

**REQUEST FOR PROPOSALS  
EMPLOYEE BENEFITS INSURANCE BROKER  
AND  
CONSULTING SERVICES**

**RFP #201-601**

**Berkeley Unified School District  
Purchasing Department, RM 232  
2020 Bonar Street  
Berkeley, CA 94702  
(510) 644-6049**

**RFP Schedule**

Issued: October 20, 2015  
Written Questions Due: October 28, 2015  
Submittal: November 18, 2015

## TABLE OF CONTENTS

	<b>Page</b>
<b>I. INTRODUCTION</b>	
A. Purpose	4
B. Background	4
<b>II. SCHEDULE AND SUBMITTAL</b>	
A. RFP Schedule	6
B. Written Questions	6
D. Proposal Submittal	6
<b>III. GENERAL INSTRUCTIONS</b>	
A. District Contact Person	7
B. Oral Communications	7
C. Changes to RFP	7
D. Joint Offers / Subcontractors	7
E. Exceptions / Deviations	7
F. Authorization to Do Business	7
G. Pre-contractual Expenses	8
H. Withdrawal; Proposal Irrevocable for 90 Days	8
I. Disposition of Proposals	8
J. Immaterial Defects in Proposal	8
K. Standard Agreement	8
L. Term of Contract	9
M. News Releases	9
N. Use of District Employees' Names	9
O. Contractor Evaluation	9

#### **IV. PROPOSAL FORMAT AND CONTENT**

A. General	10
B. Cover Letter	10
C. Table of Contents	10
D. Qualifications, Related Experience and References	10
E. Staffing and Project Organization	11
F. Work Plan/Technical Approach	12
G. Fee	12
H. Exceptions/Deviations	14
I. Appendices	14

#### **V. PROPOSAL EVALUATION AND CONTRACT AWARD**

A. General	15
B. Evaluation Procedures	15
C. Evaluation Criteria	15
D. Contract Award	16

**Exhibit A Scope of Work**

**Exhibit B Standard Agreement (including Addendum A)**

# REQUEST FOR PROPOSALS FOR EMPLOYEE BENEFITS INSURANCE BROKER AND CONSULTING SERVICES

## I. INTRODUCTION

### A. PURPOSE

The purpose of this Request for Proposals (RFP) is to solicit offers from qualified insurance brokers to provide brokerage and consulting services to the Berkeley Unified School District ("BUSD" or "District") in support of the District's health and welfare benefits programs. Such services will include, but not be limited to: (1) reviewing and advising on appropriate insurance coverage, vendor contracts and evidence of coverage; (2) placement and management of insurance plans and services, including implementation and migration of plans; (3) Issuance of requests for proposals, as required; (4) Provide benefits customer support and employee support services; (5) participating in joint labor management benefits committee meetings; (6) coordinating with other District benefits service providers, acting as a liaison and an advocate for the District with insurance companies; and (7) developing and producing communications materials. (8) Strategize and assist with ongoing wellness program; (9) Advise the District on current and future federal, state and local mandated regulations.

The benefit programs include group medical, dental, vision and life/accidental death and dismemberment (AD&D) insurance (including basic and voluntary coverage), flexible spending accounts (FSAs), and an employee assistance program.

### B. BACKGROUND

BUSD provides educational programs for its 14 K-12 public schools, early childhood development, after school programs, and adult education. The District represents approximately 2,190 employees including both union (4 bargaining units), and non-union populations.

The District has an annual budget of about \$134.5 million. BUSD offers one Health Net PPO and a High and Low Health Net HMO and Kaiser HMO medical plans; one PMI and PPO dental plan; a Vision Service Plan; and a MetLife basic life/voluntary life and accidental death and dismemberment (AD&D) term insurance plan. Also offered are IRC 125 flexible spending accounts for healthcare and dependent care and a premium-only plan (POP) for all employees. Finally, the District sponsors an employee assistance program (EAP). All the plans, are based on a calendar year.

Approximately 2010 full-time employees and their dependents and 390 retirees and their dependents are enrolled in one or more District-sponsored benefit plans. The District has contribution limits for both active and eligible retirees for all medical, dental, and vision plans. Basic life and AD&D for \$15,000 of coverage and EAP premiums are 100% District-paid for full-time benefited employees and their dependents. Open enrollment documents have been included with this RFP and include the District's contribution limits for health plans. Approximately 92% of the District's active, early retiree and self-pay retirees subscribe to Kaiser and the remaining 7.8% subscribe to Healthnet. In fiscal year 2014/2015 the District expended \$14.4 million in premium for active and \$972.5 thousand in premium for retiree benefit plans.

The District currently contracts with a third party billing administrator for cobra and retiree billing services. The broker will need to coordinate with the District's third party billing administrator.

The District's health and welfare benefits are collectively bargained and governed by a Health Benefits Cost Containment Committee (HBCCC). The HBCCC is composed of one member from each of four (4) employee bargaining units and two (2) management representatives. Meetings are held almost monthly. Among other duties, the HBCCC is responsible for recommending the selection of a broker/consultant to the District.

For additional information on the District's health and welfare benefit programs and the scope of work for the selected broker/consultant, please see attached open enrollment materials for plan year, January 1, 2016 to December 31, 2016 and Exhibit A of this RFP.

## **II. SCHEDULE AND SUBMITTAL**

### **A. RFP SCHEDULE**

Issued: October 20, 2015

Written Questions Due: October 28, 2015

Submittal: November 18, 2015, 4:00 p.m.

