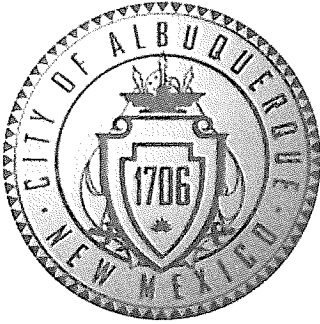


EC-20-227




**CITY OF ALBUQUERQUE**  
**Albuquerque, New Mexico**  
**Office of the Mayor**

Mayor Timothy M. Keller

**INTER-OFFICE MEMORANDUM**

October 16, 2020

**TO:** Pat Davis, President, City Council

**FROM:** Timothy M. Keller 

**SUBJECT:** Mayor's Recommendation of Award (ROA) for RFP No. RFP-2020-056-HRM-IC, "Group Benefits Consultant"

The City of Albuquerque's Human Resources Department, Benefits Division in conjunction with the Department of Finance, Purchasing Division, issued the RFP for a group benefits consultant.

The RFP was posted on the Purchasing E-Procurement, Bonfire website on August 11, 2020 and advertised in the Albuquerque Journal on August 16, 2020.


The City received four (4) responses to this solicitation. The ad hoc evaluation committee evaluated and scored the proposals received in accordance with the evaluation criteria published in the RFP. After thoroughly reviewing and scoring the proposal, McGriff, Seibels & Williams, Inc., earned the highest score of 950 points. The ad hoc committee found McGriff, Seibels & Williams, Inc. to be both responsive and qualified and recommends an award to McGriff, Seibels & Williams, Inc.

I concur with this recommendation.

The City of Albuquerque's Human Resources Department, Benefits Division will manage this contract.

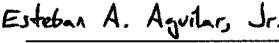
Mayor's Recommendation of Award (ROA) for RFP No. RFP-2020-056-HRM-IC, "Group Benefits Consultant"

Approved:


  
\_\_\_\_\_  
Sarita Nair  
Chief Administrative Officer

12/30/20  
Date

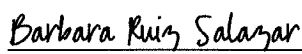
Approved as to Legal Form:

DocuSigned by:  
  
\_\_\_\_\_  
Esteban A. Aguilar, Jr.  
City Attorney

10/20/2020 | 9:58 AM MDT  
Date

DS  
  
MDT

Recommended:

DocuSigned by:  
  
\_\_\_\_\_  
Barbara Ruiz-Salazar  
Acting Director, Human Resources Department

10/19/2020 | 9:50 AM MDT  
Date

FISCAL IMPACT ANALYSIS

TITLE: Benefit Consulting

R:  
FUND: 710/735

O:  
DEPT: 4771000/4722000

- ☒ No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- ☐ (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	Fiscal Years			
	2021	2022	2023	Total
Base Salary/Wages				-
Fringe Benefits at	-	-	-	-
Subtotal Personnel	-	-	-	-
Operating Expenses		-		-
Property		-	-	-
Indirect Costs	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -
<input type="checkbox"/> Estimated revenues not affected				
<input type="checkbox"/> Estimated revenue impact				
Revenue from program				0
Amount of Grant		-	-	
City Cash Match				
City Inkind Match				
City IDOH	-	-	-	-
Total Revenue	\$ -	\$ -	\$ -	\$ -

These estimates do not include any adjustment for inflation.  
\* Range if not easily quantifiable.

Number of Positions created

**COMMENTS:** This will be funded out of two Funds 710 and 735, both Internal Service Funds. The Human Resources Department will be utilizing the existing budget for this contract, so it will have no overall impact above the current appropriation of the Group Self Insurance and Employee Insurance Fund.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY:

APPROVED:

DocuSigned by:

Tanya E. Gallegos

FISCAL ANALYST

DocuSigned by:

Barbara Ruiz Salazar10/19/2020 | 9:50 AM MDT

DIRECTOR (date)

REVIEWED BY:

DocuSigned by:

Jayne Aranda

EXECUTIVE BUDGET ANALYST

DocuSigned by:

Lawrence L. Davis10/19/2020 | 1:50 PM MDT

BUDGET OFFICER (date)

DocuSigned by:

Christine Baumer

CITY ECONOMIST

## **Cover Analysis**

### **1. What is it?**

The request for proposal will allow the competitive bid process and vetting of professional benefit consultants interested in contracting with the City of Albuquerque.

### **2. What will this piece of legislation do?**

This legislation will approve for the funding and contracting for benefit consulting services with McGriff, Seibel, & Williams Consulting.

### **3. Why is this project needed?**

Project is needed to assist in the oversight and administration of the group benefits program. The benefit program is comprised of employees and dependents from the City of Albuquerque and 17 participating entities. All totaled over 18,000 New Mexicans receive their benefits through this group plan. Benefit programs include medical, dental, vision, life insurance, short and long-term disability, and flexible spending accounts to name a few. Consulting firms such as McGriff, Siebel, & Williams are necessary to provide actuarial analysis, compliance with local and federal laws and accommodations, and to provide benchmarking with other like entities.

### **4. How much will it cost and what is the funding source?**

This will be funded out of two Funds 710 and 735, both Internal Service Funds. The Human Resources Department will be utilizing the existing budget for this contract, so it will have no overall impact above the current appropriation of the Group Self Insurance and Employee Insurance Funds.

### **5. Is there a revenue source associated with this Plan? If so, what level of income is projected?**

There is no revenue source associated with this contract.



# City of Albuquerque

Department of Finance and Administrative Services

Timothy M. Keller, Mayor

## Interoffice Memorandum

Date 9/28/2020 | 3:40 PM MDT

**TO:** Sarita Nair, Chief Administrative Officer

**FROM:** Barbara Ruiz-Salazar, Acting Director, Human Resources Department

**SUBJECT:** **Recommendation of Award –**  
RFP Number: RFP-2020-056-HRM-IC  
RFP Name: Group Benefits Consultant

DS  
B. f.

The Department of Finance and Administrative Services, Purchasing Division, issued the subject solicitation in conjunction with the Human Resources Department, Benefits Division for a group benefits consultant.

The solicitation was posted on the Purchasing website and advertised in the Albuquerque Journal. The number of responses received for evaluation were four (4).

The Ad Hoc Evaluation Committee evaluated and scored the responses in accordance with the evaluation criteria published in the RFP and recommends award of contract to McGriff, Seibels & Williams, Inc.

I concur with this recommendation. Listed below are the composite scores for the top three responses received:

COMPANY NAME	SCORE
McGriff, Seibels & Williams, Inc.	950
Aon	805
Gallagher Benefit Services	801

The Department that will be managing this contract is Human Resources Department, Benefits Division.

Approved:

DocuSigned by:

9/30/2020 | 11:53 AM MDT



Sarita Nair

(Date)

Chief Administrative Officer

Attachment: Scoring Summary





## RFP-2020-056-HRM-IC - Group Benefits Consultant Scoring Summary

	Total	A-1 - Offer Identification Firm Expertise and Resources Available	A-2 - Team Experience & Management Summary	A-3 - Clear Project Plan on meeting Scope of Services & Responses to Questions below	B - Cost	C-1 - Local Businesses	C-2 - Small Businesses	C-3 - Pay Equity Preference	C-4 - NM State Resident Business	C-5 - NM State Veterans
Supplier	/ 1,350.00 pts	/ 250 pts	/ 250 pts	/ 250 pts	/ 250 pts	/ 50 pts	/ 50 pts	/ 100 pts	/ 50 pts	/ 100 pts
McGriff, Seibels & Williams	950	240	230	230	250	0	0	0	0	0
Aon	805	183	192	192	200	0	0	0	38	0
Gallagher Benefit Services	801	213	200	200	150	0	0	0	38	0
AssuredPartners	560	150	160	150	100	0	0	0	0	0

# Request for Proposal

*Group Benefits Consultant*

*RFP-2020-056-HRM-IC*

**McGriff, Seibels & Williams, Inc.**

5080 Spectrum Drive, Suite 900E

Addison, TX 75001

McGriffInsurance.com



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September 10, 2020

Ms. Iris Cordova,  
Assistant Procurement Officer,  
Department of Finance and Administrative Services, Purchasing Division  
City of Albuquerque  
Post Office Box 1293  
Albuquerque, New Mexico 87103

**Re: Solicitation Request for Proposal - RFP RFP-2020-056-HRM-IC / Group Benefits Consultant**

Dear Ms. Cordova:

McGriff is pleased to present our partnership proposal for Group Benefits Consultant to the City of Albuquerque.

For almost 100 years, McGriff has served with distinction employers and plan sponsors across the nation providing leading edge employee benefit management, actuarial and consulting services. Our work consists of serving the large, complex public entity – a municipal government such as the City and the eligible entities which contract benefit services through the City's arrangement with selected vendors. Working as a team across various McGriff offices, we are committed to providing leading edge services across the following solutions:

- Employee Benefits Strategic Consulting
- Plan and Vendor Management
- Underwriting, Actuarial and Analytic Services
- Pharmacy Consulting Services
- Wellness Consulting Services
- Human Resources and Compliance Consulting
- Employee Engagement and Communications Consulting
- Benefits Administration Services Consulting

We fully understand a change in benefit advisors can be disruptive to any plan sponsor. However, we believe the City of Albuquerque will greatly benefit from McGriff's approach to serving our clients – with broad capabilities, fresh ideas and extensive resources. While McGriff is a national company, we still serve our clients supporting each client within its own culture, diverse strategies and local solutions.

Our proposed fee is a flat amount as requested in the specifications. Our electronic submission contains detailed descriptions of the people who will provide the above services but also a sense for the culture and philosophy of how we will engage with City - the leadership team, HR, and Benefits Department. Where appropriate, we have provided a series of examples and supporting information as an appendix document.

Thank you for your time and consideration during this process. We look forward to continued collaboration in the next steps of your RFP.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Scott Gibbs'.

Scott Gibbs  
Senior Vice President  
McGriff, Seibels & Williams, Inc.

# Part 2: Proposal Format

## 2.1 Technical Proposal Format, Section One

**2.1.1 Offeror Identification:** State name and address of your organization or office and nature of organization (individual, partnership or corporation, private or public, profit or non-profit). Subcontractors, if any, must be identified in a similar manner. Include name, email address and telephone number of person(s) in your organization authorized to execute the Draft Agreement. Submit a statement of compliance with all laws stated herein. Submit a statement of agreement of the terms and conditions of the Draft Agreement; state exceptions. Show receipt of Addenda if applicable. Provide a statement or show ability to carry the insurance specified.

McGriff, Seibels & Williams, Inc.  
5080 Spectrum Drive, Suite 900E  
Addison, Texas 75001

McGriff, founded in 1922, provides highly consultative risk management and insurance brokerage services for risk management and employee benefits. McGriff is a subsidiary of Truist Insurance Holdings, the sixth largest insurance broker in the United States. Truist Insurance Holdings is owned by Charlotte, N.C.-based Truist Financial Corporation, a publically traded corporation (NYSE: TFC) and one of the nation's largest and best managed financial institutions with assets approaching \$475 billion. Truist was formed by the merger of equals SunTrust Banks and BB&T, completed in December 2019.

