fully insured and self-funded. He managed a book of business of 100 clients assisting 50-75% to move self-funded.

Joe graduated from Utah Valley University with a major in Business Management and later an MBA. He also holds a Life and Health insurance licenses and is currently working towards obtaining his CPCU.



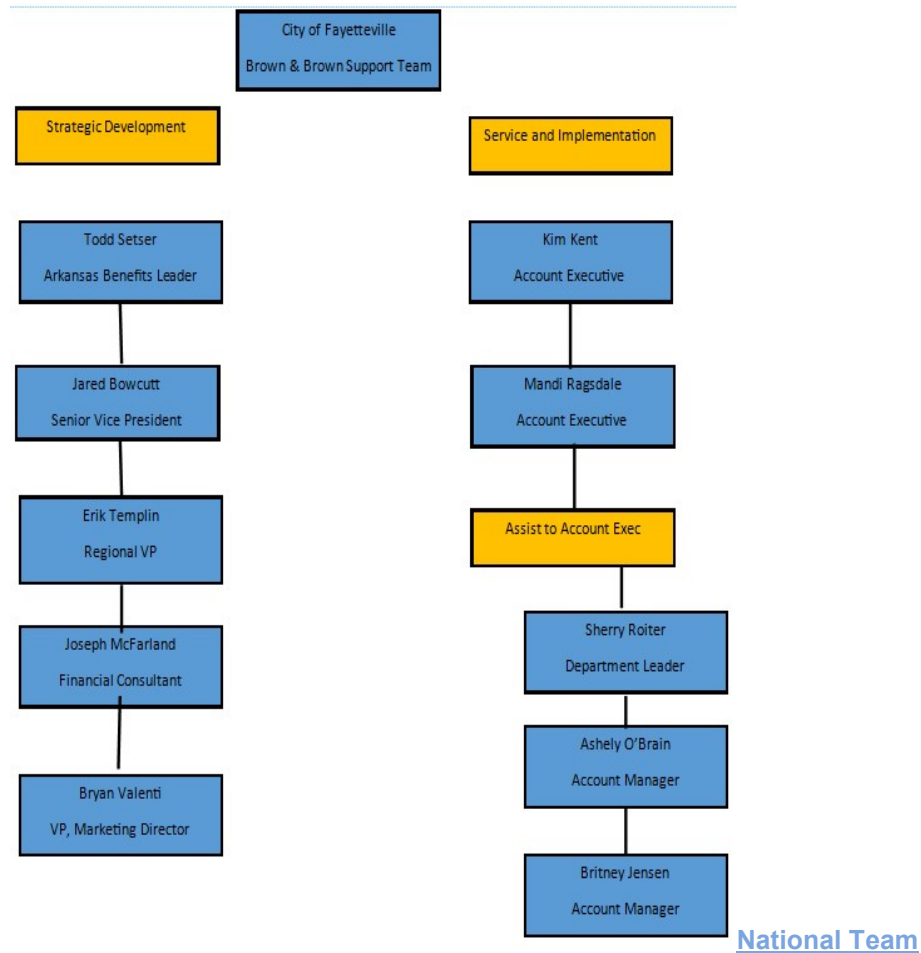
Bryan Valenti - VP, Marketing Director

Bryan joined Brown & Brown (formerly Hays Companies) in 2013. He is currently the Marketing Director for Brown & Brown in the Plano Office and oversees our local marketing and communications team.

Bryan specializes in marketing and communication strategy for Brown & Brown's clients. He works closely with members of the team and clients to create highly customized/branded communications designed to help educate employees to better navigate their companies' benefit offerings. He also works closely with the service and financial teams to understand our clients' strategic objectives and helps create communications that drive behavior so employees may become better utilizers of healthcare and all the programs offered by our clients.

Bryan received his Bachelor of Science in Sociology from Southern Methodist University.

Org Chart for those assisting with City of Fayetteville in some capacity



Health and Wellness Practice

Louise J. Short, National Clinical Leader and Medical Director

Dr. Louise Short is the National Medical Director for Brown & Brown and is based in our Boston office. Her passion and her focus are working with employers to develop innovative strategies and solutions that engage and support employees and their families in making good choices to avoid the cost and consequences of poor health.

She is a seasoned, results driven physician with a back ground in internal medicine, occupational and preventive medicine, and 25 years of experience providing clinical leadership in designing, implementing and measuring population health programs and strategies.