### **B. WRITTEN QUESTIONS**

Questions or comments regarding this RFP (except to inquire about the number of addenda issued) must be put in writing and received by BUSD no later than 4:00 p.m., October 28, 2015. Written questions are to be: (1) mailed to the Health Benefits and Risk Management Supervisor, Kimberle Sanders at the address shown below for proposal submittal, or (2) e-mailed to [kimberlesanders@berkeley.net](mailto:kimberlesanders@berkeley.net) with the email subject reading Request for Proposal for Employee Benefit Insurance Services or (3) faxed to (510)644-8881, attention Health Benefits and Risk Management Supervisor, Kimberle Sanders.

The District shall not be obligated to answer any questions received after the above-specified deadline or any questions submitted in a manner other than as instructed above.

### **C. PROPOSAL SUBMITTAL**

#### **1. General**

Proposals must be received by **4:00 p.m., November 18, 2015**. Any proposal received after this date and time, may, at the sole discretion of the District, be returned or set aside without consideration. It is the practice of the District not to consider late offers unless it is determined that a selection cannot be made from among the proposals received on time.

Delivery of proposals by the specified deadline is the sole responsibility of the Proposer. BUSD shall not be responsible for, nor accept as a valid excuse for late proposal receipt, any delay in mail service or other method of delivery used by the Proposer except where it can be established that the District was the sole cause of the late receipt.

The District intends that all proposals, regardless of method of submittal, remain unopened until after the deadline has passed for receipt of proposals. However, the District shall not be liable for damages alleged to arise from, nor accept as the basis for protest of a contract award, the circumstance where the District inadvertently opens a proposal prior to the deadline.

#### **2. Method of Submittal**

The proposal may be submitted in paper form in a sealed envelope marked "Proposal—RFP #201-601 and delivered to: Berkeley Unified School District, Purchasing Department RM #232, 2020 Bonar Street, Berkeley, CA. Attention: Kimberle Sanders.

Proposals may be mailed, sent by private carrier or delivered in person during normal business hours, which are 8:00 a.m. to 4:00 p.m., Monday through Friday. Faxed copies will not be accepted. The Proposer shall include one original and six (6) copies.

### **III. GENERAL INSTRUCTIONS**

#### **A. DISTRICT CONTACT PERSON**

Ms. Kimberle Sanders  
Health Benefits and Risk Management Supervisor  
Berkeley Unified School District  
2020 Bonar Street, Suite 234  
Berkeley, CA 94702  
(510) 644-6049

#### **B. ORAL COMMUNICATIONS**

Any oral communications by the District's Contact Person(s) or designee concerning this RFP is not binding and shall in no way modify the RFP or the obligations of the District, Proposer or Contractor.

#### **C. CHANGES TO RFP**

If it is necessary to make material changes to the RFP, the District will mail, fax or e-mail written RFP addenda to all recipients of record of the original RFP and/or post such addenda on the District's Website. Recipients of record are those parties that obtained a copy of the RFP directly from the District. It shall be the responsibility of the Proposer to inquire of the District as to any addenda issued. This may be done by calling the Risk Manager, Kimberle Sanders (510) 644-6049 prior to the proposal-submittal deadline. All addenda issued shall become part of the RFP.

#### **D. JOINT OFFERS / SUBCONTRACTORS**

Where two or more Proposers desire to submit a single proposal in response to this RFP, they should do so on a prime/subcontractor basis rather than as a joint venture or informal team. For this engagement, BUSD intends to contract with an individual firm and not with multiple firms doing business as a joint venture. If a subcontractor (including intermediary or wholesaler) is to be used, that fact must be disclosed in the proposal, together with the name of each subcontractor, method of compensation to subcontractor, and its duties in relation to the scope of work.

#### **E. EXCEPTIONS / DEVIATIONS**

Any exceptions to or deviations from the requirements set forth in this RFP, including the terms and conditions contained in the Standard Agreement, must be declared in the proposal submitted by the Proposer. Such exceptions or deviations must be segregated as a separate element of the proposal under the heading "Exceptions and Deviations," as instructed below in section IV.

#### **F. AUTHORIZATION TO DO BUSINESS**

The Proposer must be authorized to do business in the State of California and, if applicable, in the local jurisdiction in which it is located or where the work will be performed. If a Proposer is a sole proprietorship or partnership, the Proposer should

furnish with its proposal a copy of a current business license issued in California. If the Proposer is a corporation, it must be approved by the California Secretary of State to do business in California and should furnish with its proposal the corporate number issued by the Secretary of State.

#### **G. PRE-CONTRACTUAL EXPENSES**

The District shall not be liable for pre-contractual expenses incurred by the Proposer in the preparation of its proposal and Proposers shall not include any such expenses in their offers. Pre-contractual expenses are defined as expenses incurred by the Proposer to: (1) prepare and submit its offer to the District; (2) negotiate with the District on any matters related to this RFP; and (3) any other expenses incurred by the Proposer prior to the date of award, if any.

Issuance of this RFP and receipt of proposals does not commit the District to award a contract. BUSD reserves the right to postpone the award for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one Proposer simultaneously, or to cancel all or part of this RFP.

