Contract for Benefits Consulting Services

Committee-of-the-Whole
September 24, 2019

Tammy Barrow
Interim Vice President, Human Capital
Recommendation

• Approve a contract with Holmes Murphy & Associates to provide Benefits Consulting Services for a three-year period.

• The contract not to exceed cost of $467,000.
Scope of Work

- Annually assess current benefit programs and provide recommendations and cost estimates for the coming calendar and fiscal year.
- Other Post-Employment Benefits (OPEB) GASB 45 Valuations
- Medical Claims Audit
- Dependent Eligibility Verification Audit
- Flexible Spending Accounts (FSA) Anti-Discrimination Testing
- Retiree Medical Plan - assess and assist with RFP solicitation
- Annual Enrollment Assistance
Scope of Work (continued)

- Group Life Insurance - assess and assist with RFP solicitation
- Third Party Administer (TPA) - assess and assist with RFP solicitation
- Accountable Care Organization (ACO) - assess and assist with RFP solicitation
- Summary Plan Descriptions
- Legislative and Regulatory Impact Review
- Pharmacy Program Assessment
- Vendor Invoice Review and Audit
- Total Compensation Statements
# Evaluation and Scoring

<table>
<thead>
<tr>
<th>Firms</th>
<th>Total Amount Three Year Base Period</th>
<th>Pricing Score (Max Points 200)</th>
<th>Technical Score (Max Points 800)</th>
<th>Total Score (Max Points 1000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holmes Murphy &amp; Associates</td>
<td>$467,000</td>
<td>200</td>
<td>730.80</td>
<td>930.80</td>
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<tr>
<td>Willis Towers Watson</td>
<td>$638,000</td>
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<td>Arthur J. Gallagher</td>
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<td>Lockton Dunning Benefits</td>
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<td>515.60</td>
<td>577.81</td>
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</table>
Request for Proposal Process

- Full and open competition directed by Procurement
- Identify vendors with the experience, financial strength, staffing capacity to manage DART’s needs
- Four vendors responded with competitive quotes based on the current benefits consulting requirements
- After a staff review of the proposals, Holmes Murphy & Associates was recommended as the vendor with the overall highest evaluation rating
  - Highest technical score
  - Most favorable terms and conditions
  - Proposed capabilities and fee more closely align and support the requirements of the contract
Company Background – Holmes Murphy & Associates

• Founded 1932, Insurance Consulting (Independent & Privately)
• 2 Lines of Business (Benefits & Risk Mgt) - 5 Subsidiaries
• 16 Offices in 11 States (Local Office in Dallas, Texas)
• Over 950 Employees (~ 9,000 Clients)
• A Full-Service Employee Benefit Firm
  – Strategy Design & Procurement, Project Management & Vendor Support
  – Actuarial, Underwriting & Budget Modeling
  – Health Reform & Compliance, Communications Support
  – Preventive Health & Condition Management
  – Ongoing Reporting & Assessment
  – Technology, Transparency & Data Analytics
Recommended Action

• Authorization to execute a contract with Holmes Murphy & Associates for a period of three years.

• Authorized amount not to exceed $467,000 for the three-year period.
QUESTIONS