All services will be provided by McGriff except for specific services from the following external, authorized McGriff partners:

BMI Audit Services, LLC  
100 E. Wayne St. Suite 400,  
South Bend, IN 46601  
Services – Vendor Audits

Holland & Hart, LLP  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501  
Services – New Mexico legislative oversight

Mr. Scott Gibbs, Senior Vice President is authorized to execute the Draft Agreement. Scott's email address is [sgibbs@mcgriff.com](mailto:sgibbs@mcgriff.com). His phone number is (469) 232-2188.

We agree with the terms and conditions of the Draft Agreement.

McGriff will comply with all federal, state and local laws pertaining to the requested services of the contract.

McGriff has the appropriate levels of insurance as specified.

**2.1.2 Firm Expertise and Resources Available:** Experience and reliability of the Offeror's organization are considered subjectively in the evaluation process. Therefore, the Offeror is advised to submit any information, which documents successful and reliable experience in past performances, especially those performances related to the requirements of this RFP.

Confirmed

**2.1.3 Performance Guarantees:** Are you willing to provide any performance guarantees regarding your service and fees? If yes, please describe measures and fees at risk each year. Fees should be included on Appendix A only and not included in this section.

Performance Guarantees regarding our services and fees are illustrated in Appendix A

## 2.2 Cost Proposal Format, Section Two

**2.2.1 Total Cost:** Submit your Cost Proposal (Appendix A) **separately** from your technical Proposal (upload Appendix A in the City's eProcurement system).

Confirmed

**2.2.2 All Costs:** All costs to be incurred and billed to the City should be described by the Offeror for each item, to allow for a clear evaluation and comparison, relative to other Proposals received. All costs should include any applicable gross receipts taxes. The Offeror should understand that the City will not pay for any amounts not included in the cost Proposal -- for example, insurance or taxes -- and that liability for items not included remains with the Offeror.

Confirmed. All costs are detailed in Appendix A.

## Part 3: Scope of Services

If selected, the contractor will be expected to provide a full range of actuarial and consulting services related to the design, implementation, maintenance, communication and strategic improvements of the following benefits programs: Medical, Dental, Vision, Prescription, Flexible Spending Account, Life, AD&D, Short and Long Term Disability, Employee Assistance Program and Wellness Programs.

The awarded Contractor shall perform the following:

1. Recommendations on plan design changes and financial analysis of the cost impact.

Confirmed

2. Determination of premium level charged on self-funded plans.

Confirmed

3. Assistance in budget preparation and projections.

Confirmed

4. General benefit consulting advice including updates on state health benefits legislative changes and federal law, rules or regulations affecting benefit plans as requested.

Confirmed

5. Review of forms. Assistance is occasionally required for review of employee notices (i.e., COBRA Notifications, HIPAA privacy notices, etc.)

Confirmed

6. Assist in analysis of pending legislation during the legislative session. These require 24-hour turnaround time. The NM legislature meets for 60 days in odd-numbered years and 30 days in even-numbered years. Special sessions may occur.

Confirmed. McGriff, through our parent company Truist, has relationships with several firms who provide employee benefit and ERISA counsel including analysis of proposed/pending state legislation affecting our clients. For the City's contract, we will appropriately engage outside firms, authorized by our company to support this requirement who have experience with New Mexico legislative issues. Our preferred firm identified to support is Holland & Hart, LLP, 110 North Guadalupe, Suite 1, Santa Fe, NM 87501. All costs are assumed in our proposed fee.

7. Consultant will provide notification on benefits and funding trends that may affect benefits programs during the legislative session.

Confirmed. See response to #6 above.

8. Attendance at the various City meetings as required.

Confirmed

9. Arrange and attend meetings with vendors/contractors at the request of City of Albuquerque.

Confirmed

10. If the City deems it necessary to submit any portion of the employee benefits program to a competitive proposal process to add or change benefit programs, the consultant shall be responsible to draft RFPs that provide complete information for Offerors and will result in responses that provide meaningful information for the City's use in the selection process. The Consultant will also be expected to:
  - A. Prepare a detailed written analysis of all benefit-related proposals received.  
Confirmed
  - B. Upon selection of a benefits provider, the Consultant will:
11. Analyze the master contract presented by the benefits provider, or if required, draft a master contract to ensure that the contract complies with the specifications for review by the City; and  
Confirmed
12. Keep City of Albuquerque informed of emerging trends in benefits plan designs, drafting plan modifications, amendments, and new plans. Provide recommendations for benefit improvements/enhancements as dictated by emerging plan costs or benefit practice trends along with our business needs.  
Confirmed
13. Assist in the preparation and review of benefit program communication materials for open enrollment.  
Confirmed
14. Consultant shall have the ability to provide benchmarking information on the benefits programs and their components as necessary and requested.  
Confirmed
15. Consultant shall prepare appropriate fund analysis and claims analysis, as requested.  
Confirmed
16. Consultant shall participate in the preparation and presentation of any necessary and/or requested reports, including cost projections for upcoming years.  
Confirmed
17. Consultant shall provide a long-term solvency projection which allows extrapolation of the impact of plan design and funding changes.  
Confirmed
18. Consultant shall provide database warehousing and data mining tasks, as requested.  
Confirmed
19. Consultant shall provide recommended reserve balance including fixed costs by line of business calculated in accordance with applicable Actuarial Standards of Practice.  
Confirmed
20. Consultant shall advise and assist in determination of employee attitudes, needs and expectations concerning benefit programs by use of surveys, questionnaires, meetings or other communication methods, as requested.  
Confirmed
21. Consultant shall provide employee wellness consulting to include Health Risk Assessment (HRA)/Personal Health Profile (PHP), biometric health screenings and any other additional wellness services, as requested.  
Confirmed

22. Consultant shall provide services including, but not limited to: claims utilization analysis and reporting, actuarial services, benchmarking, budget projection, assistance with implementation and renewals, marketing services, plan design recommendations, assistance with communication strategies, and on-going account management. The consultant shall provide updates and education related to the above-mentioned services. All services may not be requested in a single fiscal year.

Confirmed

23. The consultant shall be proficient in handling all phases of fully insured and/or self-funded medical, dental, vision, and prescription drug plans to include establishing employee contribution amounts.

Confirmed

24. The consultant shall be knowledgeable about Flexible Spending Accounts, Group and Supplemental Life and AD&D Insurance, Retiree Life Insurance, and Short- and Long-Term Disability Insurance.

Confirmed

25. The consultant shall be knowledgeable about assessing, designing, implementing and evaluating employee wellness programs to include on-site health clinics.

Confirmed

26. Provide annual fiscal year actuarial certification of required Incurred but not Reported (IBNR) reserves for all self-funded plans at a statistical confidence level determined by individual participating agencies. Certification to be issued by a credentialed health actuary.

Confirmed

27. Provide cost projections to meet required funding at participating agencies based on budgeted funding levels for all self-funded plans for each plan year and set the contribution rates for employer and employee cost share, including recommended reserve funding.

Confirmed

28. Annual updates to Fair Market Value to determine the imputed income related to domestic partner coverage.

Confirmed

29. Review and monitor insurance claims experience on an on-going basis. This will include periodic review with regarding past experience and trend projections, and, as applicable, discussion of alternative funding methods.

Confirmed

30. Produce monthly, quarterly and year-end reports; provide ad-hoc reports as requested.

Confirmed

31. Prepare and present benefits plan year recommendations, cost projections, and any other necessary and/or requested reports to the leadership team or participating agency governing authorities.

Confirmed

32. Consultant shall utilize a database combining all data (medical, prescription drug, and available biometric screening and health risk assessment data) for reporting and to analyze trends and make recommendations.

Confirmed

33. Conduct claim audits of the contracted vendors as requested by City of Albuquerque. (A separate fee will be negotiated and paid to the consultant for any year this service is requested,)

Confirmed. McGriff will engage our authorized audit partner, BMI Audit Services to perform audits of contracted vendors.

34. Consultant should be proactive in advising participating agencies regarding the future direction of its employee benefits plans. Suggestions regarding feasible options and viable alternatives to the current plan design are expected on an on-going basis.

Confirmed

35. Consultant to have the ability to provide benchmarking information on the benefits programs and their components on an annual basis. Benchmarking to large municipalities as well as to employers in Albuquerque, in New Mexico, and in the southwest region is desirable.

Confirmed

36. Consultant shall be required to support in the assessment, design, development, evaluation and growth of employee wellness programs.

Confirmed

37. Consultant shall provide employee wellness support to include analysis and reporting of Population Health Management, and any other additional services required for successful wellness programming.

Confirmed

38. Consultant shall participate in monthly City of Albuquerque Wellness Committee meetings, and other City of Albuquerque wellness initiatives as requested.

Confirmed

39. Consultant shall provide continuous updates and education on wellness programming to include newsletters and communications.

Confirmed

40. During all legislative sessions, consultant shall provide notification to City of Albuquerque of bills that are introduced that may affect benefits programs.

Confirmed

41. During all legislative sessions, consultant shall provide analysis and advice on the implications of proposed state legislation relating to employee benefits and wellness programs. This is to include both self-insured and fully insured products.

Confirmed

42. Consultant shall at all times be current in the field and in a position to advise City of Albuquerque of any changes in applicable federal or state laws, the Affordable Care Act (ACA), industry trends and/or announcements related to health and welfare plans, and assist participating agencies in complying with laws and regulations related to employee benefits. This is to include advice on both self-insured and fully insured products.

Confirmed

43. Determination of the impact to City of Albuquerque regarding the ACA to include recommendations of actions to take and plan design changes to implement to remain in compliance, and to minimize the financial impact to affected agencies.

Confirmed

44. At the discretion City of Albuquerque, prepare specifications for RFPs to obtain bids from interested carriers to administer or underwrite:

- |                                    |  |
|------------------------------------|--|
| A. Medical plans                   | G. Short Term Disability plans         |
| B. Stop Loss Insurance             | H. Long Term Disability plans          |
| C. Prescription Drug Program plans | I. Long Term Care plans                |
| D. Group Life and AD&D             | J. Flexible Spending Account plans     |
| E. Dental plans                    | K. Other plans or services as directed |
| F. Vision plans                    | by City of Albuquerque                 |

Confirmed

45. Assist with negotiation of vendor contractual agreements and provide implementation support.

Confirmed

46. Consultant shall review and assist with the negotiation of all renewals and new contracts.

Confirmed

47. Review all vendor and carrier contracts, Summary of Benefits, Summary Plan Descriptions, and other vendor communication pieces to ensure accuracy and compliance.

Confirmed

48. Monitor performance standards of contracted vendors and resolve any service issues with vendors.

Confirmed

49. Provide information and/or Employee Benefits staff training on new and existing regulations (COBRA, HIPAA, ACA, etc.) as requested.

Confirmed

50. Conduct studies, research and analysis as requested.

Confirmed

51. Assist with the development and evaluation of communication strategies.

Confirmed

52. Provide other benefits and wellness related services as may be requested or identified.

Confirmed

53. Consultant shall aid with evaluating and implementing value-based initiatives.

Confirmed



54. In general, the Consultant shall be prepared to serve as a Consultant and advisor to the City of Albuquerque, and to assume the degree of responsibility, as mutually agreed upon between the City and the Consultant, for the overall sound and efficient operation of the City's & Participating Entities employee benefits programs. The contractor shall have available staff sufficient in number and qualifications to perform contracted services.

