



January 28, 2019

**Request for Proposal (“RFP”)  
Brock University Students’ Union (“Union”)**

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The Union (“the Union”) of the Brock University Students’ Union wishes to solicit proposals for the provision of **Claims Adjudication/Payment, Administration, Account Management** and **Consulting** services related to the administration or provision of participant health plans (the “Services”). The Union is interested in receiving proposals that are based on a self-funded and administered arrangement only. This RFP is being publicly issued. All submissions will be assessed using the same criteria and the final selection will be made on a fair and equitable basis.

This letter is accompanied by seven attachments, providing the basis for this RFP:

- **Section One** - Relevant Facts
- **Section Two** - Plan Texts
- **Section Three** - Claims Experience
- **Section Four** - Desired Services
- **Section Five** - Questionnaire (Must be answered fully. Questions are to be restated in each proposal in the order in which they are presented here. Additional information is not required at this time.)
- **Section Six** – RFP Guidelines
- **Section Seven** – RFP Evaluation Criteria

Each proponent must submit one electronic copy of their proposal in PDF format, before 5:00:00PM AST February 15, 2019 (the “Closing Time”), via Grant Thornton Secure File Transfer. Proposals will be deemed to be submitted when received by Grant Thornton, not the time that the proposal is sent by the proponent. Proposals must be signed by an authorized signatory of the proponent. A mandatory invitation to become a Grant Thornton LLP Secure File Transfer user must be requested by 12:00PM AST, February 15, 2019 by contacting Grant Thornton at the below email address:

[brockusu.rfp@gmail.com](mailto:brockusu.rfp@gmail.com)

The email address was specifically created to support the RFP process and will only be monitored by Grant Thornton.

Proposals submitted in accordance with this RFP that are not withdrawn prior to the Closing Time shall be irrevocable for a period of 45 days. Proposals received after the Closing Time will not be considered.

Proponents shall prepare their proposals in the English Language and all proposals shall be typed.

Amendments to submitted proposals may be submitted at any time prior to the Closing Time. Amendments may only be made in writing and delivered via Grant Thornton Secure File Transfer as outlined above. Any amendment must be signed by an authorized signatory of the proponent.

A proponent may withdraw its proposal at any time prior to the Closing Time by submitting a written notice of withdrawal via Grant Thornton Secure File Transfer.

Following the evaluation of the proposals, a selection of the leading proposal will be made (the "Leading Proposal")

Following the selection of the Leading Proposal, the current provider of the Services, Student VIP, will be given an opportunity to match or better the Leading Proposal. The final evaluation will take place after Student VIP responds to the Leading Proposal.

The Union is not obligated to accept any submissions and the lowest bid will not necessarily be accepted.

Yours truly,

Mr. Bilal Khan  
Vice-President Finance and Administration, Brock University Students' Union

## Section One – Relevant Facts

- The Union's current service provider is Student VIP.
- Under the current arrangement, there are the 4 Plans that provide coverage to eligible Plan Members and their families, where applicable in 2018/19:
  - Health Plan – 10, 818
  - Dental Plan - 10, 778
- Under the current arrangement with Student VIP, after the receipt by the Union of the proposals submitted by the proponents to this RFP, the Union will provide Student VIP with a final opportunity to match or better any competitive offer of another provider, as outlined on the previous page.
- Coverage for all self-funded plans is determined in accordance with the provisions of the Plan Text (see Attachment Two).
- The Members' rates of contribution for the Union's coverage is determined annually based on claims experience and other related operating expenses (see Attachment Three).
- The following organizations will advise the Brock University Students' Union on proposals received:

|                 |                       |
|-----------------|-----------------------|
| RFP Facilitator | Grant Thornton LLP    |
| RFP Consultant  | Anderson & Associates |
- All coverage, other than International Student Insurance, Life, Long-term Disability, Accidental Death & Dismemberment, and Travel Health are self-funded and claims are processed and paid by the Administrator. All claim payments are paid to the Members or paid to providers on behalf of members (Assignment of Benefits).
- The provider will not deal directly with the University Administration for Student Enrollment Lists, nor for processing and collecting fees from student accounts. The Brock University Students' Union will continue to coordinate with the provider to ensure data requirements and requisite fees are paid.