#### **H. WITHDRAWAL; PROPOSAL IRREVOCABLE FOR 90 DAYS**

A Proposer may withdraw its proposal at any time prior to the submittal deadline by sending the District a request in writing from the same person who signed the submitted proposal. As of the deadline for submittal, any proposal received by the District and not withdrawn becomes an irrevocable offer available for acceptance by the District immediately and for ninety (90) days thereafter. The Proposer is responsible for the accuracy of the proposal submitted, and no allowance will be made for errors or price increases that the Proposer later alleges are retroactively applicable.

#### **I. DISPOSITION OF PROPOSALS**

All materials submitted in response to this RFP become the property of the District and become public records after the award of contract, except for information identified by the Proposer as being proprietary (subject to the limitations in section IV) and which is eligible for nondisclosure under the California Public Records Act.

#### **J. IMMATERIAL DEFECTS IN PROPOSAL**

The District may waive any immaterial deviation or defect in a proposal. The District's waiver shall in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP if awarded the contract.

#### **K. STANDARD AGREEMENT**

The Proposer selected for contract award through this RFP shall be required to enter into a written agreement with the District. The Standard Agreement for professional services presented in Exhibit B of this RFP is the contract proposed for execution. It may be modified to incorporate other pertinent terms and conditions set forth in this RFP, including those added by addendum, and to reflect the Proposer's offer or the outcome of contract negotiations, if any. Exceptions and requested changes to the terms and conditions of the Standard Agreement, or the Proposer's inability or unwillingness to

comply with any of the provisions of the Standard Agreement, must be declared in the proposal and will be considered as part of the proposal- evaluation process.

**L. TERM OF CONTRACT**

If a contract is awarded through this RFP, it will be effective upon full execution of the agreement for an initial term commencing January 1, 2016 and ending December 31, 2017, unless terminated earlier in accordance with the provisions specified in the District's Standard Agreement. Thereafter, the District reserves the right, at its sole option, to renew the contract up to a maximum of three (3) additional one-year terms extending through December 31, 2020. Because the District's enrollment with Kaiser is at 92.2 %, the District's options are limited. As such we CalPERS or SISC are our two viable options. If the District chooses to move forward with either of these two options for the January 1, 2017 insurance renewal, the newly awarded contract would include these services. The marketing/cost containment options for each subsequent fiscal year, if requested, will occur in the spring prior to January 1<sup>st</sup> effective date. The District's open enrollment period begins on October 1<sup>st</sup> of each year. All rate changes are reflected in open enrollment materials completed by September 1<sup>st</sup> of each year. No agreement with the District shall be in effect until a contract has been approved by the Board of Trustees of the Berkeley Unified School District, or designee, and has been signed by both parties.

**M. NEWS RELEASES**

News releases pertaining to any award resulting from this RFP may not be issued without the prior written approval of the District.

**N. USE OF DISTRICT EMPLOYEES' NAMES**

The successful Proposer must agree not to use the names or addresses of District employees for any purpose not directly related to this RFP.

**O. CONTRACTOR EVALUATION**

At the conclusion of the contract, the District may evaluate the contractor's performance. The results of this evaluation may be considered by the District in evaluating future proposals from the contractor and may be shared with other parties considering engaging the contractor.

## **IV. PROPOSAL FORMAT AND CONTENT**

### **A. GENERAL**

Proposals are to be submitted in 8½" x 11" size, typed and, if submitted in paper form, bound with a simple method of fastening. Lengthy narrative is discouraged; presentations should be brief and concise and not include extraneous or unnecessarily elaborate promotional material. The proposal should not exceed 50 pages in length, excluding appendices, if any. Proposers should use the following outline in organizing the contents of their proposals.

### **B. COVER LETTER**

The letter of transmittal shall, at a minimum, contain the following:

- Identification of the Proposer, including business name, address and telephone number;
- Name, title, address, telephone number, fax number, and e-mail address of a contact person during the period of proposal evaluation;
- Acknowledgement of RFP addenda received, if any;
- A statement that the proposal shall remain valid for a period of not fewer than ninety (90) days from the due date for proposals;
- Identification of any information contained in the proposal which the Proposer deems to be, and establishes as, confidential or proprietary and wishes to be withheld from disclosure to others under the California Public Records Act or US Freedom of Information Act (a blanket statement that all contents of the proposal are confidential or proprietary will not be honored by the District); and
- Signature of a person authorized to bind the offering firm to the terms of the proposal.

### **C. TABLE OF CONTENTS**

Immediately following the introduction and cover letter, insert a complete table of contents for material included in the proposal, including page numbers.

### **D. QUALIFICATIONS, RELATED EXPERIENCE AND REFERENCES**

1. Overview: This section should establish the ability of the Proposer (and its subcontractors, if any) to satisfactorily perform the required work by reasons of: demonstrated competence in the services to be provided; the nature and relevance of similar work currently being performed or recently completed; record of meeting schedules and deadlines of other clients; competitive advantages over other firms in the same industry; strength and stability as a business concern; and supportive client references. Information should be furnished for both the Proposer and any subcontractors included in the offer.

2. Furnish background information about your firm, including date of founding, legal form (i.e., sole proprietorship, partnership, LLC, corporation/state of incorporation), number and location of offices, principal lines of business, number of employees, days/hours of operation and other pertinent data. Disclose any conditions (e.g., bankruptcy or other

financial problems, pending litigation, planned office closures, impending merger) that may affect the Proposer's ability to perform contractually. Certify that the firm is not debarred, suspended or otherwise declared ineligible to contract by any federal, state or local public agency.

