

## Gratiot-Isabella RESD Health Insurance RFP



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### REQUEST FOR PROPOSAL

**THIS IS NOT AN ORDER OR OFFER**

**RFP RELEASE DATE:** Tuesday, March 10, 2015

**PROPOSAL DUE DATE/TIME:** Friday, March 27, 2015 at 4:00 P.M.

**SUBMIT PROPOSAL TO:** **BROWN AND BROWN OF CENTRAL MICHIGAN**  
**ATTN: MELISSA RAMOS**  
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**MARK PROPOSAL:** **GRATIOT-ISABELLA RESD**  
**ITHACA, MICHIGAN**  
**HEALTH INSURANCE PROPOSAL (MEDICAL AND Rx, Dental and Vision)**

Brown and Brown of Central Michigan, Inc., on behalf of Gratiot-Isabella Regional Education Services District in Ithaca, MI is soliciting proposals for medical, pharmacy, dental and vision insurance coverage. All insurers, METs, MEWAs, VEBAs, or other fully insured, self-insured, or alternatively mixed-funded and administered arrangements are invited at this time to submit their proposals to the group for consideration. You may submit proposals for one line of business or for multiple lines of business. Brown and Brown will be assisting the Gratiot-Isabella RESD in the evaluation of all valid proposals received from suitable potential bidders.

**THERE IS TO BE NO DIRECT CONTACT WITH THE CLIENT. Further, all information provided to your organization and all proposals submitted by your organization in this RFP must be held in strict confidence. Any use or disclosure of all or any part of this data for purposes other than preparing your proposal response, will at a minimum, disqualify your firm from further consideration for the placement of this business.**

## Gratiot-Isabella RESD Health Insurance RFP

### Gratiot-Isabella RESD Vendor Responses - PA 106 Results

| Carrier         | Quote Status   | AM Best Rating* | Financial Size** | Financing (Fully Insured/<br>Self Funded) | Medical | Rx | Dental | Vision |
|-----------------|----------------|-----------------|------------------|---|---------|----|--------|--------|
| ADN             | No Response    | N/A             | N/A              |   |         |    |        |        |
| BCBSM           | Quote Received | A-              | XV               | Fully Insured/Self Funded                 | X       | X  | X      | X      |
| EyeMed          | Quote Received | A-              | VIII             | Fully Insured/Self Funded                 |         |    |        | X      |
| Guardian        | Quote Received | A++             | XV               | Fully Insured/Self Funded                 |         |    | X      | X      |
| HAP             | Quote Received | NR              | N/A              | Fully Insured                             | X       | X  |        |        |
| MESSA           | No Response    | N/A             | N/A              | Fully Insured                             | X       | X  |        |        |
| Metlife         | No Response    | A++             | XV               |   |         |    |        |        |
| Priority Health | No Response    | A-              | IX               |   |         |    |        |        |
| SVS             | Quote Received | A               | XV               | Fully Insured                             |         |    |        | X      |

\* A.M. Best Rating Guide:

\*\* AM Best Financial Size: I to XV = Smallest to Largest in Millions of \$

## Gratiot-Isabella RESD Health Insurance RFP

# MEDICAL & Rx REQUEST FOR PROPOSAL RESULTS

Gratiot-Isabella RESD Medical/Rx Cost Summary for July 1, 2015:

| Carrier   | Financing     | Current Census - Medical and Rx | Savings/(Loss) | Notes   |
|---|---------------|---------------------------------|----------------|---|
| Current MESSA - Choices/Choices II \$500, \$20 OV, \$25 UC, \$50 ER, MESSA Saver Rx \$2/\$10/\$20 | Fully Insured | \$1,933,878.84                  | \$0.00         | No Taxes and Fees included in the                 |
| BCBSM - CB \$500, \$600 OOP max, \$20 OV, \$0 CBC-MT, \$25 UC, \$50 ER, \$10/\$40 Rx MOPD RX90    | Self Insured  | \$1,852,997.22                  | \$80,881.62    | Based on Expected Rates from Self-funded proposal |
| BCBSM - CB \$500, \$600 OOP max, \$20 OV, \$0 CBC-MT, \$25 UC, \$50 ER, \$10/\$40 Rx MOPD RX90    | Fully Insured | \$2,063,758.32                  | (\$129,879.48) |   |
| BCBSM - Simply Blue \$1,250; 0% Coins. \$10/\$40/\$80 Rx  | Fully Insured | \$1,466,084.16                  | \$467,794.68   | Rates not based on current plan design            |
| HAP PPO1 \$500/\$1,000, \$4500 OOP Max, \$10/20/40 RX, \$20 OV, \$25 UC, \$50 ER                  | Fully Insured | \$1,962,211.08                  | (\$28,332.24)  |   |
| HAP PPO2 \$500/\$1,500, \$15/30/30, \$30 OV, \$75 UC, \$150 ER                                    | Fully Insured | \$1,697,474.52                  | \$236,404.32   | Rates not based on current plan design            |