Confirmed

55. The consultant shall provide annual calculations on GASB liabilities and preparation of report used for financial disclosures.

Confirmed

## McGriff Scope of Services

McGriff will utilize our unique Employee Benefit Structure to provide the requested scope of services.

### **Employee Benefits Structure**

Employee Benefits is structured to address the focused specialization that is needed to proactively operate a benefit program in today's complex and ever-changing business and regulatory environment.

To maximize the value of the products / services offered, technical expertise available, and the security of accurate compliance advisory, McGriff delivers through our unique shared services platform, McGriff Insurance Services (MIS). This offering comprised of the various companies under the Truist umbrella leverages expertise and services to provide a single-source solution.

Detailed in our service team graphic, this model works to serve as an extension of the client's HR/Benefits Department, provide the deepest level of expertise and operate with the highest level of service.

Corporately, McGriff maintains a flat management structure where the majority of McGriff's management maintains a book of business and remains involved in the consulting process with their clients. This structure facilitates a "client-centric" organization where leadership decisions are focused on what clients and employees need to succeed rather than just maximizing bottom line profits.

McGriff is uniquely qualified to work on the City's account based on:



## McGriff Platform

McGriff's mission for Health and Welfare clients is to improve the health and financial well-being of the employers, employees and their families in the communities we serve.

### Our exclusive, McGriff solution focuses on four key areas:

Group Health Insurance  
Employer Administration Services  
Health Management Services  
Retirement Plan Services

### Our McGriff core services include:

Brokerage and Consulting  
Health Management Services  
Benefits Outsourcing  
Benefits Administration  
Data Analytics  
Mobile Communications

## C.O.R.E. Strategy

Working together, our platform and strategy drive changes that result in clients achieving their short and long-term business and financial goals:

- Cost Management Solutions
- Operational Excellence
- Risk Mitigation Strategy
- Enhanced Member Experience

### Cost Management Solutions

We design and implement solutions to control your future spending up to 50% below market trends:

- Our actuaries and underwriters focus their strategies on maximizing the value from investments for insured and self-insured products.
- Claims analytics tools provide leading indicators of the clinical side of claims – enabling us to develop a plan design best suited to your population profile.
- Our strategy encourages employees to migrate to a plan design that best fits their probable usage, by ensuring participants enroll in coverage that does not provide more insurance than they need, thereby saving both employee and employer unnecessary premium costs.
- We leverage \$30 billion+ in premiums with carriers to deliver best-possible pricing and service delivery from all insurance carrier partners. We have worked with carriers to give us preferred partner pricing, based on our proven methodologies of improving employee health engagement and reducing claims.

### Operational Excellence

- Online enrollment and administration system
- EE Portal for benefit elections modeling tools and health management
- Data management services linking payrolls with eligibility
- Benefit administration services
- Monthly billing and reconciliation services

## Risk Mitigation Strategy

We take a proactive approach based on years of experience and market trends to minimize exposure:

- Mitigate current and future risks and exposure through plan strategy and plan design based on cost, compliance, and health care reform.
- Compliance audits of current programs – and suggestions for improvement.
- Health care reform assessment on issues related to eligibility, affordability, and actuarial value for your group's total population.
- Health management services that alter employees' lifestyle and behaviors – to improve health and engagement for clinical support and coaching programs.

## Enhanced Member Experience

We deliver superior client service to the employer and to the employee through multiple educational communication methodologies which provides for a better experience and improved morale:

Easy access to educational, valued, and personalized employee communications that aid participant understanding of their benefits and guide them to make the best decisions for their individual needs.

- Access to decision making tools to aid members with healthcare decisions
- Satisfaction surveys annually for clients and participants, and after every call center interaction.

## Vendor Relationships

**Approved Vendors:** McGriff only works with financially sound, highly rated carriers and / or administrators. As a subsidiary of Truist, McGriff is held to the same compliance standards as the bank. Therefore, before a vendor can even be considered for a client, they must first complete a process and declared an approved vendor by the McGriff / Truist Market Security Team. This is an in-depth approval process that involves multiple levels of review of vendor documents and financial statements. These approvals are reviewed periodically to ensure the vendor continues to meet required standards.

**Vendor Management:** McGriff values our vendor partners but holds them accountable for meeting performance standards and service levels.

**Guarantees, Contracts & Documents:** If not already established, McGriff will implement and / or update performance guarantees based around timely claims payment processing, customer service, and network discounts. Guarantees are set with financial penalties for failure to achieve adequate results. In addition, McGriff will review all contracts and summary plan descriptions to ensure compliance with all state and federal mandates.

**Plan Monitoring & Reporting:** Throughout the plan year, McGriff monitors plan performance to goals as well as tracks and measures operational results, clinical outcomes, financial controls, claim / member services, and best practices / quality of services among other key areas. Outcome measurements provide evidence against baseline trends, costs, outcomes and other indicators to compare improvements. Client reports are provided on a monthly / quarterly basis (depending on data availability). These reports assist us in monitoring the plans performance and highlight any areas that need to be monitored / reviewed in the coming months or year.

**Customer Service:** Customer Service satisfaction levels are measured through employee surveys and frequency of member claim issues, disputes, and escalations. Survey responses are compared to service levels agreed upon during implementation to gauge if the negotiated objectives have been met or exceeded.

## Negotiating Renewals

We use a three-part approach to negotiate with carriers. Led by our team of underwriters, each with a minimum of five years of experience, the process includes:

1. Comprehensive financial analysis of proposed renewal rates and thorough review of all required underwriting worksheets and formulas. This is the empirical part of our negotiation strategy. Errors, inconsistencies, inappropriate items, unreasonable cost, and trend factors are scrutinized and negotiated. Our underwriters conduct this analysis and negotiation directly with the carriers' underwriters, whereas most of our competitors negotiate through the sales representatives.
2. Following the comprehensive financial analysis, we will reveal to carriers their competitiveness ranking based on overall cost / value. Leveraging market forces to the full extent results in price movement; this motivates serious carriers to evaluate their proposals to ensure the best possible rates, conditions, and projected renewal.
3. In a few instances, the comprehensive financial analysis and market forces fail to deliver the results we expect for our clients. This is when we exercise our book of business membership and relationship leverage with a client's carrier(s) to obtain the best overall cost / value. A member of our senior executive team will negotiate directly with a carrier's senior executives to meet our financial objectives.

## Claims Escalations

Performance issues with vendors are a big concern for us; so, should an issue arise McGriff will do everything we can to remedy the situation as soon as it is brought to our attention. Our first course of action is to seek resolution with our day to day contact and to inform them that their performance is subpar. If the performance does not improve, we will escalate the issue to the vendor's senior management. We have business with every carrier in the marketplace, and the volume and breadth of our accounts enables us to demand that our vendors deliver exceptional service to our clients. In addition, McGriff serves on a number of vendor advisory boards which helps strengthen our relationships at the senior level. If performance is not corrected to the satisfaction of The City, our final recourse will be to find a carrier that can provide a higher level of service.

Our claim and problem resolution includes:

- Dedicated Account Manager to provide City staff with assistance on resolution of escalated claims issues
- Monitor the HR department's satisfaction with each vendor partner's client service team
- Serve as a liaison between The City and vendor partners to resolve billing and eligibility issues.

## Meetings

In the beginning of our engagement, a client should expect one to three meetings per month depending on the number and complexity of items under consideration. Once the renewal date has passed, a client should expect one meeting a month or at a minimum one per quarter until planning for the next year's renewal process begins.

Plan Consultants meet with Fiduciary committees on a semi-annual or quarterly basis dependent on plan size, plan complexity, availability of the committee and meeting frequency stated in the Investment Policy Statement and Advisory Agreement. Meeting agenda includes but not limited to fiduciary education topics, industry / legislative / regulatory updates, financial markets overview, investment review, compliance / technical plan management items and / or issues.

Other client meetings are more tailored to needs and topics selected by attendees, such as regulatory filing and audit discussions. Benefits Team members, match cost estimates and forfeiture projections with Finance Team members, implementation of a new Non-Qualified Deferred Compensation (NQDC) plan with Executive Team members, etc.

## Employee Survey & Focus Group

We conduct general employee benefits surveys and focus groups to gauge program understanding, identify areas where additional communication are needed, and to understand what areas of the program that can be improved or eliminated. We can administer them via paper a web-based solution or facilitating face-to-face focus group discussions.

## Tracking Objectives & Activities

We keep open items logs, compliance checklists, and timelines so that all staff members and the client can stay apprised of everything that is going on with your account.

## Benefits Benchmarking

One of the resources for assisting in developing a benefits strategy consistent with current and future business plans begins with the diverse background and experience of your McGriff team. Our team has large corporate HR, Risk Management, Benefits, Financial, and Insurance Company operations leadership experience.

Understanding how an organization compares to other employers in your region or industry is an essential part of making well-informed decisions about your plans – and how they support your benefits strategy. We subscribe to this strategy by employing an exhaustive benchmarking and discovery process that allows us to dig deeper in our analysis of your plan costs, design, and performance.

## Actuarial Services

McGriff houses our own team of underwriters and actuarial experts that handle group risk assessment, claims analysis, renewal projections, trend analysis, and plan design recommendations; we have experience in both fully insured and self-insured environments. Our actuarial services include, but are not limited to:

- Forecasting of self-funded plan costs.
- Review and establishment of self-funded Incurred but Not Reported (IBNR) reserves.
- Analysis of impact of cost changes and employee contribution strategies.
- Monthly review of financial performance against budgets and targets of self-funded plans.
- Establishment of accrual / premium equivalent and COBRA rates for self-funded

We have experience projecting costs across all forms of funding including: fully insured, fully unbundled Third-Party Administrator (TPA) and standalone stop loss insurance, bundled Administrative Services Only (ASO), and medical captive programs. As part of the overall process, evaluating appropriate funding arrangements is just one step in achieving your strategy. Once you understand the various arrangements and the pros and cons of each, we can discuss which one meets your short- and long-term benefits strategy, budgeting requirements and risk tolerance.

Our benefit professionals are available to provide insight and guidance by identifying emerging trends and managing risk when developing valuations and financial projections. We can assist you in:

- Pricing plan design changes and budgeting by assessing the financial impact of changes in benefit plan design, administration and funding. McGriff underwriters can provide an objective evaluation of a carrier's renewal terms given your demographics, experience and business conditions.

- Matching our underwriting talent against that of the carriers to put you in a better position to negotiate favorable terms. You will know what is driving your costs, if these factors will continue next year and whether they should have a bearing on renewal rates.
- Setting Reserves (IBNR) and liability estimates and will provide an actuarial certification for medical, dental and disability plans.

McGriff uses a variety of modeling tools depending on the structure and complexity of the underlying program. Tools commonly used include: Zywave Plan Advisor, Cotiviti, Truveris Rx, industry standard aggregate trend projection and underwriting models, and in-depth forecasting and plan modeling tools built and managed within our actuary services.