**3.** Describe your firm's most noteworthy qualifications for providing the required services to the District. Specifically highlight those qualifications that distinguish you from your competitors.

**4.** List all California school districts and other public agencies to which your firm has provided employee benefits insurance broker and consulting services. Identify those at which health and welfare benefits are governed by joint labor/management benefits groups, such as committees or trusts.

**5.** Identify at least four (4) current clients BUSD may contact as references and who can independently evaluate the Proposer's expertise in this area. Describe the work performed and include the name, job title, address and telephone number of a contact person for each reference.

**6.** Identify all lost or terminated accounts within the past three years. For each account, identify the account's line of business, describe the services your firm provided, and state the reasons for the end of your working relationship.

**7.** Describe other lines of business in which your firm is engaged.

**8.** If your organization is a subsidiary or division of a parent firm, provide similar background information on the parent company and identify any other affiliated companies.

**9.** Describe your firm's policy on accepting contingent commissions, or any other sources of income, revenue, consideration, compensation or overrides, in connection with services provided to your clients. Describe your firm's disclosure policy.

**10.** Disclose any existing or potential conflicts of interest between the scope of work required by the District and your firm's other business activities.

**11.** Furnish certificates of insurance showing the types and amounts of insurance carried by your firm.

## **E. STAFFING AND PROJECT ORGANIZATION**

**1. Overview:** This section should discuss the staff who would be assigned to service the District's account, their projected levels of work, and their reporting relationships.

**2.** Identify the key personnel from your firm who would be assigned to this project. Include a brief description of their qualifications, current job functions (including other

accounts to which they are committed), proposed roles on the BUSD account team, and office location(s). Designate a principal of the firm who would be ultimately responsible for the relationship and an Account Manager who would provide day-to-day direction of the required work. Furnish brief resumes (not more than two pages long) for all key personnel; include these as an appendix, not in the body of the proposal.

3. If more than two people will be assigned to BUSD's project, include a simple organization chart that clearly delineates communication and reporting relationships among the project staff.

4. Estimate the number of hours to be devoted to the BUSD account by each key personnel member.

## **F. WORK PLAN / TECHNICAL APPROACH**

1. Overview: This section should establish the Proposer's understanding of the District's objectives and requirements, demonstrate the Proposer's ability to meet those requirements and outline clearly and concisely the plan for accomplishing the specified work.

2. Describe succinctly how your firm would accomplish the work and satisfy the District's objectives described in this RFP. If appropriate, divide the work into segments or tasks to represent milestones for measuring progress.

3. Attach as an appendix a sample insurance renewal proposal your firm prepared for a client of the size and complexity of the District. You may de-identify the client and otherwise exclude information deemed proprietary to the client.

4. List all the names of the insurance companies that underwrite 30% or more of your firm's book of business. Project whether you would approach the same markets on behalf of the District's account or source other markets.

## **G. FEE**

1. Overview: This section should disclose all charges to be assessed the District for the Scope of Work. Follow the format presented in Exhibit B, Addendum A ("Schedule of Payments") of this RFP.

2. Quote an annual total fixed flat fee for completing all requirements outlined in the Scope of Work.

3. The Chart below estimates the average hours per month the District anticipates for select services. Please show your annual hours for each category.

Cope of Work	Average Expected Annual Hours
<p><b>Strategic Planning, Plan Fiscal Risk Mgmt:</b> Includes managing renewal, , vendor selection, implementation, funding alternatives and plan designs, utilization analysis and internal underwriting Since the district’s enrollment with Kaiser is at 92%, many carriers will the District’s options are limited. As such, CalPERS or SISC as our two viable options. These estimated hours include managing the renewal and implementation to CalPERS or SISC for January 1, 2017 or 2018, if the District chooses to join either option. Vendor marketing and selection could include Health, Dental, Vision, Third Party Billing and EAP services. Participating in joint labor management benefits committee meetings</p>	540
<p><b>Client Management &amp; Ongoing Admin Services:</b> Develop and maintain annual service calendar with key dates and actions items, including preparation of open enrollment package, vendor management and issue resolution, review contracts for accuracy, develop and maintain annual service calendar with key dates and action items, notify of material changes to carrier plans, network or financial position. The District pays directly for the copying of open enrollment packages and announcements</p>	276
<p><b>Communication Planning/Education</b> Communication objective setting and strategy development, custom and branded materials and campaigns for open enrollment and other needs</p>	48
<p><b>Benefits Customer Support/EE Support Services</b> Employee help desk, facilitate resolution of enrollment/eligibility issues, benefit and claims questions, tracking and reporting of employee, provider, benefit and claims issues</p>	48
<p><b>Wellness Program</b> Strategize and assist with ongoing wellness program</p>	60
<p><b>Compliance/Legislation Advisory Services</b> Advise on current and future federal, state and local mandated regulations, Affordable Care Act, (ACA), Section 125, COBRA , HIPAA, etc.,</p>	18
<p><b>Total Hours</b></p>	990

4. For all hours requested above, quote an annual flat fee for each the two year term, and for each of the potential three (3) option years that may follow. The annual total fixed fees shall be inclusive of all expenses and costs, including direct labor, indirect costs and profit.

5 The estimated hours may be transferred within categories as approved by the District to ensure District needs are met and based on actual scope of services required. State your preference for how payments should be made (e.g., monthly, quarterly, semi-annually). All invoices will require tracking of services provided in accordance with the above schedule.