## Gratiot-Isabella RESD Health Insurance RFP

# DENTAL REQUEST FOR PROPOSAL RESULTS

Gratiot-Isabella RESD Dental Cost Summary for July 1, 2015:

| Carrier   | Financing     | Current Census -<br>Vision | Savings/(Loss) | Notes  |
|---|---------------|----------------------------|----------------|--|
| ADN - \$50 Ded., \$1,000 Annual Max,<br>50%/50%/30%/50%,<br>Prev./Basic/Major/Ortho. \$1500 Ortho<br>Max                            | Self Insured  | \$180,238.66               | \$0.00         | Projected costs are based on 2014 admin<br>and claims plus 5% trend on claims  |
| BCBSM - \$1,000 Annual Max,<br>0%/0%/30%/50%,<br>Prev./Basic/Major/Ortho, \$1500 Ortho<br>Max                                       | Self Insured  | \$178,708.18               | \$1,530.48     | Plan design varies slightly from current plan<br>design. Projected claims are based on the<br>projected claims from current coverage |
| BCBSM - \$1,000 Annual Max,<br>0%/0%/30%/50%,<br>Prev./Basic/Major/Ortho, \$1500 Ortho<br>Max                                       | Fully Insured | \$327,971.64               | (\$147,732.98) | Plan design varies slightly from current plan<br>design  |
| Guardian Plan 2 - ASO - Emp Only -\$50<br>Ded, \$1,000 Annual Max, 0%<br>/30%/30%/50% Prev./Basic/Major/Ortho<br>- \$1500 Ortho Max | Self Insured  | \$178,973.26               | \$1,265.40     | Plan design varies slightly from current plan<br>design. Projected claims are based on the<br>projected claims from current coverage |
| Guardian Plan 1 - \$50 Ded, \$1,000 Annual<br>Max, 0% /30%/30%/50%<br>Prev./Basic/Major/Ortho - \$1500 Ortho<br>Max                 | Fully Insured | \$275,660.04               | (\$95,421.38)  | Plan design varies slightly from current plan<br>design  |

## Gratiot-Isabella RESD Health Insurance RFP

# VISION REQUEST FOR PROPOSAL RESULTS

Gratiot-Isabella RESD Vision Cost Summary for July 1, 2015:

| Carrier  | Financing     | Current Census -<br>Dental | Savings/(Loss) | Notes  |
|--|---------------|----------------------------|----------------|--|
| ADN - 12/12/12, \$6.50 Exam, \$18.00 Copay for lenses, Frames \$100 allowance, Contact Lenses covered up to \$100, Certain additional benefits added to lenses at no cost  | Self Insured  | \$45,011.00                | \$0.00         | Projected costs are based on 2014 admin and claims plus 3% trend on claims   |
| BCBSM - 12/12/12, \$5.00 Exam, \$7.5 Copay for lenses, Frames \$130 allowance, Contact Lenses covered up to \$130 (fitting and materials)  | Self Insured  | \$42,782.84                | (\$2,228.16)   | Plan design varies slightly from current plan design. Projected claims are based on the projected claims from current coverage |
| BCBSM - 12/12/12, \$5.00 Exam, \$7.5 Copay for lenses, Frames \$130 allowance, Contact Lenses covered up to \$130 (fitting and materials)  | Fully Insured | \$52,723.44                | \$7,712.44     | Plan design varies slightly from current plan design   |
| EyeMed - 12/12/12, \$6.00 Exam, \$18.00 Copay for lenses, Frames \$100 allowance, Contact Lenses covered up to \$100 (Fitting covered up to \$40), Certain additional benefits added to lenses at minimal or no cost | Self Insured  | \$42,813.20                | (\$2,197.80)   | Plan design varies slightly from current plan design. Projected claims are based on the projected claims from current coverage |
| EyeMed - 12/12/12, \$6.00 Exam, \$18.00 Copay for lenses, Frames \$100 allowance, Contact Lenses covered up to \$100 (Fitting covered up to \$40), Certain additional benefits added to lenses at minimal or no cost | Fully Insured | \$25,472.64                | (\$19,538.36)  | Plan design varies slightly from current plan design. Rate guarantee for 4 years.  |
| Guardian - 12/12/12, \$10.00 Exam, \$20.00 Copay for lenses, Frames \$120 allowance, Contact Lenses covered up to \$120 (Copay Waived)   | Self Insured  | \$44,322.80                | (\$688.20)     | Plan design varies slightly from current plan design. Projected claims are based on the projected claims from current coverage |
| Guardian - 12/12/12, \$10.00 Exam, \$20.00 Copay for lenses, Frames \$120 allowance, Contact Lenses covered up to \$120 (Copay Waived)   | Fully Insured | \$28,284.00                | (\$16,727.00)  | Plan design varies slightly from current plan design. Rate guarantee for 4 years.  |
| SVS - 12/12/12, \$5 Exam, \$15.00 Copay for lenses, Frames \$100 allowance, Contact Lenses covered up to \$100 (\$25 copay for contact lens fitting), Certain additional benefits added to lenses at no cost         | Fully Insured | \$38,631.24                | (\$6,379.76)   | Plan design varies slightly from current plan design. Rate guarantee for 4 years.  |

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### Compensation Disclosure

**Compensation.** In addition to the commissions or fees received by us for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. That compensation is derived from your premium payments. Additionally, it is possible that we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. We generally do not know if such a contingent payment will be made by a particular insurer, or the amount of any such contingent payments, until the underwriting year is closed. That compensation is partially derived from your premium dollars, after being combined ( or "pooled) with the premium dollars of other insureds that have purchased similar types of coverage. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date of premiums are remitted to the insurance company or intermediary. In the event that we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

**Questions and Information Requests.** Should you have any questions, or require additional information, please contact this office at (989) 249-5960 or, if you prefer, submit your question or request online at:  
<http://www.bbinsurance.com/customerinquiry.shtml>.

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### Benefit Proposal Disclaimers

AM Best Rating for Stability: A++ to D = Highest to lowest rating

AM Best Rating for Assets/ Surplus: 15 to 1 - Largest to smallest rating

- \* The analysis of the plans shown is a summary. Please refer to the contract for a full list of coverage and exclusions.
- \* The rates and benefits in this proposal are based upon underwriting factors which include, but are not limited to, the census provided, the effective date shown, the status of employees/dependents (i.e. actively at work, COBRA, FMLA), final enrollment, etc. If any of the aforementioned changes prior to the proposed effective date, the final provisions, including rates, for these plans may vary or result in the proposed plan to be withdrawn.
- \* This proposal may not be a complete listing of all available benefit options. Different benefit levels may be available.
- \* This presentation is the proprietary work product of Brown & Brown of Central Michigan.
- \* It is imperative that we be informed of any employee or dependent that is hospitalized or otherwise disabled and not actively at work on the effective date of any new contract. Coverage may not be available for these individuals.
- \* All insurance carriers have their own operating procedures. A change in carrier could affect certain benefits and coverage.
- \* If a decision to switch carriers is made, your existing plans SHOULD NOT be cancelled until advised by Brown & Brown of Central Michigan.
- \* B&B representatives are available to explain any items presented. It is assumed that the recipients of this proposal will seek an explanation of any items that may be in question.
- \* B & B representatives may from time to time provide guidance regarding certain legal requirements affecting health plans, including the requirements of federal and state health care reform legislation. Such guidance is based on good-faith interpretation of laws and regulations currently in effect, and is not intended to be a substitute for legal advice. Employers should contact their own legal counsel for advice regarding legal requirements.
- \* If network directories are provided they may contain doctors and facilities that are no longer participating with the insurance carriers' networks. We cannot be responsible for any changes to the directories that are not reflected. For a current list, you may look on the Internet or call the toll-free number provided in each of the directories.