Previously, Dr. Short was a partner at Mercer where she built the population health practice for the South and spent six years consulting to national and global employers on approaches to improve health outcomes and control cost. She has worked with many jumbo employers including Lowe's, Bank of New York Mellon, Dollar General, and PepsiCo. Prior to Mercer, Dr. Short worked at Healthways (now Sharecare) assisting health plan and employer clients defining the needs of their populations and developing strategic approaches and products to assist in improving clinical outcomes and ROI.

Dr. Short also spent over thirteen years working as a medical director for both United Healthcare and Anthem, including Corporate Medical Director for BCBS GA, a 2.5-million-member plan, and directing

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research and business development for Anthem's health outcomes research subsidiary. Previously, Dr. Short was an epidemiologist at the Centers for Disease Control and Prevention and in clinical practice. Dr. Short received her Undergraduate at Harvard Tufts University School of Medicine. She performed her Internal Medicine Residency at Yale New Haven Hospital and received her Master's Degree in Community Medicine from Mt. Sinai School of Medicine.

Health and Welfare Actuarial Practice

David Ross, Executive Vice President & Director of Underwriting Services

As an Executive Vice President and Director of Underwriting Services, Dave's role is to provide guidance and leadership that fosters each office's ability to satisfy their growth objectives. Dave is a key player in defining Brown & Brown macro initiatives and providing the vision, tools and education to support those objectives. Dave's secondary role is the Director of Underwriting Services, where his primary responsibilities include the development and maintenance of financial tools and methodologies that improve clients' ability to manage their employer-sponsored health plans effectively. Dave's role keeps him actively involved in the management of key accounts, representing over 300,000 members.

Additionally, Dave acts as a National resource and the primary source of both internal and external education and support regarding efficient health plan structure. Dave spends much of his time traveling around the country educating consultants, employers, and legislative bodies on the many counter-intuitive and nuanced components of effective health care cost management.

Prior to joining Brown & Brown in 2004, Dave worked as an Underwriting Strategist at Blue Cross Blue Shield of Minnesota, where he designed pricing methodologies that satisfied Blue Cross Blue Shield's strategic objectives. Dave has periodically taught statistics at Minnesota State University, where he earned his bachelor's degree in Finance.

Regulatory and Legislative Strategy

Nicholas G. Karls, Assistant Vice President – Regulatory and Legislative Strategy

Nick is Assistant Vice President in the Employee Benefits division for Brown & Brown. He started with Brown & Brown in 2013 and is the creator of Brown & Brown CoreCompliance, a web-based tool for comprehensive compliance reviews of employee welfare benefit plans. Nick is a frequent national speaker on compliance topics, authors monthly compliance articles and hosts national webinars for Brown & Brown clients and prospects.

Before joining Brown & Brown, Nick worked in the Consumer Division of the Minnesota Attorney General's Office. While working in the Attorney General's Office, Nick developed an expertise in the fields of consumer health care, consumer finance, as well as the Minnesota regulatory framework. In his position as a Mediator, Nick worked to resolve issues between Minnesota residents and various businesses and corporations, as well as monitored various businesses and corporations for compliance with Minnesota's consumer protection statutes.

Nick has a B.A. in history from the University of Minnesota-Duluth and holds a J.D. from the University of St. Thomas Law School.

Pharmacy Consulting Practice

Frank Bacon, Pharmacy Consultant

Frank serves as Brown & Brown' Pharmacy Consultant. He provides advisory services to Brown & Brown clients and consultants, supporting efforts to manage effective delivery of prescription benefits to employees while maximizing cost efficiencies. Frank joined Brown & Brown in 2016.

Frank's responsibilities include advising clients in pharmacy benefit design and PBM contracting. This entails creating customized PBM contracts based on client-specific utilization, conducting audits of pharmacy claims experience to ensure contracted rate adherence and establishing and maintaining collaborative purchasing arrangements to minimize cost for Brown & Brown clients.

Frank brings more than ten years of pharmacy experience to Brown & Brown, most recently working as a PBM Network Pricing Consultant for one of the nation's largest Pharmacy Benefit Managers. His experiences working in the PBM industry allow him to provide Brown & Brown clients unique insight in managing and mitigating cost in the face of a complicated and costly pharmacy benefit delivery system.

Section 7: Availability

Proposers shall describe the availability of project personnel and company to participate in this project in the context of the Proposer's other commitments.

The local Springdale office personnel will facilitate the day-to-day activities desired by the City. When the time comes for reporting, we will pull from our regional resources, namely Joe McFarland and financial his team. Todd Setser, Kim Kent, and Mandi Ragsdale would be the main project personnel responsible for driving the team towards the City's Goals. They have the authority to launch resources to serve City's needs. We have three other account managers in the local office that are here for backup support, in the event of needed assistance.