### Ongoing Service Support for Plan Management & Compliance

- Review all vendor contracts for compliance on a continuing basis to ensure federal compliance
- Review and maintain copies of current plan SPDs
- Participate in ongoing benefits strategy meetings with The City
- Continually work to identify issues and exposures to The City benefit offerings
- Provide updates and commentary on impact of legislative and regulatory changes
- Evaluate vendor-provided monthly reports on claims, premiums and enrollments and provide summary of findings each month
- Provide support for understanding and implementing changes in plans and administration required under Health Care Reform legislation including affordability and minimum value.
- Act as a resource for other policies and procedures that are impacted by the insurance benefits (i.e., vacation, sick leave, LOA policies, FMLA, etc.)
- Ongoing invitations to McGriff / Truist's compliance seminar series
- Provide annual compliance guide

### Carrier Leverage

With more than \$30 billion in premiums, McGriff is equipped to leverage the best pricing and service from carriers and vendors for our clients. This sizable premium influence enables McGriff to offer preferred partner pricing along with our proven methodologies of improving employee health engagement and reducing claims. These preferred rates and proprietary programs are only available through McGriff and its affiliated agencies. Besides leveraging our size, we also ensure each client is aligned with the right carriers and vendors to achieve their overall goals.

McGriff nationally has sizable books of business with Blue Cross Blue Shield Plans, Cigna, CVS/Aetna, Humana and UnitedHealthcare and other national and regional TPAs. We maintain very large books of business with standalone PBMs including CVS, ESI, OptumRX, and have strong relationships with a strong list of specialty carriers for Life/AD&D, Dental, Vision, Disability and Critical Illness and Financial Protection plans including Hartford, MetLife, Unum, Principal, Guardian, VSP, Avesis, EyeMed, Superior, Ameritas, Delta Dental and many more.

McGriff maintains an open dialogue with all our vendors. We have relationships with senior level executives at the vendors with whom we conduct business, as well as strong relationships at the local level. We understand the importance of these relationships and realize it is a true partnership. We typically have annual meetings with them to discuss what is new at their company as well as periodic meetings throughout the year.

It is always our goal both personally and professionally to maintain quality business relationships that include honesty and integrity. First and foremost, we treat clients, carriers and our competition with the utmost respect. It is important to note that our allegiance is to the client first, and we will always represent and advocate for you in the most prudent and ethical manner.

We routinely request that carriers include performance guarantees in their contract and will negotiate stronger guarantees as part of the RFP process, as we have learned that many of these guarantees are easy for the carrier to meet. We also like to request implementation credits and transitional allowances that provide real money to the client, in order to ease the burden of carrier change. Another popular allowance currently being offered is a wellness allowance. We like to request this allowance so the carrier can assist in funding wellness programs and associated wellness rewards.

We will monitor the Human Resources department's satisfaction with each vendor partners' client service team. We review claims experience on a regular basis and speak with our clients frequently to discuss how the plan is running and how the carrier is performing. Any negative comments received from the client will be discussed with the carrier as soon as possible, and we expect those problems to be fixed. In short, we serve as a liaison between the City and your vendor partner to resolve any issues that arise.

## Current Trends & Legislation

McGriff maintains a government affairs department and a regulatory team in Legal Services that supports the McGriff and affiliate operations. We stay abreast of state law and regulations from trade associations, such as the Council of Insurance Agents and Brokers, the Independent Agents, the Financial Services Roundtable-Insurance Working Group, and participation in the National Association of Insurance Commissioners, which convenes three times a year and issues model laws and regulations via outside regional and national regulatory/legal counsel in our footprint states and nationally. Law firm and trade associations keep us abreast of state Department of Insurance regulations and bulletins. We also have contacts in almost every insurance department in whose state we do business.

Our senior insurance executives closely follow developments in their role on the boards of various organizations, such as the Council of Insurance Agents and Brokers (CIAB).

Our Insurance Market and Compliance Department is a member of various independent agency association state affiliate groups and receives newsletters and bulletins on developments.

We are members of the various state bankers' associations in the states in which our bank does business and their regular reports include insurance developments.

Within the Employee Benefit Support area, two internal advisory groups are sponsored and very active with a minimum of monthly meetings. The groups are made up of experienced and successful associates from different geographic areas of the country.

- **Health Care Reform Advisory Group:** With the passage of ACA, McGriff / BB&T Insurance Services created a team of in-house subject matter experts that act as a resource for our clients on the intricacies of this complex and evolving law. Susan Maley Rash, CEBS, is the Chair. Susan's 30 years of experience in HR and employee benefits helps us dedicate the resources for ACA analysis and educate our clients with seminars, webinars, and timely legislative alerts. Susan has served twice as the Legislative Chair for NAHU (the National Association of Health Underwriters) and is a nationally recognized speaker on ACA.
- **ERISA Compliance Advisory Group:** BB&T also has a team of compliance experts that creates alignment between our three retail divisions – BB&T Insurance Services, McGriff, and BB&T Insurance Services of California, Inc. This group creates deliverables and regulatory compliance tools and resources to better serve our clients' needs in this closely regulated arena. They are joined by Anne Bach, our ERISA attorney, and a team of other actuarial support personnel.

We have a dedicated Employee Benefits Compliance Team that keeps our affiliated agencies aware of and educated about legislative changes and issues impacting our clients; in addition, we have a dedicated health care reform group that provides awareness about and education on the myriad of health care reform regulations. Our



compliance resources track and report on federal and state legislative activity, highlighting important topics through:

- **Compliance Alerts:** published as needed to provide timely information, which our senior consultants review, interpret, and communicate to clients as appropriate.
- **McGriff Newsletters:** published weekly and monthly to communicate industry trends, corporate wellness information, and legislative and compliance updates. These updates not only provide a thorough review of the upcoming changes, but also detail out the steps you can take to address them in your organization.
- **Webinars:** provided to clients and staff with in-depth information on the laws, regulations, and topics affecting employee benefits.

## HIPAA

We provide training regarding our Written Information Security Protocol to all employees who will have access to Personal Health Information (PHI). Additionally, all employees are required to complete HIPAA privacy and security training, with different levels of training required based on the amount of PHI to which the employee has access.

Employees, independent contractors, and consultants must not keep open documents or files containing PHI on their desks or in any other unsecured, unattended place after business hours. This policy applies to both hard copies and electronic copies of records and files containing PHI. At the end of the workday, all files and other records containing PHI must be secured in a manner that is consistent with our Written Information Security Protocol and the requirements of the Regulations.

Paper documents containing PHI must be stored in a locked or secured desk, file cabinet, office, or controlled area. Storage of electronic PHI should be kept to a minimum as necessary and encrypted if sent via email. Any questions regarding our encryption technology can be found in the company's "Systems Security Overview" and should be directed to the Privacy Officer.

Access to, sharing, and disclosure of records or files containing PHI is limited to those persons who are reasonably required to know such information in order to accomplish legitimate business purposes or to comply with other local, state or federal regulations.

Transmission of PHI in paper, hard copy or electronic form outside of the company, or other removal of PHI from the premises, must be done with reasonable precaution and in accordance with our "System Security Overview" to ensure the security of such information and to prevent unauthorized disclosure.

PHI must be disposed of when no longer needed. Where appropriate, paper documents and other hard copies or records or files containing PHI determined to be no longer needed should be disposed of by shredding so that PHI cannot be read or reconstructed. Electronic PHI determined to be no longer needed must be destroyed or erased so that PHI cannot be read or reconstructed. McGriff provides support to clients for their internal HIPAA compliance.

## Legal Guidance

McGriff has a team of in-house ERISA attorneys that operate through our McGriff platform. They serve many purposes; internally, they advise our consultants on the growing legal obligations and regulatory requirements that our clients face with respect to their benefit plans, including ERISA and ACA compliance. They are also available on a daily basis to assist our consultants in resolving the complex issues and problems that our clients face and to answer benefits related questions for our clients.



However, please note that while they are a valuable resource to provide our consultants and clients prompt, reliable and articulate responses – insurance brokers, including McGriff, are not authorized to practice law and recommend that clients continue to use independent counsel for legal opinions.

In addition to our in-house ERISA council, McGriff has Haynes & Boone on retainer and maintains a relationship with The Ogletree Deakins Law Firm to provide legal services that exceed our scope or requires a legal opinion. This is a value-added benefit included in our scope of services.

McGriff, through our parent company Truist, has relationships with several firms who provide employee benefit and ERISA counsel including analysis of proposed/pending state legislation affecting our clients. For the City's contract, we will appropriately engage outside firms, authorized by our company to support this requirement who have experience with New Mexico legislative issues. Our preferred firm identified to support is Holland & Hart, LLP, 110 North Guadalupe, Suite 1, Santa Fe, NM 87501. All costs are assumed in our proposed fee.

## ACA Reporting, Form 5500 and Summary Annual Report

Annual reporting compliance is part of our standard engagement.

Services provided at no additional cost include:

- Signature ready IRS Form 5500s
- PCORI
- 6055 / 6056 Reporting (assistance)
- Wrap documents
- Summary Annual Report (SAR)
- Required participant notices

Services that would require an additional fee include:

- Discrimination testing
- DOL audit preparation
- HIPAA compliance
- Other actuarial projects / support

## Evaluating Utilization Patterns and Recommending Plan Modifications:

As previously addressed, financial reporting and analysis is one of the fundamental components of the McGriff Consultative Process. Included in our financial analysis / reporting services include:

### Monthly

- Monitor / Analyze and Report based on vendor-provided monthly claim, premium, large claims, & enrollment reports
- Monitor large claim and coordinate with stop loss for possible reimbursement
- Assimilate all historical claims, premium & enrollment data and continuously update to track plan trends

### Quarterly

- Review plan utilization to target potential plan design modifications and educational opportunities

### Semi-Annual

- Renewal projections

### Annually

- Compare plan results against normative benchmarking data
- Development of funding rates
- Assist with contribution modeling
- ACA compliance contribution modeling
- Calculate COBRA rates

### As Needed / TBD

- Custom reports based on availability of data

## HR Consulting Services / Support

Client calls and emails take priority in our daily activities. Clients will have all direct lines to McGriff's employee benefits team members responsible for day-to-day service. Client's Human Resources / Risk Management team will have cell phone numbers and email addresses to all primary representatives for questions before and after

business hours.

- Calls / Emails received:
- Before 1:00 p.m. will be returned same business day. After 1:00 p.m. will be returned the following business day.

McGriff provides access to an HR / Benefits Support Center which provides access to exclusive, industry-leading benefit and HR related tools and resources. From employee handbooks, job descriptions and other commonly used HR documents, to up-to-the-minute law alerts, easy-to-understand state and federal law libraries and unique training videos, the McGriff HR / Benefits Support Center will help you effectively manage your compliance and employee relations needs.

### **Ongoing Professional Development**

We offer educational webinars on HR and benefits related topics that provide CE credits for attendance. These seminars are offered on a regular basis. Additional sessions are provided as needed based on breaking news that could impact clients. Additionally, we offer ongoing education sessions on Health Care Reform hosted by our in-house attorneys and The Ogletree Deakins Law Firm, which are communicated separately via e-mails.

In addition to webinars, we communicate with clients at least weekly with newsletters on the most relevant topics for that week. We use our routine calls and face-to-face meetings as a means to keep clients notified, and we provide updated health care reform analysis specific to client plans during renewals.