6. The broker/consultant's only permitted source of income, revenue or compensation earned or received in connection with the District's account is the annual total fixed flat fee paid by the District. Any other source of income, revenue, consideration, or compensation, including, but not limited to, commissions and overrides received by the broker/consultant in connection with the District's account, must be disclosed and either remitted to the District or subtracted from the fee receivable from the District.

#### **H. EXCEPTIONS / DEVIATIONS**

State any exceptions to or deviations from the requirements of this RFP, including the Standard Agreement presented in Exhibit B. If you wish to present alternative approaches to meet the District's work requirements, these should be thoroughly explained.

#### **I. APPENDICES**

1. Furnish as appendices those supporting documents (e.g., staff resumes) requested in the preceding instructions.

2. Include any additional information you deem essential to a proper evaluation of your proposal and which is not solicited in any of the preceding sections. Proposers are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous material; appendices should be relevant and brief.

## **V. PROPOSAL EVALUATION AND CONTRACT AWARD**

### **A. GENERAL**

All proposals received in accordance with these RFP instructions will be evaluated to determine if they are complete and meet the requirements specified in this RFP. An award will be made to the Proposer whose offer is judged to be the most advantageous to the District. The District expressly reserves the right to reject all proposals and make no award under this RFP.

### **B. EVALUATION PROCEDURES**

#### **1. Process**

All proposals received in accordance with these RFP instructions will be reviewed, analyzed, evaluated and scored in accordance with the criteria described below. If needed, additional information may be requested from one or more Proposers. Interviews and contract negotiations may be conducted with one or more Proposers. The evaluators will then select a Proposer for award. Any selection and contract award is subject to review by the District's Superintendent and authorization by the District's Board of Trustees.

#### **2. Request for Additional Information**

During the evaluation the District may require supplemental information in order to fairly evaluate a Proposer's offer. For this purpose, the District may request such information, including a best and final offer, from the Proposer after the initial submittal. If such information is required, the Proposer will be notified in writing (or by e-mail) and will be permitted a reasonable period of time to submit the information.

### **C. EVALUATION CRITERIA**

By use of numerical and narrative scoring techniques, proposals will be evaluated by BUSD against the factors specified below. The relative weights of the criteria—based on a 100-point scale—are shown in parentheses. Within each evaluation criterion listed, the sub criteria to be considered are those described in the "Proposal Format and Content" section of this RFP.

- Qualifications, experience, references of Proposer, and ability to carry out the Scope of Work (35 points);
- Work Plan including client relations/Technical Approach (35 points);
- Fee (20 points)
- Miscellaneous (10 points) {exceptions/deviations, completeness of proposal, adherence to RFP instructions, other relevant factors not considered elsewhere}

The District reserves the right to reject any or all proposals, to waive any irregularities or informalities in the offers received and to change the evaluation process described above if circumstances dictate this or it is otherwise in the best interest of the District to do so. In the event a proposal(s) is rejected or otherwise does not result in a contract

award, the District shall not be liable for any costs incurred by the Proposer in connection with the preparation and submittal of the proposal.

**D. CONTRACT AWARD**

It is the intent of BUSD to award a single contract as the result of this RFP. However, the District reserves the right to apportion the requirements of this RFP among multiple contractors if this is determined to be in its best interests. Depending on the dollar amount of the award(s) and other factors, the contract(s) resulting from this RFP may require authorization by the District's Board of Trustees.

## **EXHIBIT A**

### **SCOPE OF WORK**

#### **EMPLOYEE BENEFITS INSURANCE BROKER AND CONSULTING SERVICES**

##### **A. Background**

BUSD is located in Alameda County and services an area of approximately 19 square miles. The District's projected student population (ADA) for the 2015-16 school year is estimated at 11490, including adult education. The district operates eleven elementary schools, three middle schools, one high school, an independent study program and a school for adult education.

BUSD offers one Health Net PPO and a High and Low Health Net HMO and Kaiser HMO medical plans; one PMI and PPO dental plan; a Vision Service Plan; and a MetLife basic life/voluntary life and accidental death and dismemberment (AD&D) term insurance plan. Also offered are IRC 125 flexible spending accounts for healthcare and dependent care and a premium-only plan (POP) for all employees. Finally, the District sponsors an employee assistance program (EAP). All the plans, except for the IRC 125 flexible spending accounts, are based on a fiscal year.

Approximately 1725 full-time employees and their dependents and 390 retirees and their dependents are enrolled in one or more District-sponsored benefit plans. The District has contribution limits for both active and eligible retirees for all medical, dental, and vision plans. Basic life and AD&D for \$15,000 of coverage and EAP premiums are 100% District-paid for full-time benefited employees and their dependents. Open enrollment documents have been included with this RFP and include the District's contribution limits for health plans. Approximately 92% of the District's active, early retiree and self-pay retirees are subscribing to Kaiser and the remaining 8% subscribe to Health Net. In fiscal year 2014/2015 the District expended \$14.4 million in premium for active and \$972.5 thousand in premium for retiree benefit plans.

The District currently contracts with several other service providers to support the District's benefits programs. The District's current broker provides services in support of District's health and welfare benefits programs for medical, dental and vision, and consulting services to the District and the Health Benefit Cost Containment Committee (HBCCC). The Broker services include support of District's basic/voluntary life and accidental death and dismemberment programs, benefits administration support services for premium billing reconciliation, open enrollment, and COBRA. The District currently uses Custom Benefits Administrator (CBA) as a third party billing agent for retirees and survivors. MHN administers the District's Employee Assistance Program and CBA to administer the District's Flexible spending account plan and third-party administration services. The District is fully-insured for medical, dental and vision. Currently, pharmacy benefits are bundled within the medical plans.

