

MANATEE COUNTY GOVERNMENT SOURCE SELECTION

SUBJECT	RFP #11-2671FL – Third Party Administrator Services	DATE POSTED	January 18, 2012 <i>ML</i>
PURCHASING REPRESENTATIVE	Frank Lambertson, 749-3042	DATE CONTRACT SHALL BE AWARDED	January 25, 2012 or there after
DEPARTMENT	Financial Management Dept./Purchasing Div.	CONSEQUENCES IF DEFERRED	N/A
SOURCE RECOMMENDATION	Aetna Insurance Company, Hartford, CT	AUTHORIZED BY DATE	Melissa W. Assha, Purchasing Official, January 18, 2012 <i>MA</i>

ACTION DESIRED

Approval to enter into negotiations with Aetna Insurance Company, Hartford, CT to perform Third Party Administrator Services for Medical, Dental, Flex Spending, and Provider Network for Employee Health Benefits.

ENABLING/REGULATING AUTHORITY

Federal/State law(s), administrative ruling(s), Manatee County Comp Plan/Land Development Code, ordinances, resolutions, policy.)

Manatee County Code of Laws, Chapter 2-26 Manatee County Purchasing Ordinance, Section 2-26-40 and the Standards and Procedures approved by the County Administrator.

BACKGROUND/DISCUSSION

- Estimated expenditure is \$1.6 million.
- Fund Source: 506 0004100 531000
- MANATEE COUNTY** firms that were directly contacted and made aware of this Request for Proposal were, and took the following actions in response to the RFP:

None

- Proposals were received from the following firms:

Manatee County firms:

None

Local firms:

None

See Page 2 and 3 for details.

SUMMARY		Recommend negotiations with Aetna Insurance Company, Hartford, CT.	
ATTACHMENTS: (List in order as attached)		INSTRUCTIONS TO BOARD RECORDS:	
1. Approval Email Ed Hunzeker		N/A	
COST	\$1,600,000 Annual Est.	SOURCE (ACCT# & NAME)	506 0004100 531000
COMMENTS	N/A	AMT./FREQ. OF RECURRING COSTS (ATTACH FISCAL IMPACT STATEMENT)	N/A

Other firms:

Aetna Life Insurance Company, Harford, CT 06156
(Local Address: 4630 Woodland Corp. Blvd., Tampa, FL 33614)

Blue Cross and Blue Shield of Florida, Inc., 4800 Deerwood Campus Parkway, Jacksonville, FL 32246
(Local Address: 100 Arthur Andersen Parkway, Suite 303, Sarasota, FL 34232)

Employee Benefit Concepts, Inc., 3080 Premiere Parkway, Suite 100, Duluth, GA 30097

North America Administrators, 1826 Elm Hill Pike, Nashville, TN 37210

UMR, Inc., 11 Scott Street, Suite 100, Wausau, WI 54403
(Local Address: 9009 Corporate Lake Drive, Suite 200, Tampa, FL)

- The County Government (MCG) requires a firm for the administration of medical and dental claims and the provision of customer service. MCG is seeking a TPA or Carrier on an Administrative Services Only (ASO) basis to be a working partner in the administration of the health insurance fund. Manatee County operates a self funded PPO health, prescription and dental plan, the Your Choice Health Plan, utilizing its own Provider Network (Manatee Health Network-MHN) with direct contracts to providers (Medical, Dental, Behavioral Health and ancillary) in addition to a wrap network for out of area utilization. The health plan has approximately 6700 covered lives, including approximately 500 retirees. The County Plan has been developed in efforts to drive participants towards healthier behaviors. MCG is invested in maintaining this wellness and health management program and would be interested in services or programs that proposers could offer that would work collaboratively with the existing health management/wellness group.
- **Approval to enter into negotiations with Aetna Life Insurance Company, Harford, CT.**
- 7/1/11 – 1/3/12 the appropriate proposal procedures were followed. The Request for Proposal (RFP) was broadcast via DemandStar to four hundred fifty six (456) firms who provide these service; thirteen (13) firms downloaded the RFP and five (5) firms' submitted proposals.

The RFP was advertised locally in the Bradenton Herald, posted on the County's website and provided to the Manatee County Chamber of Commerce for release to members.