## Part 4: Evaluation of Proposals

**4.1 Selection Process.** The Mayor of Albuquerque shall name, for the purpose of evaluating the Proposals, an Ad Hoc Advisory Committee. On the basis of the evaluation criteria established in this RFP, the committee shall submit to the Mayor a list of qualified firms in the order in which they are recommended. Proposal documentation requirements set forth in this RFP are designed to provide guidance to the Offeror concerning the type of documentation that will be used by the Ad Hoc Advisory Committee. Offerors should be prepared to respond to requests by the Purchasing Office on behalf of the Ad Hoc Advisory Committee for oral presentations, facility surveys, demonstrations or other areas deemed necessary to assist in the detailed evaluation process. Offerors are advised that the City, at its option, may award this request on the basis of the initial Proposals.

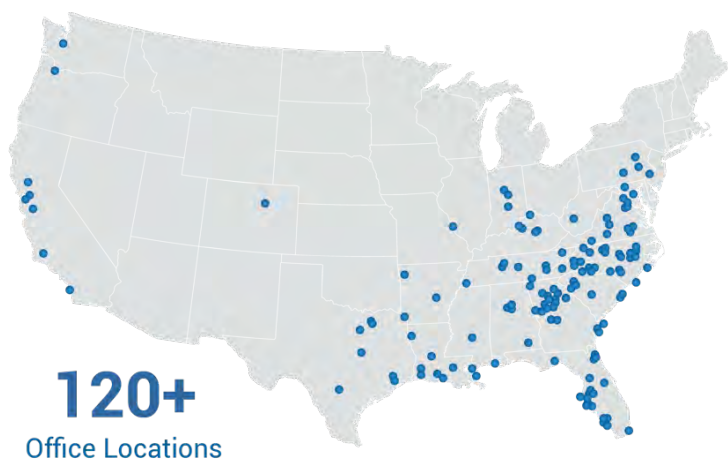
**4.2 Evaluation Criteria.** The following general criteria, not listed in order of significance, will be used by the Ad Hoc Advisory Committee in recommending contract award to the Mayor. The Proposal factors will be rated on a scale of **0-1000** with weight relationships as stated below.

### 4.2.1 Evaluation Factors:

#### 250 -- Offeror Identification, Firm Expertise and Resources Available (Answer all questions)

1. The successful respondent(s) organization(s) shall have been in business for at least 10 years or have staff with equivalent length of experience in the appropriate benefit areas. Please provide details on your organization and/or staff to support this requirement.

McGriff, founded in 1922, provides highly consultative risk management and insurance brokerage services for nearly all types of coverages. With offices across the US, our growth is attributable to client development, client retention and a focused acquisition strategy. With more than \$30 billion in annual premium volume and \$2 billion in revenue, McGriff's national insurance operation includes 250 locations and more than 7,300 teammates that meet our client's needs each and every day.



**6<sup>th</sup> Largest Risk and Benefits  
Consulting Firm in the US and  
7<sup>th</sup> Largest in the world**

McGriff is a subsidiary of Truist Insurance Holdings, the sixth largest insurance broker in the United States and in the world. Truist Insurance Holdings is owned by Charlotte, N.C.-based Truist Financial Corporation (NYSE: TFC), one of the nation's largest and best managed financial institutions with assets approaching \$475 billion. Truist was formed by the merger of equals SunTrust Banks and BB&T, completed in December 2019.

There are no impending changes in the McGriff organization that will impact our delivery of services to City of Albuquerque. Our employee benefit and specialty practices continue to grow and strengthen in support of our clients' diverse and every-changing needs. Further, we are not involved in any merger integration as the result of the combination of BB&T and SunTrust to form Truist Insurance Holdings. SunTrust Bank did not have any presence in the insurance brokerage/consulting industry.

McGriff combines a full array of consulting services products (for Medical, Pharmacy, Dental, Vision, Disability, Life, Communications, HR, Employee Advocacy, Actuarial and Underwriting, Benefit Administration, COBRA, FMLA, Cafeteria Plans, ERISA, Compliance and more) with exceptional market expertise and industry knowledge to deliver comprehensive insurance programs designed specifically for each client.

2. The firm should have at least one group actuary on staff or contract.

Our Financial Analytics team led by Edward Johnson, ASA, MAAA. This team consists of actuaries, underwriting and financial analysts who perform premium rate and contribution calculations for the majority of our clients. Edward and his team handle the data gathering, claims and premium analysis and projection, and rate and contribution setting for our book of business upon request. Edward has been working as an actuary and underwriter for more than 20 years including 13 at a major insurance carrier. The Financial Analytics team performs a wide array of underwriting and actuarial services including oversight of data and analytic tools and experienced to perform the various types of financial, actuarial and data analysis required by the City.

3. Provide the most recent year's annual reports, or comparable document, including detailed current profit and loss, assets and liabilities, and other relevant financial data.

Provided as an attachment is the Truist 2020 Annual Report and other applicable financial documents

4. Experience with public agencies is required. Experience with public agencies with significant union representation is also desirable. Please detail your organization's experience with public agencies and union represented agencies.

McGriff's has been servicing educational and public entity accounts for over 30 years and our Education and Public Entity practices are two of the strongest industry verticals within McGriff. McGriff's has over 500 educational and public entity clients nationally. The Dallas office services over 150 clients across our entire risk and benefit consulting platform.

Through our tenure, experience and season account teams, we have become well versed with navigating the different intricacies that separate the education and public entities from the private sector. This includes providing services such as accurate and timely financial reporting that helps school districts and municipalities meet budgeting requirements; aiding in the design and implementation of RFP's for vendor services, while adhering to fair practice, compliance and ethics requirements; and aiding HR and financial staff in presenting findings and recommendations to governing Boards.

McGriff is very active on many industry associations including State and Local Government Benefit Association (SALGBA) and Public Risk Management Association (PRIMA). In addition, the lead co-consultant, Scott Gibbs is a frequent speaker at national and regional PRIMA and SALGBA conferences. Since 2018, McGriff has provided strategic consulting and RFP support for the City of Albuquerque. John Bass, prior to joining McGriff, served as UnitedHealthcare's National Practice Lead for Public Sector and Labor markets. John is an experience individual understanding the public sector buyer, Collective Bargaining Agreements (CBAs), trust administration and has supported multi-employer and single employer union health plans. Prior to joining McGriff, Niki Ross served in government as a Human Resource Director for two different local municipals governments in Texas.

Further, the McGriff Team has experience working with clients that have employees covered through Collective Bargaining Agreements. Understanding the complexity of these arrangements, we are experienced in dissecting the agreement language to guide us during renewal negotiations as well as helping to develop a strategy that meets client needs while maintaining adherence to the in-force agreements.

McGriff will work with the City's Leadership, Human Resources and Benefits team in all aspects of supporting either single or multiple CBA's within your plan. Based on our analysis and benchmarking, McGriff will assist in developing and implementing strategies to best guide to your desired goals and if preferred, develop a roadmap to consolidate plans, migrate vendors to newly designed plans, and assist City labor negotiators by providing bargaining options with the associated financial impact to leverage during negotiations. McGriff provides additional support including our presence at negotiations and delivering options provided by our in-house legal and ERISA counsel, if applicable.

5. Name four (4) government agencies/municipalities for which you have provided similar services in the last five years and provide a current contact name, email address, and phone number for each account.

**Bexar County**

Contact Name: Manuel Gonzalez  
Email: [manuel.gonzalez@bexar.org](mailto:manuel.gonzalez@bexar.org)  
Phone: 210-335-0786

**City of Mesquite**

Contact Name: Rick French  
Email: [rfrench@cityofmesquite.com](mailto:rfrench@cityofmesquite.com)  
Phone: 972-216-6399

**City of Arlington**

Contact Name: Heather Moorhead  
Email: [Heather.Moorhead@arlingtontx.gov](mailto:Heather.Moorhead@arlingtontx.gov)  
Phone: 817-459-6862

**Lubbock County**

Contact Name: Greg George  
Email: [GGeorge@co.lubbock.tx.us](mailto:GGeorge@co.lubbock.tx.us)  
Phone: (806) 775-1690

6. What resources will your firm bring to this engagement? Discuss years of experience, client base, relevant expertise and anything else you think would be important in convincing us that your firm is best suited to meet the requirements of this engagement.

McGriff's Dallas office has been servicing municipality and school district accounts for over 30 years. McGriff's Dallas service team currently provides Health and Welfare consulting services for dozens of public entities and school districts.

We are well versed with navigating the different intricacies that separate the public sector from the private sector. However, we believe our mission and vision supporting our clients separates us from our competitors.

McGriff's Mission - To protect and improve the financial security and well-being of our clients and their employees while supporting our community and each other.

**The McGriff Promise: We will...**

- Listen first
- Invest in our clients and employees
- Deliver innovative solutions
- Act with integrity
- Do all that we say we will do
- Champion Certainty

McGriff's organization structure always places the client first. We are a flat organization staffed with professionals that are first and foremost in the insurance business, regardless of what leadership level they have obtained. Every person in our organization has direct account responsibility, and all associates are directly responsible for providing unsurpassed service.

We operate with minimal bureaucracy, allowing us to respond immediately to customer requests. We believe that our clients always come first, and it shows in everything we do. We are dedicated to and sensitive to our clients' needs. We strive to make every business relationship a long-term partnership that continues to grow in value. We understand that our viability as a company depends solely on our ability to meet your needs. The entire organization is structured to fit you, the customer, because customer satisfaction is our most important objective. McGriff's key areas of importance:

- Continuity – Low senior management and employee turnover. Our proposed lead consultants each has over 25+ years of industry experience and deep expertise serving public and educational clients.
- Responsiveness – We are proactive in all we do and respond immediately to all client requests.
- Creativity – We explore alternatives, bring innovative thinking into every discussion and renewal undertaking.
- Niche Experience – Highly experienced and seasoned service team members with specific practice specialty experience in serving large self-funded public entities and school systems.
- Commitment – McGriff's senior professionals and team leaders serve an active role on your Account Service Team.
- Market Relationships – Longstanding, trusted relationships with senior members in the carrier markets help us negotiate the coverage enhancements and claims resolution successes that our clients have come to know and expect from McGriff.
- Performance – McGriff credits our growth to our staff and outstanding reputation for innovative solutions. Our client-centered model keeps the entire McGriff team accountable to our clients directly.

**Our leadership style is to:**

- Create a corporate element of challenge, care, energy, hustle, cheerleading, and action while serving our client's needs.
- Recognize that there are many different front lines and customers' needs must be met, placing first priority on the satisfaction of our policyholders/clients.
- Place trust in our employees and delegate to them the authority necessary to get the job done immediately.
- Listen to the needs of our service teams, who are closest to our customers and best understand their needs and provide the resources necessary for the team to work effectively and better understand what it takes to satisfy our customers.
- McGriff outperforms our peers and achieved its growth organically, not through acquisitions. Our success is attributed to our people and we have earned an outstanding reputation.

A strength McGriff offers to the City is our Financial Analytics practice. This team of professionals performs all financial calculations for a wide range of clients within our book of business. We work backwards from the effective date of your plan to make sure you have the appropriate benefit designs, premium equivalents, and employee contributions in place and in time for your open enrollment season.