There are 4 unions represented on HBCCC include the Berkeley Federation of Teachers (BFT), the Berkeley Council of Classified Employees (BCCE), the Union of Berkeley

Administrators (UBA, and the International Federation of Professional & Technical Engineers, (Local 21).

The District's health and welfare benefits are collectively bargained and governed by a Health Benefits Cost Containment Committee (HBCCC). The HBCCC is composed of one member from each of four (4) employee bargaining units. Meetings are held almost monthly. Among other duties, the HBCCC is responsible for recommending the selection of a broker/consultant to the District's Board of Trustees.

The interest of the District's management and labor representatives is to examine ways to contain health care costs. The District is challenged with finding ways to continue offering quality care coverage at affordable prices. In fiscal year 2015-2016 and subsequent years the District will need broker services that will be very aggressive at looking at the District's options to control costs.

**B. Contractor's Responsibilities** (as summarized in Scope of Work on page 13)

1. Serve as designated insurance broker of record for Benefit Programs.
2. Develop long-range employee benefit goals and strategies for HBCCC.
3. Determine and recommend the most economical funding methods for benefits.
4. Perform market research for new carriers, negotiate all insurance renewals, including meeting directly with insurance company underwriters and place insurance as directed.
5. Prepare and release request for proposals as directed by the HBCCC. Analyze insurance proposals according to criteria approved by the HBCCC and present the results of such analysis to the appropriate parties
6. In accordance with parameters and criteria established by the HBCCC, make recommendations regarding various Benefit and insurance plans, insurance carriers, health maintenance organizations, administrators and Benefit service providers.
7. Analyze claim experience/financial development for all insurance coverages.
8. Prepare annual reports, in any reasonable annual format requested in advance by the HBCCC, for each line of coverage, analyzing financial developments, network utilization, insurer cost structures, etc., and make recommendations regarding changes, modifications and/or Benefit enhancements.
9. Provide input on agenda items for HBCCC, attend all meetings (almost monthly), prepare financial reports, interpret and distribute carrier reports, follow-up with carriers, and serve as the committee's Benefit resource.
10. Research and advise HBCCC with all related laws and regulations, and contract requirements.
11. Provide open enrollment support, including, but not limited to, developing timeline, assisting with the development of open enrollment materials and the determination of health fair attendees, and coordinating and participating in open enrollment meetings as reasonably requested.
12. Review contracts with providers for accuracy in rates, Benefits, eligibility, and coverage definitions.
13. Assist with claims and billing issues as requested.
14. Assist with the implementation/transitioning of carriers/administrators.
15. Prepare and present reports to the Committee as requested.

16. Attend meetings of the Board of Trustees as requested.

**EXHIBIT B**  
**PROFESSIONAL SERVICES AGREEMENT**

PARTIES: BERKELEY UNIFIED SCHOOL DISTRICT  
("District")

By:  
*[Name of District]*  
*[District Address]*

Attn:  
*[Contact name and phone number]*

("District")  
("Contractor")  
*[Address]*

Attn:  
*[Contact name and phone number]*

DATE:

TERM OF AGREEMENT:

**RECITALS**

WHEREAS, the District may contract for professional services to the extent permitted by law; and

WHEREAS, the Contractor has represented itself to be specially licensed and/or certified and/or trained, experienced and competent to perform the services described herein;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereby agree as follows:

**AGREEMENT**

**1. SERVICES.** The Contractor shall perform the Services set forth in Exhibit "A" (the "Services") in compliance with specifications and standards set forth in that Exhibit. The District shall have the right to order, in writing, changes in the scope of work or under the Services to be performed with any applicable version of the compensation paid hereunder agreed upon by the District and the Contractor. Any adjustment to fees, rate schedules, or schedule of performance can only be adjusted pursuant to written agreement between the parties. In performing the Services, Contractor hereby designates the following as "Key Personnel" under this Agreement. Contractor shall not reassign, replace or reduce the labor commitment of any Key Personnel without the prior written consent of the District.

Name Contractual Function Estimated Hours

**2. WARRANTIES.** The Contractor warrants and represents that it is specially trained, qualified, duly licensed, experienced, and competent to provide the Services. The Contractor warrants that Services (and any goods in connection therewith) furnished hereunder will conform to the requirements of this Agreement (including all descriptions, specifications and drawings made a part hereof) and in the case of goods will be merchantable, fit for their intended purposes, free from all defects in materials and workmanship and to the extent not manufactured pursuant to detailed designs furnished by the District, free from defects in design. The

District's approval of designs or specifications furnished by the Contractor shall not relieve the Contractor of its obligations under this warranty. All warranties, including special warranties specified elsewhere herein, shall inure to the District, its successors, assigns, and users of the goods or services.

**3. FEES.** The District shall pay the Contractor the fees set forth in Exhibit B, in accordance with the terms and conditions of this Agreement. The Contractor represents that such fees do not exceed the Contractor's customary current price schedule. The District shall pay all applicable taxes; excepting, however, the federal excise tax, and all state and local property taxes, as college districts are exempt therefrom. Payment shall be made by the District's Accounts Payable Office upon submittal of invoice(s) approved by the Deputy Superintendent, or designee of the District.

