

# MANATEE COUNTY GOVERNMENT

## INTENT TO NEGOTIATE

<b>SUBJECT</b>	Dependent Eligibility Audit of the Self-Funded Medical and Dental Plans	<b>DATE POSTED</b>	MC 4/13/15 ✓ SE DS 4/13/15 ✓ SE CC N/A
<b>PURCHASING REPRESENTATIVE</b>	Jacob Erickson, 3053	<b>DATE CONTRACT SHALL BE AWARDED</b>	Upon Completion of Successful Negotiations
<b>DEPARTMENT</b>	Human Resources	<b>CONSEQUENCES IF DEFERRED</b>	None
<b>SOLICITATION</b>	RFP #15-0491MD	<b>AUTHORIZED BY DATE</b>	 Melissa M. Wendel, CPPO

### NOTICE OF INTENT TO NEGOTIATE

Notice of Intent to Negotiate with Health Management Systems (HMS), Inc. to perform a Dependent Eligibility Audit of the Self-Funded Medical and Dental Plans for the Manatee County Human Resources Department.

### 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

### BACKGROUND/DISCUSSION

#### PROJECT BACKGROUND:

The intent of this Request for Proposal and resulting contract is to perform a Dependent Eligibility Audit designed to identify, report, and assist with the disenrollment of ineligible dependents from the County's benefit plans.

The County has approximately 3,090 enrollees in the medical and dental plans ("Health Plan"). Enrollees are comprised of employees and retirees. Forty-eight percent (48%) of the enrollees have dependent coverage, covering approximately 3,480 dependents. The County has a 2-tier eligibility system for Health Plan coverage; 1) employee only and 2) employee plus family. The County has no exclusions in the Health Plan documents regarding spousal coverage or spousal mandate. This audit is critical to the cost containment and management of the County's self-funded Health Plan to ensure that the County is only expending funds for coverage of eligible members.

#### SOLICITATIONS:

The RFP was advertised on the Manatee County website, DemandStar, and was also provided to the Manatee County Chamber of Commerce for release to its members. Four (4) proposal were received.

Manatee County Firms that were directly solicited:

None

Manatee County Firms that submitted proposals:

None

Local firms that submitted proposals include:

None

<b>ATTACHMENTS</b> (List in order of attached)		<b>FUNDING SOURCE</b> (Acct Number & Name)	Various CIP Accounts Per Work Assignment <input type="checkbox"/> Funds Verified <input type="checkbox"/> Insufficient Funds
<b>COST</b>	\$40,000	<b>AMT/FREQ OF RECURRING COSTS</b> (Attach Fiscal Impact Statement)	N/A

Other (non-local) firms that submitted proposals include:

BMI Audit Services, LLC	South Bend, IN
Buck Consultants	Atlanta, GA
FBMC Benefits Management, Inc.	Tallahassee, FL
Health Management Services (HMS)	Atlanta, GA

**EVALUATION COMMITTEE (VOTING) MEMBERS:**

Kim Stroud – Employee Health Benefits and Wellness Benefits Manager, Human Resources Department  
 Greg Wright – Budget Division Manager, Financial Management Department  
 Jacob Erickson - Contracts Negotiator, Financial Management Department (Chairperson)

**Non-Voting Staff Attending:**

Rodney Barnes – Director, Human Resources Department  
 Melody Vilt – Health Benefits Supervisor, Human Resources Department

**EVALUATION RESULTS:**

The Evaluation Committee (the “Committee”) convened on March 27, 2015 to review evaluation committee responsibilities, discuss member’s availability for future meetings, and the Florida Sunshine Law as applicable to public meetings. The Evaluation Committee then proceeded to review the four (4) proposals for its responsiveness to the requirements of the RFP.

HEALTH MANAGEMENT SYSTEMS, INC. (HMS) ATLANTA, GA - The firm demonstrated the necessary qualifications in their proposal. Their submitted proposal was both responsive and responsible, meeting all necessary criteria set forth in the RFP. Located in Atlanta, GA, HMS provides employers and managed care organizations with Dependent Eligibility Audits, Medical Claim Audits, as well as other healthcare cost-containment services. One of HMS’ standout features is their sensitivity and diligence in regards to employer-employee relationships and personal information. Additionally, HMS delves into additional levels of verification to accurately and effectively ensure the appropriation of benefits is applicable.

BMI AUDIT SERVICES, LLC. SOUTH BEND, IN – The firm demonstrated the necessary qualifications in their proposal. Their submitted proposal was both responsive and responsible, meeting all necessary criteria set forth in the RFP. BMI, founded in 1998 and based in South Bend, IN, is an audit firm specializing in health care cost containment through benefits auditing. Incorporating information technology and auditing software, BMI provides a reliable service at a competitive price. However, after further evaluation, it was determined that although cost effective and able to provide the basic services outlined in the RFP, BMI lacked some of the additional verification techniques desired by the requesting department.

Upon completion of the Evaluation Committee meeting on March 27, 2015, the Committee recommended an Intent to Negotiate with the following firm: **Health Management Systems, Inc.**

**REMAINING RESPONDENTS**

The remaining respondents, although well qualified, were not selected based on a comparison of capabilities of the selected firms:

Buck Consultants	Atlanta, GA
FBMC Benefits Management, Inc.	Tallahassee, FL

**ESTIMATED COST OF SERVICES: \$40,000**

**FUNDING:** Fund 506 – Employee Health Benefits

*The above justifications are a generalized summary of major observations intended only to provide 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 the other Committee Members when voting, and this summary of the Evaluation Committee's decision is not an attempt to exhaustively describe each of the relevant factors which motivated each of the Committee Members to select the rankings described.*

The Evaluation Committee voted 2 to 1 to proceed with an award to **Health Management Systems, Inc., Atlanta, GA.**

The resulting agreement will be managed by the Human Resources Department.