

**Report on Current Request for Proposals (RFP) related to Risk Management Services as Approved by the Board of County Commissioners**

1) Outsourcing Risk Management Services

- A) This RFP was for the purpose of reviewing the availability and market for outsourcing the services now provided by the Risk Management Department of the Board. The Risk Management Department manages the various contracts associated with the Health Plan for the Board and Constitutional Officers, provides administrative services related to the financial requirements that includes internal and external billing of the various plan components, customer service and provides daily administration including claim and billing aspects of Workers' Compensation, Property, Fleet, Pollution, and Liability coverage.
- B) One proposal was received from Risk Focus 1 LLC and was deemed unresponsive due to the fact that the proposal did not indicate or outline their plan of services based on the requirements and did not provide a fee proposal.

2) Insurance Agent/Broker Services

- A) The RFP requested proposals for brokering lines of insurance not associated with employee benefits such as Liability, Property, Workers' Compensation, Fleet and Pollution. Last year, we opted to direct purchase liability and property coverage through FACT/FMIT (Florida Association of Counties Trust/Florida Municipal Insurance Trust) without a broker as this reduced our premium and service needs provided by a broker. Brown & Brown brokered Workers' Compensation, Fleet, Specialized Fire Apparatus coverage, Pollution and other small policies. Both Brown & Brown and FACT/FMIT submitted proposals on the major lines where a comparison for the best policy and price could be recommended.
- B) One proposal was received from Brown & Brown on the Insurance Agent/Broker Services RFP. Brown & Brown's fee structure proposed a flat fee \$45,000 to oversee and provide consulting advice on all lines of current coverage/policies (FACT, FMIT, PGIT, VFIS, Illinois) for an all inclusive fee. To date, Brown & Brown has worked on a commission basis.
- C) The proposal was rejected because 1) the proposed flat fee of \$45,000 was not competitive with current commissions paid to Brown & Brown (approximately \$27,000); and 2) for staff to explore the option of utilizing the company of the awardee of the Employee Benefits Consulting and Broker Services as a consultant resource to the County in procuring and evaluating proposals for these lines of insurance. The consultant would not be eligible to broker any products but would assist staff in procuring and evaluating proposals. Brown & Brown, along with other

brokers/providers, would be able to submit proposals under the described scenario.

3) Employee Benefits Consulting and Broker Services

A) The RFP requested proposals for consulting and brokerage services related to our Health Plan and voluntary insurance products. Brown & Brown is our current provider and will make approximately \$115,000 in commissions and fees this fiscal year. Their current three year contract ends September 30, 2011.

B) Six proposals were received as follows:

Name of Proposer	Fee Submitted
Brown & Brown Insurance, Inc.	\$90,000; Benewise (automated benefits admin. system) \$1.60 per employee per month
AGIS FL Agency, LLC	\$87,000; Actuarial Services \$6,000; Wellness Consulting beyond 10 hours \$125 per hour
Lassiter-Ware Employee Benefits	\$72,000
Gallagher Benefit Services, Inc.	\$96,000 which includes Actuarial Services valued at \$19,000 plus; Net proposal value of \$77,000 or less; 15% at risk performance guarantees
Gehring Group	\$70,000; BenTek (automated benefits admin. system) \$35,000
Willis of Florida, Inc.	\$64,000 with 20% at risk performance guarantees

C) The Selection Committee short-listed four vendors for presentations as follows: Lassiter-Ware Employee Benefits, Gallagher Benefit Services, Inc., Gehring Group and Willis of Florida, Inc. The committee will be conducting second interviews on Monday, April 18, 2011, of three vendors (Gallagher, Gehring, Willis) because the services proposed, pricing and presentations are very competitive.

D) The Selection Committee will provide a recommendation to the Board of County Commissioners on their agenda of April 26, 2011, for Employee Benefits Consulting.

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**Option 1 - RECOMMENDED**

Insurance Agent/Broker Services (insurance lines other than employee benefit related) described in item 2: Renew policies as currently placed for FY 2011/12 (see chart for policies and placements). Proceed with RFP process for FY 2012/13.

Employee Benefit Consultant and Broker Services: Continue with process described in item 3 for recommendation to be presented on April 26, 2010.

**Option 2**

Insurance Agent/Broker Services (insurance lines other than employee benefit related) described in item 2: Renew policies as currently placed for FY 2011/12 (see chart for policies and placements). Proceed with RFP process for FY 2012/13.

Employee Benefit Consultant and Broker Services: Stop process described in item 3 and renew contract with Brown and Brown for one year. Proceed with RFP process for FY 2012/13.