**4. EXPENSES.** The Contractor shall assume all expenses incurred in connection with performance except as otherwise provided in this Agreement.

**5. TERM OF AGREEMENT.** This Agreement shall be for the term set forth above, unless sooner terminated pursuant to the terms hereof. Thereafter, the District reserves the right, at its sole option, to renew the contract up to a maximum of three (3) additional one-year terms extending through December 31, 2020.

**6. TERMINATION OF AGREEMENT.** This Agreement may be terminated by the District by providing 30 days' prior written notice to the Contractor or immediately upon breach of this Agreement by the Contractor.

**7. DOCUMENTATION.** The Contractor agrees to provide to the District, at no charge, a sufficient number of nonproprietary manuals and other printed materials, as used in connection with the Services, and updated versions thereof, which are necessary or useful to the District in its use of the Services provided hereunder.

**8. RIGHTS IN DATA.** All technical communications and records originated or prepared by the Contractor pursuant to this Agreement including papers, reports, charts, computer programs, and other documentation, but not including the Contractor's administrative communications and records relating to this Agreement shall be delivered to and shall become the exclusive property of the District and may be copyrighted by the District. The ideas, concepts, know-how, or techniques relating to data processing, developed during the course of this Agreement by the Contractor or jointly by the Contractor and the District can be used by either party in any way it may deem appropriate. All inventions, discoveries or improvements of the computer programs developed pursuant to this Agreement shall be the property of the District. During the term of this Agreement, certain information which the District deems confidential ("Confidential Information") might be disclosed to the Contractor. The Contractor agrees not to divulge, duplicate or use any Confidential Information obtained by the Contractor during the Contractor's engagement. Such

Confidential Information may include, but is not limited to, student and employee information, computer programs, and data in the District's written records or stored on the District's computer systems.

**9. CONTRACTOR ACCOUNTING RECORDS.** Records of the Contractor's directly employed personnel, other consultants and reimbursable expenses pertaining to the work and records of account between the District and the Contractor shall be maintained on an accounting basis acceptable to the District and shall be available for examination by the District or its authorized representative(s) during regular business hours within one (1) week following a request by the District to examine such records. Failure by the Contractor to permit such examination within one (1) week of a request shall permit the District to withhold all further payments until such examination is completed unless an extension of time for examination is authorized by the District in writing.

**10. RELATIONSHIP OF PARTIES.** With regard to performance hereunder, the Contractor is an independent contractor and not an officer, agent, partner, joint venture, or employee of the District. The Contractor shall not, at any time, or in any manner, represent that it or any of its agents or employees is in any manner agents or employees of the District.

**11. DISTRICT REPRESENTATIVE.** The contact person set forth above or his or her designee shall represent the District in the implementation of this Agreement.

**12. WAIVER OF DAMAGES; INDEMNITY.** The Contractor hereby waives and releases the District from any claims the Contractor may have at any time arising out of or relating in any way to this Agreement, except to the extent caused by the District's willful misconduct. Notwithstanding the foregoing, the parties agree that in no event shall the District be liable for any loss of the Contractor's business, revenues or profits, or special, consequential, incidental, indirect or punitive damages of any nature, even if the District has been advised in advance of the possibility of such damages. This shall constitute the District's sole liability to the Contractor and the Contractor's exclusive remedies against the District. Except for the sole negligence or willful misconduct of the District the Contractor shall indemnify, hold harmless and defend the District and its Board of Trustees, officers, employees, and agents from any liability, losses, costs, damages, claims, and obligations relating to or arising from this Agreement.

Without limiting the foregoing, the Contractor shall indemnify and hold harmless the District, and its Board of Trustees, officers, employees, and agents from all liability, losses, costs, damages, claims, and obligations of any nature or kind, including attorneys' fees, costs, and expenses, for infringement or use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance, registered or unregistered trademark, service mark, or trade name, furnished or used in connection with this Agreement. The Contractor, at its own expense, shall defend any action brought against the District to the extent that

such action is based upon a claim that the goods or software supplied by the Contractor or the operation of such goods infringes a patent, trademark, or copyright or violates a trade secret.

**13. INSURANCE.** Without limiting the Contractor's indemnification of the District and as a material condition of this Agreement, the Contractor shall procure and maintain at its sole expense, for the duration of this Agreement, insurance coverage with limits, terms and conditions at least as broad as set forth in this section. The Contractor shall secure and maintain, at a minimum, insurance as set forth below, with insurance companies acceptable to the District to protect the District from claims which may arise from operations under this Agreement, whether such operations be by the Contractor or any subcontractor or anyone directly or indirectly employed by any of them. As a material condition of this Agreement, the Contractor shall furnish to the District certificates of such insurance and endorsements, which shall include a provision for a minimum thirty-day' notice to the District prior to cancellation of or a material change in coverage.

The Contractor shall provide the following insurance:

a) Commercial General Liability Insurance, "occurrence" form only, to provide defense and indemnity coverage to the Contractor and the District for bodily injury and property damage. Such insurance shall name the District as an additional named insured and shall have a combined single limit of not less than one million dollars (\$1,000,000) per occurrence. The policy so secured and maintained shall include personal injury, contractual or assumed liability insurance; independent contractors; premises and operations; products liability and completed operation; broad form property damage; broad form liability; and owned, hired and non-owned automobile insurance. The policy shall be endorsed to provide specifically that any insurance carried by the District which may be applicable to any claim or loss shall be deemed excess and non-contributory, and the Contractor's insurance primary, despite any provisions in the Contractor's policy to the contrary.

b) Professional Liability insurance in an amount not less than two million dollars (\$2,000,000) per incident. If the policy is written on a claims made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following the termination of this Agreement.

c) Workers' Compensation insurance with limits as required by the Labor Code of the State of California and Employers Liability insurance limits of not less than one million dollars (\$1,000,000) per accident.

d) Business Automobile liability coverage covering owned, nonowned, and hired automobiles with a combined single limit of not less than one million dollars (\$1,000,000) per accident and aggregate. BUSD shall be endorsed as an additional insured.