## **Section Two - Plan Texts**

Details on the Union's benefit plan will be posted on the following website for your reference:

<https://brockusurfp.blogspot.ca/>

### Section Three – Claims Experience

The following information has been provided as a guideline as it relates to historical contributions, budget premiums and paid claims by the Union:

| Brock University Students' Union  |                 |               |              |               |              |
|---|-----------------|---------------|--------------|---------------|--------------|
| Summary of Contributions, Insurance Premiums, Administrative Expenses and Paid Claims |                 |               |              |               |              |
|   |                 | Year-End      |              | Year-End      |              |
|   |                 | Aug. 31, 2018 |              | Aug. 31, 2017 |              |
|   |                 | Aug. 31, 2016 |              |               |              |
| BUSU  | Contributions   |               |              |               |              |
|   | Budget Premiums | \$            | 2,038,724.31 | \$            | 1,885,618.14 |
|   | Paid Claims     | \$            | 1,490,330.56 | \$            | 1,538,707.36 |
|   |                 |               |              | \$            | 1,707,655.41 |
|   |                 |               |              | \$            | 1,457,184.77 |

In 2018/19 the administrative fees are anticipated to be 5% of claims submitted.

Detailed claim utilization information will be posted on the following website:

<https://brockusurfp.blogspot.ca/>

**NOTE:**

While the information in this RFP and any other information have been prepared in good faith, the Union does not represent such information to be accurate, comprehensive or to have been independently verified. The Union does not accept any liability or responsibility for the adequacy, accuracy or completeness of, or make any representation or warranty, express or implied, with respect to the information contained in this RFP or otherwise made available to proponents. Any liability is hereby expressly disclaimed.

Each proponent or potential proponent shall be solely responsible for examining the complete RFP, including any Addenda and any other information, and for independently informing and satisfying itself with respect to any and all information contained therein, and any and all conditions which may in any way affect its proposal. Each proponent or potential proponent shall be deemed to have satisfied itself as to the nature and extent of the risks it will be assuming. Each proponent or potential proponent shall be deemed to have gathered all information necessary to perform its obligations under this RFP and any other obligations assumed or arising thereafter. It is the proponent's or potential proponent's responsibility to ensure that it has received all Addenda and other notices relating to this RFP.

In connection with the foregoing, each proponent or potential proponent shall review all of the RFP and shall promptly report or request clarification of any discrepancy, deficiency, ambiguity, error, inconsistency or omission contained therein. Any such report or request must be submitted via Grant Thornton Secure File Transfer immediately.

By participating in this RFP process, each proponent or potential proponent acknowledges and agrees that the Union, its directors, officers, employees, agents and consultants shall not be liable, and that the proponent or potential proponent shall have no claim against any one or more of them, for damages, losses, costs or expenses of any nature whatsoever, incurred by proponent or potential proponent in respect of the provision of Claims Adjudication/Payment, Administration, Account Management and Consulting services related to the administration or provision of participant health plans, on the grounds that any information, whether obtained from the RFP or otherwise from the Union or its representatives, is incorrect or insufficient. Each proponent or potential proponent

shall be responsible for conducting their own due diligence on data and information upon which their proposal is based.

**Further, by participating in this RFP, each proponent or potential proponent acknowledges and agrees that if its proposal is determined to be the Leading Proposal, it hereby consents to the disclosure of the Leading Proposal to Student VIP as outlined in Section Six of this FRP.**

## Section Four - Desired Services

The successful candidate will consider the following requirements in their proposed solution:

### Administration

#### (A) General

1. Establish and maintain a database for the Union, Members and Claimants. Process eligibility files and requested changes to determine eligibility of Members and dependants.
2. Protect the database, through the creation of duplicate records stored at an appropriate site, separate and apart from the Administrator's primary operating location and in the name of the Union.
3. Administer the Plan in accordance with the policies and procedures established by the Union, as amended from time to time.
4. Develop and maintain website for the Union that includes applicable information for Members and Claimants. Web based services should include online claim submission, claims history, registry for direct deposit, printable benefits card(s), and other items that will assist Members with Plan requirements. The Union will have authorization to change or revise wording, photos, if deemed appropriate.
5. Process enhancements to accommodate changes in coverage, Plan provisions, procedural changes or Plan designs.
6. Assist with referendums as required.
7. Establish an opt-out portal for the Union (Health and Dental) with the capability to upload proof of coverage. Further the opt-out process should have the capability to allow Members to opt out by student year, and be valid for as long as the Member is a current student (i.e. one time opt out for duration of degree program). The Union must have the right to approve or reject requests by email. This process should be automated.