- The Selection Committee consisted of:

Dan Schlandt, County Administrator's Office
Jim Seuffert, Financial Management Department
Dan Wolfson, Clerk of the County Court
Kim Stroud, Employee Health Benefits Division
Frank Lambertson, Purchasing Division
Suzanne Luchs, Clerk of the County Court (non-voting member)
Tom Salisbury, Manatee County Sheriff's Office (non-voting member)

- The Selection Committee convened on the following dates; 9/28/11, 10/6/11, and 10/17/11 to discuss the proposals and issued follow up questions to all proposers.
- The Selection Committee convened on 11/14/11 and shortlisted the following firms:

Aetna Life Insurance Company, Harford, CT
Blue Cross and Blue Shield of Florida, Inc., 4800 Deerwood Campus Parkway, Jacksonville, FL
UMR, Inc., 11 Scott Street, Suite 100, Wausau, WI
- Oral presentations were made by the shortlisted firms on 12/16/2011 and 12/19/2011.

- The Selection Committee convened on 1/3/2012 and ranked the firms in order to negotiate with the top ranked firm:

Ranked Number One, Aetna Life Insurance Company – The top ranked firm, demonstrated exceptional qualifications via their proposal and oral presentation. Of particular importance was its understanding of the County's requirements and how the County desires to continue and improve its Wellness and Health Management Program, its discounts and PEPM costs were competitive with the second ranked firm, offered a comprehensive software platform that will engage members in all aspects of their own health care and willingness to work with the County during the term our negotiated agreement.

Ranked Number Two, Blue Cross and Blue Shield of Florida - The firm presented its professional capabilities in a clear and concise manner via their proposal response and presentation. Its network utilization analysis reflected there would be little disruption to County employees, and has a national reputation. While impressed with the firm's qualifications BCBS of Florida was ranked second by the Selection Committee.

Ranked Number Three, UMR Inc., - The firm submitted an informative proposal detailing their qualifications and knowledge. While UMR provided the flexibility of a TPA and the continuation of the Manatee County Health Network supplemented by their national network UMR could not compete with the higher ranked firms in the area of claim discounts.

- Note that as usual, the above ranking justifications are a generalized summary of major observations intended only to give the Administrator a sufficiently detailed overview of the main observations of a majority of Committee Members. Each Committee Member may have considered one or more facts or factors more or less important than other Members when voting, and this summary of the Committee's ranking decision is not an attempt to exhaustively describe each of the relevant factors which motivated each of the Members to select the rankings described.
- The remaining proposal respondents were not ranked, although well qualified they were not selected based on a comparison of capabilities of the selected firm.

Employee Benefit Concepts, Inc., 3080 Premiere Parkway, Suite 100, Duluth, GA 30097
North America Administrators, 1826 Elm Hill Pike, Nashville, TN 37210

Re: Selection Committee Recommendation for Negotiations - Third Party Administrator (TPA) Services for Medical, Dental, Flex Spending and Provider Network - RFP #11-2671FL
 Ed Hunzeker
 to:
 Melissa Assha
 01/15/2012 05:05 PM
 Cc:
 "Frank Lambertson"
 Show Details

Please proceed.

Sent from my iPad

On Jan 11, 2012, at 9:22 AM, "Melissa Assha" <melissa.assha@mymanatee.org> wrote:

Mr. Hunzeker,

We are communicating the recommended selection of AETNA LIFE INSURANCE COMPANY of Hartford, Connecticut, for the purpose of providing Third Party Administrator Services for Medical, Dental, Flex Spending and Provider Network for Manatee County Government.

Staff will proceed with the posting of the selection and beginning negotiations upon your confirmation to proceed. If you choose, you may direct staff to present this recommendation to the Board of County Commissioners for consideration.

**Thank you,
 Melissa W Assha, CPPO
 Interim Purchasing Official
 Manatee County Purchasing Division
 941-749-3054**

----- Forwarded by Melissa Assha/MCG on 01/10/2012 03:53 PM -----

From: Frank Lambertson/MCG
 To: Melissa Assha/MCG@MCG
 Date: 01/10/2012 03:46 PM
 Subject: Selection Committee Recommendation for Negotiations - Third Party Administrator (TPA) Services for Medical, Dental, Flex Spending and Provider Network - RFP #11-2671FL

Melissa:

The following Selection Committee Recommendation for Negotiations is forwarded for approval for RFP #11-2671FL Third Party Administrator (TPA) Services for Medical, Dental, Flex Spending and Provider Network. Thanks.

Estimated expenditure is \$1.6 million.

Fund Source: 506 0004100 531000

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Frank G. Lambertson, Contracts Negotiator
Manatee County Government, Purchasing Division
1112 Manatee Avenue West, Suite 803
Bradenton, FL 34205
frank.lambertson@mymanatee.org
Phone: 941-749-3042
Fax: 941-749-3034