We do not allocate a set time for accounts, but we do monitor the workload of each account manager and teammate. If we or the City feels we are needing some assistance, we will reach from within our organization or hire a person to help with the workload. The national strength that we have and our regional connectivity, gives us the ability to react quickly and acquire resources needed to maintain the workload and the service level clients desire.

Section 8: Listing of all Fees

Proposer shall clearly itemize and provide a list of all fees to cover the requested scope of work and deliverables. Proposer shall also provide an hourly rate for any additional work which is not included in the scope of work.

Brown & Brown strives to make decisions based on what is best for each of our clients. As such, our compensation is structured as a consulting fee. In addition, the City of Fayetteville Arkansas will be provided with many value-added Human Resource services as part of our service package.

Based upon the services that Brown & Brown is offering to provide to the City of Fayetteville Arkansas for Employee Benefit Consulting/Brokerage Services, we are proposing an ongoing annual compensation of \$75,000. While we are confident that our data analysis, plan management, future marketing efforts and vendor negotiations will result in overall savings that are much greater than our fees, upon learning more about the City of Fayetteville Arkansas, we would invite a conversation regarding our proposed fee and are willing to be flexible with regards to the overall scope of services to be provided.

Identify any Fees you charge for such as: Data conversion services, Services management, Training, Online services.

All services listed in our Core Services are included in our flat fee and we do not anticipate any additional services that would incur/require additional compensation. If we learn of connection fees with the carriers, most of the time, the carriers will allow technology credits. If there is a new service or fee, not yet addressed in the scope of services, we will work out the arrangement to either include that service in our negotiated fee or seek feedback from the City, as to who should take on this new discovered fee. There could be fees associated with CMS, ACA, which come later or if the City decides to move to a self-funded model. Those fees would be up for discussion, as they change the scope of work. In most cases, we do not have fees that cannot be offset somewhere else with savings.

When it comes specifically to data conversion fees, we have a technology team that can assist us with the internal fee, which we can handle. If there are outside vendors that choose to charge a fee, we will assist in negotiating the fee offset for the City.

Training Fees specifically would be determined based on the number of modules requested and the number of trainings that are held. We have hundreds of free training aids and can customize trainings for specialties, through one of our partners, HR Workplace Services. They have helped us design trainings for various areas of HR, namely HIPAA training. We would need more information on which trainings you are looking at to have a better idea on the training resources. A lot can be handled in house, but a better scope of trainings would help identify cost. It is not our intention to charge the City any fees outside the stated fee above.

Conclusion:

We are grateful for the opportunity to showcase our capabilities throughout this request for proposal response. Brown & Brown is uniquely qualified to handle City of Fayetteville's health and welfare brokerage and consultant needs. We believe our distinction lies in the experience and specialization of our team, the vast array of value-added services we provide our clients, along with our exclusive reporting tools, advanced technologies and the in-depth industry and insurance market knowledge we possess.

We believe we are positioned to deliver superior service while demonstrating a commitment to placing the interests of City of Fayetteville at the forefront. We are confident that our response will support this belief and, if we are fortunate enough to be chosen as a finalist, we look forward to the opportunity to demonstrate our consulting capabilities in greater detail.



Ready to find your solutions? Let's chat.

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CONTRACT FOR PROFESSIONAL SERVICES
RFP 22-10, BENEFITS BROKER
APPENDIX E
COMPENSATION DISCLOSURE STATEMENT

Line of Coverage / Service	Insurance Company	Commission / Supplemental Compensation	Third Party Compensation	Direct Client Fees	Effective Date
CONSULTING	NA	0	0	75,000	1-1-2023

Statement Conditions:

- **Brown & Brown** is not an affiliate of the insurer or vendor whose contract is recommended. The insurer or vendor whose contract is recommended shall not directly or indirectly have the power to exercise a controlling influence over the management or policies of **Brown & Brown**.
- **Brown & Brown's** ability to recommend other insurance contracts or vendors is not limited by an agreement with any insurance carrier or vendor and **Brown & Brown** is effecting the transaction for applicable plan (s) in the ordinary course of **Brown & Brown** business. Pertinent transaction(s) are at least as favorable to the applicable plan(s) as an arm's length transaction with an unrelated party.
- **Brown & Brown** is not a trustee of the plan(s) and is neither the Plan Administrator of the plan(s), a Named Fiduciary of the plan(s), nor an employer which has employees in the plan(s).