#### (B) Financial

1. Establish and maintain appropriate contribution reporting procedures.
2. Invoice monthly, in advance, based on number of eligible members (Health, Dental, International).
3. Invoice monthly adjustments to account for additions and deletions from previous months.
4. Report any surplus or deficit of net assets over liabilities, if applicable in a self-funded model.
5. Establish and perform all accounting procedures, on the basis of a general-ledger bookkeeping system, the substance and format of which is accepted by GAAP. Prepare working papers for the Union's Auditor to accommodate the annual audit, within 90 days of the Union's fiscal year end.
6. Prepare estimated monthly reports to assist with plan performance.
7. Prepare and distribute to the Union, quarterly, or more frequently if required, a complete set of interim statement of operations.
8. Prepare and file all tax returns, financial statements and other regulatory information, as required by law.
9. Prepare and pay the taxes (HST and Premium tax) on a monthly basis, if applicable.

#### (C) Benefit Payment

1. Receive, and assess for payment, all benefit claims.
2. Verify eligibility and completeness of information. Return forms with missing information; clarify imprecise information. Interact directly with Member.

3. Pay eligible claims by cheque or direct deposit, in accordance with Plan rules, providing the Claimant with a detailed explanation of expenses paid or not paid.
4. Provide EDI dental services and facilitate EDI prescription drug reimbursement.
5. Deny ineligible claims.
6. Notify the Union of any disputes with Members claims.
7. The Union will have authority to override denied claims in extenuating circumstances.

**(D) Meetings**

1. Arrange educational forums on behalf of the Union's Health Plan Advisory Committee once annually to educate on health care industry topics and changes that may affect the Union.
2. Arrange and attend 2-3 annual meetings with the Union to discuss renewals, claims utilization, plan performance and administrative concerns.

**(E) Inquiries**

1. Respond promptly to inquiries made by Members or their legal representatives, in person ("walk-ins"), in writing, by electronic mail, or by telephone.
2. Respond promptly to inquiries made by the Union, regarding Plan provisions, administration procedures and claim payments.
3. Provide dedicated, toll free telephone, fax services and email addresses for service delivery.

**Consulting**

**(A) General**

The following consulting services are to be provided to the Union. This list is not exhaustive. Additional services may be required, from time to time, and will be determined by the Union.

1. Prepare amendments to the Union Service Provider Agreement and the Plan Texts as required.
2. Prepare amendments to the Benefit Booklet as required.
3. Create all required forms, Benefit Booklet and stationery annually or more frequently as required. All forms documents and plan details available on plan website.
4. Create all required notices, posters and memorandums to the Union, Members and Claimants as required. The Union to approve all notices prior to distribution and can make revisions as deemed necessary.
5. Review, analyse and negotiate annual insurance Policy Renewals. Communicate/negotiate changes in Policy wording.
6. Prepare reports to the Union on issues such as new practices in benefit plan delivery, plan design and costs applicable thereto.
7. Implement any policies or procedures adopted by the Union and relate decisions of the Union to service providers, as required.
8. Prepare and present claims utilization reports for self-funded and insured coverage, quarterly, or more frequently as requested, within 60 days of quarter end.
9. Prepare and present financial experience report for self-funded and insured coverage, quarterly, or more frequently as requested, within 60 days of quarter end.
10. Communicate enhancements to external providers to accommodate changes in coverage, Plan provisions, procedural changes or Plan designs.
11. Advise the Union of regulatory changes and governance issues both Provincial and Federal, which may impact the Benefit Plan, and prepare such related documentation as the Union may request.



12. Provide on-going advice to the Union on the improvement of the administration service, and the avoidance of imprudent actions, to the extent that such services and actions relate, clearly and directly, to the Administrator's normal duties and responsibilities.
13. Provide guidance on the need for legal opinions and seek opinions on behalf of the Union, as necessary.
14. Assist in the preparation of membership surveys.
15. Prepare and present information seminars to the Union Administration team.
16. Arrange for the placement and renewal of Union Liability Insurance.