Failure to maintain the insurance and furnish the required documents may terminate this Agreement without waiver of any other remedy the District may have under law.

**14. AMENDMENTS.** This Agreement is the entire agreement between the parties as to its subject matter and supersedes all prior or contemporaneous understandings, negotiations, or agreements between the parties, whether written or oral, with respect thereto. This Agreement may be amended only in a writing signed by both parties.

**15. ASSIGNMENT.** This Agreement may not be assigned or otherwise transferred, in whole or in part, by either the District or the Contractor without prior written consent of the other.

**16. GOVERNING LAW.** This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the parties hereunder, and any action arising from or relating to this Agreement, shall be construed and enforced in accordance with, and governed by, the laws of the State of California or United States law, without giving effect to conflict of laws principles. Any action or proceeding arising out of or relating to this Agreement shall be brought in the county of Los Angeles, State of California, and each party hereto irrevocably consents to such jurisdiction and venue, and waives any claim of inconvenient forum.

**17. NONDISCRIMINATION.** The Contractor hereby certifies that in performing work or providing services for the District, there shall be no discrimination in its hiring, employment practices, or operation because of sex, race, religious creed, color, ancestry, national origin, physical disability, mental disability, medical condition, marital status, or sexual orientation, except as provided for in section 12940 of the Government Code. The Contractor shall comply with applicable federal and California anti-discrimination laws, including but not limited to, the California Fair Employment and Housing Act, beginning with Section 12900 of the California Government Code, the provisions of the Civil Rights Act of 1964 (Pub. L. 88-352; 78 Stat. 252) and Title IX of the Education Amendments of 1972 (Pub. L. 92-318) and the Regulations of the Department of Education which implement those Acts. The Contractor agrees to require compliance with this nondiscrimination policy by all subcontractors employed in connection with this Agreement.

**18. EQUAL OPPORTUNITY EMPLOYER.** The Contractor, in the execution of this Agreement, certifies that it is an equal employment opportunity employer.

**19. ATTORNEYS' FEES AND COSTS.** If either party shall bring any action or proceeding against the other party arising from or relating to this Agreement, each party shall bear its own attorneys' fees and costs, regardless of which party prevails.

**20. BOARD AUTHORIZATION.** The effectiveness of this Agreement is expressly conditioned upon approval by the District's Board of Trustees.

**21. SEVERABILITY.** The Contractor and the District agree that if any part, term, or provision of this Agreement is found to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect other parts, terms, or provisions of this Agreement, which shall be given effect without the portion held invalid, illegal, or unenforceable, and to that extent the parts, terms, and provisions of this Agreement are severable.

**22. TERMINATION FOR NON-APPROPRIATION OF FUNDS.** If the term of this Agreement extends into fiscal years subsequent to that in which it is approved, such continuation of the Agreement is contingent on the appropriation and availability of funds for such purpose, as determined in good faith by the District. If funds to effect such continued purpose are not appropriated or available as determined in good faith by the District, this Agreement shall automatically terminate and the District shall be relieved of any further obligation.

**23. NOTICE.** Any notice required to be given pursuant to the terms of this Agreement shall be in writing and served personally or by deposit in the United States mail, postage and fees fully prepaid, addressed to the applicable address set forth above. Service of any such notice if given personally shall be deemed complete upon delivery, and if made by mail shall be deemed complete on the day of actual receipt or at the expiration of 2 business days after the date of mailing, whichever is earlier.

**24. CONFLICTS OF INTEREST.** The Contractor agrees not to accept any employment or representation during the term of this Agreement which is or may likely make the Contractor "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by the District on any matter in connection with which the Contractor has been retained pursuant to this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement in Berkeley, California, on the date set forth above.

**CONTRACTOR DISTRICT**  
BERKELEY UNIFIED SCHOOL DISTRICT

Name:

By:

Title:

Name:

By:

Title:

**ADDENDUM A**

**SCHEDULE OF PAYMENTS**

TOTAL FEES: Service Fees RFP Fees Communications Fees

January 1, 2016 to December 31, 2016	\$ \$ \$
January 1, 2017 to December 31, 2017	\$ \$ \$
January 1, 2018 to December 31, 2018	\$ \$ \$
January 1, 2019 to December 31, 2019	\$ \$ \$
January 1, 2020 to December 31, 2020	\$ \$ \$

Total fees broken down in payment installments (e.g. monthly, quarterly, semi-annually):

\$ \$ \$  
\$ \$ \$  
\$ \$ \$  
\$ \$ \$

The Contractor's only source of income, revenue or compensation earned or received by the Contractor in connection to the District's account is the annual total fixed flat fee paid to the Contractor by the District. Any other source of income, revenue, consideration, or compensation, including, but not limited to, commissions and overrides received by the Contractor in connection to the District's account, must be disclosed and reimbursed back to the District.