Our team of underwriters and actuarial experts handle group risk assessment, claims analysis, renewal projections, trend analysis, and plan design recommendations; we have experience in both fully insured and self-insured environments. Our underwriting and actuarial services include all aspects of a benefit plan but are not limited to forecasting of self-funded plan costs, IBNR calculations and establishment of accrual / premium equivalent and COBRA rates for self-funded

We have experience projecting costs across all forms of funding including fully insured, fully unbundled Third-Party Administrator (TPA) and standalone stop loss insurance, bundled Administrative Services Only (ASO), and medical captive programs. As part of the overall process, evaluating appropriate funding arrangements is just one step in a client achieving its strategy.

Our consulting benefit professionals are available to provide insight and guidance by identifying emerging trends and managing risk when developing valuations and financial projections. We can assist you in:

- Pricing plan design changes and budgeting by assessing the financial impact of changes in benefit plan design, administration and funding. McGriff underwriters can provide an objective evaluation of a carrier's renewal terms given your demographics, experience and business conditions.
- Matching our underwriting talent against that of the carriers to put you in a better position to negotiate favorable terms. You will know what is driving your costs, if these factors will continue next year and whether they should have a bearing on renewal rates.
- Setting Reserves (IBNR) and liability estimates and will provide an actuarial certification for medical, dental and disability plans.

McGriff uses a variety of modeling tools depending on the structure and complexity of the underlying program. Tools commonly used include Claros, Cotiviti, Truveris Rx, industry standard aggregate trend projection and underwriting models, and in-depth forecasting and plan modeling tools built and managed within our actuary services.

Our risk mitigation, consulting and actuarial services include but are not limited to:

- Examination, analysis and recommendations regarding plan enhancement and savings opportunities using McGriff's modeling tools which simulate plan changes based on the Plan's actual utilization
- Claim utilization review and analysis via McGriff proprietary data analytics tools
- Prescription Drug Analytics to bid and benchmark pharmacy benefits program
- Budget Development, Tracking, Variance Analysis
- COBRA Rate Development
- Spearheads budget and projections process
- Data Warehousing tool (Cotiviti) and needed support
- Multi-Year Cost Projections and Forecasting
- Renewal forecasting and projections
- Incurred but not reported (IBNR) claim liability calculations
- Large Claim Tracking—Stop Loss Management
- Monthly claims reporting package designed to quickly illustrate plan performance and identify trends
- Plan Design Change Modeling (incremental changes to current plans as well as translation models that allow conversion from one health care delivery system to another)
- Claims Experience Monitoring & Financial Plan Performance and reporting, to include a monthly dashboard report, paid claims by month, and plan, summary of large claims activity
- Trend Analysis
- Claim Utilization Analysis
- Pharmacy Utilization Analysis
- Pharmacy Rebate Analysis and annual Rebate Calculations
- Assist in identifying and monitoring potential large claims and work with case management regarding impact of large claims on plan performance
- Contribution Modeling
- Workforce demographic analysis and profiling
- Annual utilization reporting, network usage

We are proud to say that our size and scale provide the City of Albuquerque with the expertise required to manage your benefit plans which are very important to your employees. We are a top producer/partner with almost every major healthcare carrier in the industry. We believe that we can benefit the City the most in regard to balancing the financial value of a plan with the best possible coverage and customer service because of our dedication, our passion to reduce costs and our desire to secure a comprehensive benefit package that meets the City's diverse needs.



7. Is your firm part of a national or regional organization? If yes, provide the corporation's name and address. Describe how this relationship impacts your corporate philosophy, operation and delivery of services.

McGriff is a subsidiary of Truist Insurance Holdings, the sixth largest insurance broker in the United States and in the U.S. Truist Insurance Holdings is owned by Charlotte, N.C.-based Truist Financial Corporation (NYSE: TFC), one of the nation's largest and best managed financial institutions with assets approaching \$475 billion. Truist was formed by the merger of equals SunTrust Banks and BB&T, completed in December 2019.

McGriff's Insurance Services corporate address is:

2211 7th Avenue South  
Birmingham, Alabama 35233

8. Where is the office located that will be providing the actuarial and consulting services to the City?

McGriff, Seibels & Williams, Inc.  
5080 Spectrum Drive, Suite 900E  
Addison, Texas 75001

9. Does your office have access to a national network and/or links to a Washington, D.C. division or bureau that tracks legislation and regulatory compliance issues? If so, be sure access to this service is included within your proposed annual fee.

McGriff maintains a government affairs department and a regulatory team in Legal Services that supports the McGriff and affiliate operations. We stay abreast of state law and regulations from trade associations, such as the Council of Insurance Agents and Brokers, the Independent Agents, the Financial Services Roundtable-Insurance Working Group, and participation in the National Association of Insurance Commissioners, which convenes three times a year and issues model laws and regulations via outside regional and national regulatory/legal counsel in our footprint states and nationally. Law firm and trade associations keep us abreast of state Department of Insurance regulations and bulletins. We also have contacts in almost every insurance department in whose state we do business.

Our senior insurance executives closely follow developments in their role on the boards of various organizations, such as the Council of Insurance Agents and Brokers (CIAB). Our Insurance Market and Compliance Department is a member of various independent agency association state affiliate groups and receives newsletters and bulletins on developments.

We are members of the various state bankers' associations in the states in which our bank does business and their regular reports include insurance developments.

Services to track federal and state legislation affecting the City of Albuquerque is included in our proposed fee.

10. Describe any staff relocations, computer system changes/upgrades, program changes or telephone system changes that have occurred within the past twelve (12) months. What is the status of these projects? Do you anticipate any additional changes in your organizational or operational structure within the next 12-24 months? If so, how may those changes affect the scope of services detailed in this RFP?

There are no impending changes in the McGriff organization that will impact our delivery of services to City of Albuquerque. Our employee benefit team and specialty practices continue to grow and strengthen in support of our clients' diverse and every-changing needs. Further, we are not involved in any merger integration as the result of the combination of BB&T and SunTrust to form Truist Insurance Holdings. SunTrust Bank did not have any presence in the insurance brokerage/consulting industry.



11. In your experience what are the essential elements of a successful partnership between a consultant and a public sector client?

What makes a successful partnership between a consultant and a public sector client? Lets' start with The McGriff promise. We will:

- Listen first
- Invest in our clients and employees
- Deliver innovative solutions
- Act with integrity
- Do all that we say we will do
- Champion Certainty

We strongly believe these six phrases are universal and fundamental to a mutually beneficial and lasting business relationship.

- We desire open and honest communication from our clients and believe this is desired by the City too.
- When asked, let us know your challenges and areas of concerns and we will get to work to find the right solutions for the City
- We will probe and push the City to remain innovative with their benefit strategy, but require your help to keep us on track with our work and actions.
- Teams accomplish more than individuals. We see our partnership with the City as a team effort – working hand in hand to accomplish mutual objective and goals

McGriff has worked successfully with public and governmental entities for over 30 years and our track record of supporting our client's success is well documented.

12. Has your company ever been terminated from a contract prior to expiration? If so, whom, when and why?

We are unaware of any client exercising its termination rights prior to contract expiration

13. Provide detailed information regarding any pending or threatened bankruptcy, litigation, liens or claims involving Offeror

As noted in our response to Question 7, McGriff is a subsidiary of Truist Insurance Holdings, the sixth largest insurance broker in the United States and in the world. Truist Insurance Holdings is owned by Charlotte, N.C.-based Truist Financial Corporation (NYSE: TFC), one of the nation's largest and best managed financial institutions with assets approaching \$475 billion.

## 250 – Team Experience & Management Summary

Please identify the members of the project team that will be responsible for working with the City. Include a resume of their background and experience in similar accounts and for similar projects. Indicate those individuals with actuarial experience. Any individual assigned by the Consultant who does not perform assigned duties in a manner satisfactory to the City shall be removed or replaced by the Consultant within 24 hours. The Consultant shall obtain prior approval from the City for all personnel they assign within the scope of work. Provide an organizational chart showing lines of reporting and responsibility and how the team assigned to the City fits within the organization. Describe individual staff and subcontractor's responsibilities with lines of authority and interface with the City of Albuquerque staff. Describe resources to be drawn from in order to complete tasks.

The Consultant will provide the following staff:

1. A Project Manager/Lead Consultant for the City who will be the designated contact and shall be available for consultation during normal City business hours. This individual shall be responsible for the planning, conduct, progress, and successful completion of all activities, during the term of this contract. This individual will serve as the management contact for all issues related to communication regarding contract changes, requirements and terms.

**Scott Gibbs, Senior Vice President** will serve as the lead co-consultant for the City. Scott has been with McGriff for over 18 years and 22 years in the industry. Scott serves on the McGriff Executive Team and is the McGriff Public Entity Benefits Practice Leader. He holds a Life and Health Insurance Counselor's License. In addition, he holds the certification of Certified Government Benefits Administrator through State and Local Government Benefits Association. (SALGBA) SALGBA is one of the largest professional organizations providing government entities with educational and collaborative support. He also serves on the Board of SALGBA and is a frequent speaker at regional and national conferences. Scott currently works with over 20 different public entity and school district clients providing creative financial solutions for all aspects of their health and welfare benefit plans.

**John D. Bass, CEBS, Vice President** recently joined McGriff as a senior consultant and will serve as lead co-consultant for the City of Albuquerque. He is a Certified Employee Benefit Specialist (CEBS). John has over 30 years in business development and key leadership roles at UnitedHealthcare including serving as the company's National Practice Lead for Public Sector and Labor & Trust. John is an industry expert on health strategy, managed care and clinical applications and has deep knowledge of the challenges facing public and educational entities. In his career, he has served many of the country's largest public plan sponsors including state governments, public school systems and municipal governments.

2. Assemble and coordinate a project team to support the nature and complexity of city project and programs

**Sandy Brown, Vice President/Account Executive**, will be the lead service-team member on the City's account. Sandy has been with McGriff for 18 years and over 22 years in the industry. Sandy has significant expertise in helping public sector clients develop creative solutions surrounding their health and welfare benefit programs, enhance communications strategies and lead the account team in providing excellent service to her clients.

**Nikki Ross, Account Manager** will provide additional customer service support to the City working closely with Sandy Brown. Nikki has been with McGriff for 4 years. Prior to joining McGriff, Niki was the Human Resource Director for a municipal government located in Central Texas and North Texas. Niki is versed in worksite wellness strategies and fully understands a Benefit professional's daily work schedule and the pressures of serving within a public entity having served in these roles prior to joining McGriff.

**Jordan Nixon, Senior Financial Analyst** is the assigned financial data and reporting analyst for the City. Jordan has been with McGriff for 3 years and provides all custom reporting and data analytics to our public entity accounts. Jordan serves as a member of McGriff's National Financial Analytics and Reporting Team.

**R. Edward Johnson – Actuarial** has more than 14 years of experience working as a Healthcare Actuary, most recently as our Lead Consulting Actuary. Edward's experience covers actuarial work for both fully insured and self-insured groups and his expertise ranges from individual products, Medicare products, as well as underwriting and ancillary products, such as dental. Prior to joining McGriff, Edward led the Underwriting team at a major health insurance plan. Edward is a graduate of The University of North Carolina at Chapel Hill with a Bachelor of Arts Degree in Mathematics. He also holds an Associate designation with the Society of Actuaries (ASA), and has been a member of the American Academy of Actuaries since 2008.