## **Key Areas for Improvement**

### **(A) General Considerations**

1. Innovation Technological Solutions (e.g. Virtual Doctor, Mobile Applications for processing claims, etc.)
2. Pharmacy Solution (e.g. Virtual Pharmacist, Drug Vending Machine, Partnership with pharmacies around campus)
3. Medical Marijuana (Solution around the inclusion of marijuana in the plan and a solution for processing such claims)
4. Training and Professional Development opportunities for BUSU Executives
5. Signing bonus upon contract award (please note dollar amount and any pertinent information)
6. Financial support to fund existing programming (please note dollar amount and any pertinent information)

## Section Five – Questionnaire

Proponents must answer the following questions in the body of their proposal, fully, and in the same order that they are presented below:

### 1. The Company

- 1.1. Please describe your firm's current ownership structure.
- 1.2. From what location(s) does your firm operate and what from location will the Union be served? Would you permit an on-site visit of your premises?
- 1.3. Please state your hours of operation. If more than 1 location, state hours in each location.
- 1.4. What distinguishes your firm from its competitors?
- 1.5. In brief, what is your firm's organizational culture?

### 2. Overview of Proposed Services

- 2.1. Please confirm that the information supplied in this RFP has enabled sufficient understanding of the requirement to prepare your response.
- 2.2. Please outline the nature of your proposed solution and provide a brief explanation for why this is being proposed as the optimal solution for the Union.
- 2.3. If you are proposing a third party provider to deliver any services identified in Attachment 4, please describe the nature of the relationship of the entities/persons involved, and your working history as partners.
- 2.4. Please confirm whether you are accepting of the minimum requirements/performance expectations outlined in this RFP Document.
- 2.5. Identify whether your firm, or any member of your firm, has been subject to any disciplinary action by a regulatory body, or been subject to any legal proceedings regarding professional services.
- 2.6. Please outline what mental health service options your firm can provide? Please indicate if this is an internal or external service

### 3. Transaction processing and reporting capabilities

- 3.1. What is your average turnaround time for processing and paying claims (from date received to the reimbursement date)? What is the current claim turnaround time in business days? Please note any variations and indicate the location (city) responsible for paying claims for this case.
- 3.2. Do you have the capability to transmit electronic payments (for reimbursement) / direct deposit to eligible members, in addition to generating cheques?
- 3.3. What is the current response time in business days for returned phone calls from the member?
- 3.4. Does your fee include the cost of dedicated local and long distance telephone numbers for members?

- 3.5. Please describe your current capabilities for online service or e-mobile services, from an inquiry perspective to claims submission/payment for the member.
- 3.6. Please advise if you are able to load historical deductible and plan maximum information into your claims database? Is there any additional cost for this service and is it reliable?
- 3.7. Please advise how long members have to submit claims for reimbursement from the date of service

#### 4. **Personnel**

- 4.1. Please provide an overview of the individual who will serve as the direct contact for the Union Trustees including the following:
  - a) Industry experience; experience directly related to the provision of insurance, administration and/or consulting services to similar organizations (in nature and/or size); and, any other relevant experience.
  - b) How many clients are currently assigned to the individual profiled above? What is the size (number of members/fund assets) of those accounts?
  - c) Describe your current staff (size, experience, tenure). Other than the person profiled in above, how many employees will be dedicated to servicing the Union?
- 4.2. Please confirm that at least one member of your firm is licensed to sell insurance in the province of Ontario.
- 4.3. Provide details of the staff retention, training and recruitment policies.

#### 5. **Cost**

- 5.1. Please outline the cost structure of your solution.
- 5.2. Will there be a start-up charge; if so, how much will that be?
- 5.3. Please list **all items** for which an additional charge will be made over and above the fee quoted. This could include services such as Mental Health & Wellness solutions, on-site staffing, marketing materials, etc.
- 5.4. Will you be expecting to receive insurance commissions in addition to your fee? If so would you disclose these commissions? If so, what are the commissions **on a percentage basis** expected on the insured coverage?
- 5.5. Are you prepared to guarantee your fee/rates for more than one year? If so, for what timeframe? How are increases handled?
- 5.6. What are your expectations for our organization with regards to timeframe? (i.e., contract duration)
- 5.7. Please indicate if any expense charge factors are guaranteed for a period longer than 12 months.
- 5.8. Please confirm the interest rate basis used to calculate cash flow interest (if applicable in your proposed solution).

