

Benefits Broker Services RFP Questions and Answers

1. Why is PSMFC going through this RFP process?

As a recipient of Federal grant funds, PSMFC needs to ensure that these public funds are being expended in a fiscally responsible manner. Therefore, PSMFC must periodically perform due diligence to ensure that we are receiving the best value for the funds we are expending.

2. What broker services does PSMFC use most often?

PSMFC uses our current broker mostly to clarify portions of the current summary plan document.

3. What are the services that PSMFC does not currently use but would like to have?

PSMFC would like more frequent reporting (more frequent than annually), such as utilization, experience and large claims. PSMFC would also like a broker who is available to assist with presentations to employees that may be held outside of the Portland area. For additional resources that PSMFC would like to access, see section 2.3 of the RFP.

4. Would PSMFC prefer to pay for broker services on a fee or commission basis?

PSMFC is open to either type of fee structure. We understand that some extra services that we would like to use will require some additional fees above and beyond what would be paid to the broker through commissions.

5. Could you provide a breakdown of fees/commissions paid?

PSMFC declines to provide this information at this time.

6. How long has the incumbent broker been with PSMFC and will they be responding to this RFP?

Since 2002 (seven years). It is expected that our current broker will be responding to this RFP.

7. Is this RFP based on statutory requirements or needs based?

This RFP process is being conducted in accordance with PSMFC's procurement policy and with a desire to perform due diligence in order to ensure that our employees are receiving the best value for the cost of these services. In the future, PSMFC plans to go strictly adhere to our procurement policy and go through this process for broker services at least every five years.

8. How many consultants are expected to respond to this RFP?

To date, ten brokers have indicated that they will respond to this RFP.

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9. What is the current staffing of PSMFC's Human Resources Department?

Currently, there are three staff members in PSMFC's HR unit, one manager and two analysts. One of the analysts is completely devoted to the hiring process and managing our IT systems devoted to recruiting. The other analyst is devoted to maintaining employee files and coordinating benefit enrollment services. The HR manager oversees the HR unit and provides presentations to our satellite offices regarding benefits enrollment and upcoming changes to benefits.

10. Is PSMFC interested in a proposal where a portion of the broker fee depends on the performance of the broker?

PSMFC would be willing to consider a proposal where the broker's fee is based on performance.

11. With regard to Section 2.3. Scope of Work, item #5, can you provide examples of the types of written reports that are required by federal, state and local governments?

PSMFC is periodically audited by funding agencies, most of which are federal or state agencies. Occasionally they may ask for reports regarding the current status of our self-funded health benefits accounts. PSMFC would like to be able to request such a report from our broker as needed.

12. With regard to Section 2.3. Scope of Work, item #17, are there specific types of consultants you will want your broker to work with? We are accustomed to working with outside actuaries and HR consultants.

Other types of consultants that you may be collaborating with include HR consultants, accountants and auditors as well as outside actuaries.

13. 3.8.3 outlines the Minimum Insurance Coverages Required. Can you confirm that each of these minimums is in fact a requirement? Usually, professional liability/E&O is the only applicable coverage.

The insurance provision in the RFP will be revised to include only Workers Comp. (as required by state laws), Professional Liability, and Business Automobile Liability. Auto liability is required in order to cover possible trips to meetings outside of PSMFC's headquarters office.