**Denise Cabrera – Pharmacy** is a licensed pharmacist, earning her degree from The Ohio State University. Throughout her career she has had an opportunity to view the healthcare landscape from multiple stakeholder perspectives. Her experience in managed healthcare and employee benefits consulting spans 25 years including positions with Medco, CatalystRx and Cigna Pharmacy. Denise brings aptitude in all areas of the Pharmacy Benefit Management (PBM) industry including clinical program development, data analysis, trend control, contract review, pricing negotiation and performance guarantee reconciliation.

**Tricia Brown – Wellness Strategist** has 6 years of experience with McGriff and has over 13 years of experience in wellness and employee benefits. Tricia will serve as Wellness Account Manager assisting the team in strategic wellness planning. Tricia has extensive experience in designing and managing wellness programs for clients. Throughout her career, Tricia has worked directly with clients, carriers and third-party wellness vendors to market and implement a variety of wellness programs. As a wellness account manager for McGriff, Tricia's passion for health and wellness and knowledge of the industry are key in creating a successful wellness program for clients.

**Tom Lerche – Health Management** - has over 25 years of experience developing population health programs and health care strategies for mid and large size employers. His specific focus is the design and management of corporate wellness programs, data analytics to support program development, and improving the effectiveness and financial saving from clinical programs such as case management, condition management/mobile messaging, and Centers of Excellence. Professional experience includes benefits leadership at General Electric and 14 years' experience as a health and benefits consultant with Aon Hewitt.

**David Meckle - Marketing Communications** - brings over 25 years' experience in HR/benefits communications, marketing, and consumer advertising experience to City. He oversees all external marketing, advertising and public relations initiatives for McGriff, as well as internal teammate communications and client communications. David's team will oversee all benefit plan communications on behalf of City. He joined McGriff in 2018 from ADP where he served as Vice President, Strategic Communications.

**Anne Hensley – Compliance** - serves as ERISA & Employee Benefit Compliance for McGriff Insurance. Anne has more than a decade of experience in the insurance industry, focusing mainly on insurance and ERISA and non-ERISA employee benefits compliance. She brings both law firm and corporate legal experience to her current role. Prior to coming to McGriff Insurance Services, Anne worked for a global employee benefits consulting firm as a Senior Associate, Compliance and Advisory Specialist and Contracts Manager, providing legal and compliance advice related to the health care, insurance and employee benefits industries.

**Janie Warner – HR Advisory** - has nearly 30 years of experience and currently serves as National Practice Leader for HR Advisory Services for McGriff Insurance Services. In this role, she consults with corporate clients to identify and mitigate risk associated with human resource policies, processes and practices. Prior to joining McGriff, she held executive management and human resources roles with two financial institutions. She served on the adjunct faculty of Embry Riddle Aeronautical University, teaching human resources management, organizational development and labor relations. She is a nationally recognized speaker in the areas of volunteer board governance, executive management, leadership, ethics, employee benefits and human resources.

## 250 – Clear Project Plan on meeting Scope of Services & Responses to Questions below.

Respondents should provide a formal response on their approach to meet criteria detailed in Scope of Services and explanation of how respondent's organization will comply with all contract provisions. Offerors are advised to be concise and to the point in their responses.

McGriff, founded in 1922, provides highly consultative risk management and insurance brokerage services and consulting services for Medical, Pharmacy, Dental, Vision, Disability, Life, Communications, HR, Employee Advocacy, Actuarial and Underwriting, Data Warehousing, Financial Analytics, Benefit Administration, COBRA, FMLA, Cafeteria Plans, ERISA, Compliance and more with exceptional market expertise and industry knowledge to deliver comprehensive insurance programs designed specifically for the City.

Further, within McGriff, we provide innovative solutions from an in-house, consultative team to help our clients manage costs, drive employee engagement and allow HR and Benefits more time for strategic initiatives. Our specialty practices include:

**Financial Analytics** - Actuarial and underwriting resources to help make data driven decisions about plan design and contribution strategies, costs and risk

**Human Resources Advisory** - Advice, best practices and insights on a wide range of HR issues across the employee life cycle

**Compliance** - Legislative alerts, webinars, white papers, and other resources from our team of law-degreed advisors to keep you current on compliance issues

**Pharmacy Benefit Consulting** - Expertise to help elect the best pharmacy benefit partner for your organization and your employees

**Communications** - Strategies that build awareness, educate employees and drive engagement in your benefits

**Benefits Administration Technology** - Knowledge and experience to help select the best technology solution to meet your needs and the guidance to ensure a successful implementation **Clinical Wellness** - Industry insights, solutions and thought leadership to promote better employee health, reduce future health risks, and improve productivity

**Flexible Benefit Services** - The full suite of administrative services for FSAs, HSAs, HRAs, Transportation Spending Accounts (TSAs), COBRA, and retiree billing

**Retirement Services** - Retirement consulting services for pension plans and post-retirement medical actuarial valuation

McGriff is able to provide all services within the City's Scope of Services – Part 3.

Further, it is our belief we have an indisputable competitive advantage over our competitors, and it is namely our people. We have some of the most knowledgeable, experienced and passionate people in this industry. We recruit talent with unique backgrounds, experience and perspectives. Our team consists of former underwriters and account executives from large insurance carriers, account managers from competitors, and leaders from within and outside our industry.

**We do what we say we will do every single time.** Working together as teams, we are passionate and relentless about making our clients successful. We believe ethics, trust and integrity backed by dedicated experts in a wide field of financial solutions is the best way to help our clients meet their objectives.

Our senior management maintains hands-on involvement with account activities to ensure the highest level of service and responsiveness. That allows us to offer our clients innovative, effective, and strategic Employee Benefit Management consulting. We understand that our roles are evolving, and each client expects not only a partner, but also a trusted consultant.

Another unique advantage is our ability and willingness to go beyond the status quo. As you challenge us for innovative ideas and solutions, we will challenge the City to think broadly about health care and benefits in general, new ideas to augment how care and benefits are delivered and how it applies to your plan and participants. The current COVID pandemic has helped many employers realize there are not only new options to consider, such as onsite/near-site clinics, performance-based narrow networks, and telehealth, etc. but many employers now realize they must have meaningful strategies to consider new applications within their plan. There continues to be great expansion in care options, which now offer Direct Primary Care (DPC), mobile health, new technology for care improvements and the like. As new methods of care delivery emerge, we can help you determine which ones might work for the City.

Going beyond status quo is what we do. So, how does McGriff go beyond the status quo for the City's benefit?

1. Knowledge of Options (Challenge Status Quo) – We work hard to not only understand what is currently available, but to stay on the forefront of new care options. Discussing these with the providers directly and with existing, former, and prospective users of these services allows our team to rank them based on their ability to control costs and improve both health and productivity.
2. Minimizing Client Risks (Going Beyond) – Using our own legal and compliance teams, we try to uncover ways these options might pose risks to our clients. This allows us to consult with you more thoroughly when considering alternatives.
3. Helping Care Options Become More Viable (Going Beyond) – When it comes to health care options, one size does not fit all. As noted above, we have often found that new options put our clients at risk - an unexpected and unintended risk that must be addressed. For example, providing mobile health offering services for a flat monthly fee without charging patients at the time of service is traditionally considered illegal for those contributing to a Health Savings Account (HSA). Therefore, we have worked with providers and our legal and compliance teams to create viable, legal solutions to offer across the board.

Finally, we focus on delivering a fully integrated solution for benefit plan strategy, design, technology administration, and employee health improvement. Our solution aims for measurable results for our clients and vendors by bringing individuals and organizations together to work in collaborative and innovative ways to deliver an exceptional experience.

Proposals will be subjectively evaluated based on the Offeror's distinctive plan for performing the requirements of the RFP. Therefore, the Offeror should present a written narrative, which demonstrates the method or manner in which the offeror proposes to satisfy these requirements. The language of the narrative should be straightforward and limited to facts, solutions to problems, and plans of action.

1. Describe your firm's view of the role of direct provider contracting and value-based contracting have on controlling healthcare costs. What resources and assistance do you offer clients to help achieve these goals?

Every employer and plan sponsor are seeking innovative strategies to control costs and mitigate risk. Direct provider contracts and value-based contracting are common discussions with most of our large self-funded clients. Most managed care organizations and networks have performed well to eliminate the need for direct provider contracts. Some MCOs preclude direct contracts that are in conflict with existing provider agreements.

However, direct provider contracts are often the right solution to provide better access to higher quality, cost effective care. Common examples when direct contracting may be used is when access to care is challenging (rural markets), for employer owned delivery of care is the norm (Health System), or steerage to high performing providers is desired – to a health system or specific line of services (e.g. Orthopedics). McGriff's consulting and actuarial team will perform a deep dive analysis of any considered arrangement reviewing the City's utilization patterns to determine whether a direct provider contract is in the best interest of the City of Albuquerque. We will review for all applicable metrics including:

- Cost Benefit Analysis / Return on Investment
- Operation Challenges
- Employee Satisfaction

Value Based Contracting is a standard contracting methodology used by most MCOs. In the last 10 years and especially since passage of PPACA, the network value proposition has aggressively shifted from a “pay for volume” to a “pay for performance or value” reimbursement methodology. Networks have now incorporated other forms of reimbursement to providers including modified fee for service and adjusted Medicare RBRVS schedules, global capitation, shared risk arrangements, discount buy-downs and prospective care management performance payments. McGriff is able to appropriately assess each vendor’s value-based contract performance to determine actual savings, improvements in population health and the actual total cost of care.

2. Describe your firm’s expertise in monitoring, evaluating, and determining value-based reimbursement contracts and programs.

As stated in Response 1, Value Based Reimbursement contracts have become standard for most MCOs. Under each arrangement, a self-funded client’s liability may vary, and it is important to understand the financial risk of each arrangement. Further, value-based contracts (including various network configurations) have been created to:

- Improve the quality of care offered to members
- Promote access to more efficient providers
- Enhance access to appropriate care through tiered or narrow networks

McGriff continues to fully evaluate vendor’s self-reported discounts and discounts from actual paid claims to determine net paid amounts and the relative discount used. Charges that are deemed not covered, ineligible, duplicate and other charges not consider (and thus excluded from plan liability) are excluded in the discount calculation.

With provider reimbursement contracts moving to “pay for value”, traditional unit cost discounts are but one tool in the overall assessment of a vendor’s financial performance. Consequently, understanding the full cost of care equation including the evaluation of value based contracting by network delivery systems requires greater insight, resources, and due diligence to truly understand the total value of a network arrangement, the true net cost of care and the change in utilization metrics to determine holistic improvement of the covered population. McGriff is able to perform these services using our in-house resources.

Lastly, McGriff will study closely the relationship of critical utilization metrics and benchmark against prior year’s data and normative data to determine how changes in utilization affected total plan costs. These metrics may include:

- ER Visits/1000
- IP Days/1000
- ALOS/1000
- Generic Drug Dispensing %
- PCP Visits / 1000
- Specialist Visits/1000
- High Cost Imaging/1000
- Large Claims/1000
- Out of Network Spend
- Specialty Drug Spend/Discounts

The McGriff’s team of consultants, actuaries and data analytics will help the City’s understanding the true network performance of current vendors.