## **6. Previous Experience**

6.1. Vendors should include information that demonstrates previous experience in working with other related clients/industries, under similar operating and response requirements.

## **7. References**

7.1. Please provide three references for which you provide similar services (preferably Health and Welfare trustee benefit funds), including:

- a) The name of the company;
- b) The contact person and their phone number;
- c) Nature of service(s)/product provided; and
- d) The length of time you have been providing the services.

## **8. Conversion Plan**

8.1. Describe how your firm will handle the transition from the current provider.

8.2. What costs will be associated with the transition?

8.3. If your firm is selected, what is the earliest date on which you can assume to complete the transition?

8.4. With respect to implementation of this group, what is your suggested time for enrolment?

## **9. Other Information**

9.1. What strategies and assistance can you offer the Union in growing its membership?

9.2. Provide a sample of your standard Service Agreement.

9.3. Please list appropriate insurance coverage and corresponding limits that you carry for the proposed type of work.

9.4. Confirm the policy types, coverage details and limits of all insurance coverage your organization carries. Identify the name of the underwriter attached to each insurance policy.

9.5. Please provide any additional information you feel is relevant to our needs.

9.6. If an insured financial arrangement is being proposed, please indicate the renewal rate setting methodology that will be employed at each renewal.

## Section Six – RFP Guidelines

Each proposal will be independently evaluated by an RFP evaluation committee and will remain confidential with the exception that the following information contained in the Leading Proposal will be disclosed to Student VIP:

The answers to the following questions from **Section 5** included in the body of the Leading Proposal:

### 2. Overview of Proposed Services

2.2. Please outline the nature of your proposed solution and provide a brief explanation.

2.6. Please outline what mental health service options your firm can provide? Please indicate if this is an internal or external service

### 5. Cost

5.1. Please outline the cost structure of your solution.

5.2. Will there be a start-up charge; if so, how much will that be?

5.3. Please list all items for which an additional charge will be made over and above the fee quoted. This could include services such as Mental Health & Wellness solutions, on-site staffing, marketing materials, etc.

5.4. Will you be expecting to receive insurance commissions in addition to your fee? If so would you disclose these commissions? If so, what are the commissions on a percentage basis expected on the insured coverage?

5.5. Are you prepared to guarantee your fee/rates for more than one year? If so, for what timeframe? How are increases handled?

5.7. Please indicate if any expense charge factors are guaranteed for a period longer than 12 months.

5.8. Please confirm the interest rate basis used to calculate cash flow interest (if applicable in your proposed solution).

Please note that the vendor name of the Leading Proposal will not be disclosed to Student VIP.

Any attempt to contact members of the Union following January 24<sup>rd</sup>, 2019 or Grant Thornton after February 15<sup>th</sup>, 2019 will deem the proponent's proposal null and void.

### Website

Addenda and all answered questions deemed appropriate/necessary for circulation will be posted to:

<https://brockusurfp.blogspot.ca/>

It is the responsibility of the proponents to be aware of any addenda via the website listed above.

### Questions

Questions relating to the content structure or reply requirements of this document are to be sent to the attention of Grant Thornton to the following email address:

[brockusu.rfp@gmail.com](mailto:brockusu.rfp@gmail.com)

The email address was specifically created to support the RFP process and will only be monitored by Grant Thornton.

No phone calls please.

Although contact may be made by telephone, as initiated by Grant Thornton, all questions, including those of purely procedural issues must be provided in writing and will be answered in writing. Subsequently, Grant Thornton reserves the right to post responses to questions on the above website, on a "no name" basis. Grant Thornton reserves the right to share any clarifications that may be given to a proponent with all other proponent on a "no-names" basis. However, all questions and answers to those proponents will be shared with those that formally request them.

Inquiries will be accepted until 3:00:00pm AST on February 7<sup>th</sup>, 2019. Inquiries received after this date will not be addressed. All inquiries are to be addressed to Grant Thornton at the email address noted above. There shall be no inquiries to any member, or official representative of the Union. It should be noted that all interactions will be considered as part of the evaluation process.