3. Describe your firm's experience in health insurance utilization review, quality assessment and clinical evaluation of a health plan's performance.

McGriff's team of benefit consultants, health management experts and clinical wellness consultants are well-versed in analyzing the effectiveness of a vendor's utilization and care management review programs, disease management programs, analytics used in the identification of high-risk patients.

McGriff follows a comprehensive process that allows us to collaborate with the City to review, compare, and determine the effectiveness of a health plan's performance. In designing a competitive program, a key element will be benchmarking against similar organizations, as well as regional and national norms and metrics. Understanding how an organization compares to other employers in your region or service industry is an essential part of making well-informed decisions about your plans – and how they support your benefit strategy.

McGriff will consider the strengths of the existing programs, identify any weaknesses, and determine cost effectiveness, competitiveness, and the administrative efficiency of each program. We will discuss what considerations are most important to you in areas such as quality of care, utilization review, cost efficiency, administrative ease and employee reaction. We will discuss your tolerance for risk as it relates to financial strategy, as well as the City's receptiveness to alternative benefit designs, Consumer Driven Healthcare Plans, Value Based Design, Pharmacy Carve-Out options, and other innovative approaches to healthcare.

In addition, our data analytics engine uses validated algorithms to identify 'gaps in care' that are known to result in poor clinical outcomes. For example, members identified as having diabetes who have not had a laboratory test for HgbA1C in an appropriate time frame – which indicates how well blood sugar has been controlled over the past few months – can be identified.

For example, our clinical data analytics provide the following outputs:

- A medical intelligence report that provides clinical and financial information at both the member level and at the population level. At the member level, Medical Intelligence provides clinically specific information for each member in the population. At the population level, Medical Intelligence is used to analyze a population to identify opportunities for clinical improvement and evaluation of financial outcomes.
- A population analyzer allows clients to track metrics across the client population in order to evaluate the effectiveness of health care management initiatives. Comparison of these metrics, such as average cost per member / employee, may provide the client with information as to the impact a new initiative (e.g., drug, program, technology) had on cost and utilization.

We use these type metrics and outcomes to assess a vendor's utilization review, quality management program and clinical performance for analysis and recommendations for adjustment and changes.

**250 – Cost Proposal- Appendix A- Cost Proposal shall be uploaded in the eProcurement system when submitting an offer. DO NOT INCLUDE THE COST PROPOSAL OR ANY COST IN THE TECHNICAL PROPOSAL or the offer may be deemed non-responsive.**

- 4.2.2 Cost/Price Factors:** The evaluation of cost factors in the selection will be determined by a cost/price analysis using your proposed figures. Please note that the lowest cost is not the sole criterion for recommending contract award.

Noted

**4.2.3 Cost Evaluation.** The cost/price evaluation will be performed by the City Purchasing Division or designee. A preliminary cost review will ensure that each Offeror has complied with all cost instructions and requirements. In addition, Proposals will be examined to ensure that all proposed elements are priced and clearly presented. Cost Proposals that are incomplete or reflect significant inconsistencies or inaccuracies will be scored accordingly or may be rejected by the Ad Hoc Advisory Committee if lacking in information to determine the value/price/cost relative to the services proposed.

Noted



You manage your business.  
We'll manage your risks.



**APPENDIX A  
COST PROPOSAL**

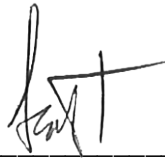
- I. Hourly Costs: McGriff is providing an all-inclusive flat fee of \$147,000 annually
- II. Any Additional Charges: All travel is included in the fee  
(i.e., hourly/mileage charges for travel, direct expenses, implantation or set up fees, etc.)
- III. Maximum ("not to exceed") Annual Cost One Hundred and Forty Seven Thousand Dollars (\$147,000)  
This maximum must include all charges.

**Fees should not include New Mexico Gross Receipts Tax.**

The rates quoted above are "firm" until \_\_December 31, 2025\_\_\_\_.  
(Date)

McGriff, Seibels and Williams, Inc.  
Name of Consulting Firm

9/3/2020  
Date

  
\_\_\_\_\_  
Signature of Duly Authorized Officer  
Scott Gibbs, Senior Vice President  
Printed Name and Title

All offers must be inclusive of travel, postage, production and any other associated fees. The consultant shall be remunerated solely on a fee basis. The consultant shall not receive income with respect to this agreement, directly or indirectly, from any insurer, administrator or other source of services to be provided in a recommended program.

Performance Guarantees		
McGriff is willing to put up to 50% of fees at risk annually based on the following metrics: (Metrics can be adjusted by Client - Scoring methods to be mutually agreed upon)		
Category	Guarantee	Fees at Risk
<b>Account Management</b>		
Overall Account Management	<ul style="list-style-type: none"> <li>• 24-Hour response on urgent requests</li> <li>• 3-Hour telephone, text, in-person or email response on sensitive or time-sensitive issues</li> </ul>	<b>40%</b>
<b>Renewal Management</b>		
Financial and Methodological Review of Renewal Assumptions	<ul style="list-style-type: none"> <li>• Validate/compare City annual medical/prescription costs to annual industry trend methodology to ensure City's annual trend is below industry standards</li> <li>• Identify and prioritize City's needs and preferences prior to benefits renewal or placement</li> </ul>	<b>25%</b>
Cost Mitigation Strategies	<ul style="list-style-type: none"> <li>• Present alternative solutions to maintain existing cost basis on medical benefits such as High Deductible Health Plans options and include projected savings, benefits and financial impact</li> <li>• Provide alternative(s) for pharmaceutical cost reduction from price structure to include projecting savings or discounts</li> </ul>	<b>25%</b>
<b>Innovation</b>		
Solutions	<ul style="list-style-type: none"> <li>• Introduce innovative emerging cost saving marketplace solutions specific to City that add quantifiable value and provide its impact(s)</li> </ul>	<b>10%</b>
<b>Total</b>		<b>100%</b>



# Employee Benefit Solutions

## City of Albuquerque - Core Brokerage & Consulting Services

Strategic Planning		
<ul style="list-style-type: none"><li>• Executive management meetings and benefits philosophy development</li><li>• Development of 3-5 year strategy</li><li>• Benchmark plan design, costs and cost sharing</li></ul>		<ul style="list-style-type: none"><li>• Employee contribution strategies</li><li>• Development of prototype plan designs provide to bring in additional members support</li></ul>
		<b>\$147,000</b> Fee
Underwriting & Actuarial		
<ul style="list-style-type: none"><li>• Budget development, tracking, variance analysis</li><li>• COBRA rate development</li><li>• Multi-year cost projections and renewal forecasting</li><li>• Large claim tracking - stop loss management (If Applicable)</li><li>• Plan design modeling</li></ul>		<ul style="list-style-type: none"><li>• Experience monitoring (according to data availability), including:<ul style="list-style-type: none"><li>– Trend analysis</li><li>– Claim utilization analysis</li><li>– Pharmacy utilization analysis</li><li>– Contribution modeling</li><li>– Workforce demographic analysis and profiling</li><li>– Review of medical network usage</li></ul></li></ul>
		Included in Fee
Benefit Plan Renewal Process		
<ul style="list-style-type: none"><li>• Evaluate alternatives to current plan strategy and funding options that may better support your company's long-term needs</li><li>• Prepare alternative funding analysis and actuarial analysis of claim reserves</li><li>• Develop a multi-year strategy and objectives for benefit plans focused on reducing and preventing health risks</li><li>• Conduct renewal negotiations with insurance carriers and vendors</li><li>• Evaluate and make recommendations on employee cost-sharing strategies</li></ul>		<ul style="list-style-type: none"><li>• Produce renewal projections</li><li>• Work with vendors to review performance of medical and Rx programs in areas including large claims, network utilization, provider discounts, drug utilization, etc. Provide recommendations for improving cost-management performance</li><li>• Analyze employee demographics to identify trends, pattern and potential cost drivers</li><li>• Recommend new programs that increase plan value and support plan objectives</li></ul>
		Included in Fee

### Vendor Marketing Review & Vendor Management

- Develop requests to solicit proposals from medical, pharmacy and ancillary vendors
- Request proposals and analyze vendor submissions to assess product capability and fit, network access and quality, health management capabilities and tools, employee resources and tools, reporting and analytics and overall costs
- Summarize results and provide recommendation for selecting a vendor that will best support your company's objectives going forward

- Assist with changes to vendors, processes and programs
- Negotiate performance guarantees with vendors
- Assist with ongoing vendor management and resolution to problems as they occur

Included in Fee

### Plan Communications & Open Enrollment Service and Support

- Coordinate open enrollment and develop communication strategy
- Design and develop customized benefits enrollment guide for new hires and open enrollments that can be distributed electronically
- Develop customized open enrollment presentation for City employees and conduct enrollment meetings, conference calls or webinars as necessary

- Coordinate and communicate renewal decisions with all vendors to ensure accuracy of systems and benefit information
- Provide support for administrative system updates and file fees.
- Coordinate and attend on-site enrollment meetings.

Included in Fee

### Ongoing Service Support for Plan Management & Compliance

- Review all vendor contracts for compliance on a continuing basis to ensure federal compliance
- Review and maintain copies of current plan SPDs
- Participate in ongoing benefits strategy meetings with your company
- Continually work to identify issues and exposures to City's company benefit offerings
- Provide updates and commentary on impact of legislative and regulatory changes
- Evaluate vendor-provided reports on claims, premiums and enrollments and provide summary of findings (As data is available)

- Provide support for understanding and implementing changes in plans and administration required under Health Care Reform legislation including affordability and minimum value.
- Act as a resource for other policies and procedures that are impacted by the insurance benefits (i.e., vacation, sick leave, LOA policies, FMLA, etc.)
- Ongoing invitations to McGriff/Truist's compliance seminar series
- Provide annual compliance guide
- New Mexico Legislative Oversight for applicable laws pertaining to City's benefit plan

Included in Fee

## Wellness Consulting Services

<ul style="list-style-type: none"> <li>Wellness Vendor RFP</li> <li>Review of claims, demographics, and utilization data to identify key health issues and cost drivers in your company's population and provide recommendations for improving performance</li> <li>Provide recommendation for developing a corporate wellness strategy based on key clinical and cost issues identified in your company's population</li> <li>Provide recommendations for implementing online health risk assessments, on-site biometric screenings and other programs that can be used to augment current wellness initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Review health plan benefits to assess potential integration with wellness initiatives</li> <li>Manage and administer wellness marketing and communications</li> <li>Supervise the performance of the program overall</li> <li>Analyze results and recommend wellness program activities and modifications</li> <li>Provide wellness communications</li> <li>Flu Shot Clinic coordination and oversight</li> </ul>	Included in Fee
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## HR Support Services (HR Training – Provided By McGriff)

<ul style="list-style-type: none"> <li>Monthly HR educational webinars on a broad range of HR topics</li> <li>SHRM approved for CE credit</li> <li>Think HR</li> </ul>	Included in Fee
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