### **Submissions**

Each respondent proponent must submit one electronic copy of their proposal in PDF, before 5:00:00PM AST February 15<sup>th</sup>, 2019 (the "Closing Time"), via Grant Thornton Secure File Transfer. Proposals will be deemed to be submitted when received by Grant Thornton, not the time that the proposal is sent by the proponent. Proposals must be signed by an authorized signatory of the proponent. A mandatory invitation to become a Grant Thornton LLP Secure File Transfer user must be requested by 12:00PM AST, February 15<sup>th</sup>, 2019 by contacting Grant Thornton at the below email address:

[brockusu.rfp@gmail.com](mailto:brockusu.rfp@gmail.com)

The email address was specifically created to support the RFP process and will only be monitored by Grant Thornton.

Responses received after this date and time will not be accepted.

No paper copies please.

Proponents shall prepare their proposals in the English Language and all proposals shall be typed.

Amendments to proposals may be submitted at any time prior to the Closing Time. Amendments may only be made in writing and delivered via Grant Thornton Secure File Transfer as outlined above. Any amendment must be signed by an authorized signatory of the proponent.

A proponent may withdraw its proposal at any time prior to the Closing Time by submitting a written notice of withdrawal via Grant Thornton Secure File Transfer.

### **Addenda to RFP**

Should there be any discrepancies or ambiguities in this document, an addendum will be issued by Grant Thornton and posted on the above website.

Instructions and addenda, when issued, will become part of the RFP document and any other resulting contract.

Addenda will not be issued after February 8<sup>th</sup>, 2019, unless it is an addendum extending the closing date.

## The Union's Rights

Notwithstanding anything to the contrary contained in the RFP, the Union has in its sole discretion, the unfettered right to:

- (a) accept any proposal or portion of a proposal it considers advantageous, including a proposal which is not the lowest in price, whether overall or with respect to any particular portion of the proposal;
- (b) reject any or all proposals that, in the Union's determination:
  - (i) lack adequate clarity or fail to provide sufficient information to enable the Union to carry out full and proper evaluation of the proposal;
  - (ii) are technically or commercially unacceptable; or
  - (iii) fail to establish that the proponent has adequate financial and other resources to carry out the services described in this RFP;
- (c) choose not to enter into negotiations with any one or more proponents;
- (d) terminate negotiations with any one or more proponents at any time;
- (e) choose not to award any contract to any proponent; and
- (f) terminate or re-issue this procurement process at any time for any reason.

The Union also reserves the right, should it be in the best interests of the organization, to award a contract to more than one proponent.

All materials and final products and any supporting products and documentation shall be the property of the Union and cannot be used for any other purpose without the approval of the Union.

The Union reserves the right to modify the terms of the RFP at any time at its sole discretion. Any such modifications will be communicated to proponents according to the conditions established under Addenda.

Any contract resulting from the RFP will be for a period of five (5) years, subject to an initial one (1) year probationary term and satisfactory annual reviews of the vendor's performance by the Union's designated representative. If the service provided is unacceptable in the sole opinion of the Union, the contract may be terminated at any time during the probationary year. Should the contractor receive an unsatisfactory performance review at any time following the probationary year, the Union reserves the right to terminate the contract upon 30 days written notice to the vendor.

The Union is not obligated in any manner to any vendor until a written contract has been signed by all parties.

Should any provisions of the agreement arising from this RFP be found to be invalid by a court of appropriate jurisdiction, that portion shall be deemed severed and the remainder of the agreement shall remain in full force and effect.

## Section Seven - RFP Evaluation Criteria

The Union will evaluate all proposals based on overall competence, compliance, format and organization.

| <b>Evaluation Category</b>  | <b>Category Weight</b> |
|---|------------------------|
|   |                        |
| <b>Price (transactions / administration / consulting / other)</b>   | 30%                    |
| <b>Technical capability and security including proposed product and capabilities and security assurances</b>                            | 15%                    |
| <b>Suitability (service ability / delivery / timeliness)</b>  | 20%                    |
| <b>Innovation and growth plans</b>  | 10%                    |
| <b>Proposed solution</b>  | 10%                    |
| <b>Proposed team (skills / experience /educational background)</b>  | 5%                     |
| <b>Demonstrated experience related to health and welfare benefit fund requirements including company history and reference feedback</b> | 5%                     |
| <b>Conversion (transition / cost / timeliness)</b>  | 5%                     |
|   | 100%                   |

Each quote will be independently evaluated on the evaluation criteria noted above.