



ALVIN INDEPENDENT SCHOOL DISTRICT

Mickie Dietrich
Director of Purchasing

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To: Susan Wilson, Pat Miller
From: Mickie Dietrich, Donnie Marek
Subj: Request for Approval – RFP #1504INBEP - Insurance & Benefit Enrollment Platform

This proposal was established to qualify an approved vendor under the State Purchasing guidelines CH Legal and Education Code 44.031 (a) whereby school districts are required to utilize a competitive bidding method that provides the best value for the district when making purchases valued at \$50,000 or more in **the aggregate** for a 12 month period. To satisfy this State Law, Alvin ISD extended this proposal.

Four vendors were extended packets by mail, fax and email with **two qualified responses**. Additional information on the proposal was extended through the legal notice in our county newspaper and on the District website to solicit participation in our bidding process.

This proposal was extended to identify and select a single firm to provide a professional, interactive and informative easy to understand technological platform to administer our District's benefit program. The two qualified responses were from BenefitFocus and Frost. Upon final analysis of submitted proposals, Benefit Focus has the framework, experience and capabilities that will provide AISD the ability to work more efficiently to enroll, manage and exchange benefit information with staff and carrier. BenefitFocus integrates seamlessly with payroll as well as organizes and maintains compliance with COBRA and ACA lookback, stability, and measurement period programs thus removing large liability factors and promoting the sustainability of our self-funded plan.

On a national average, employees take 19 minutes to research their benefit packages and three weeks to buy a TV. With that statement, it is imperative we communicate how important our AISD benefit program is to our employees. The communications package provided by BenefitFocus allows interactive and easy to understand directions for our staff about the benefit programs available. Benefit Focus' Apple and Android based cell phone apps provides quick year-around employee management of specified benefits

BenefitFocus submitted a fixed rate over the five year term of the contract. Frost submitted a lease license system whereby should there be a price increase it is passed onto AISD. They have locked their pricing for 2 years however, years 3-5 are subject to a price increase.

The cost per employee per month (PEPM) from Benefit Focus is \$4.08 whereby Frost's is \$9.90. The annual estimated expenditure based on an enrollment of 2510 from BenefitFocus is \$122,889.60 with Frost being \$298,188.00. BenefitFocus' initial startup expenditures is \$15,000 and Frost is \$29,500 with additional hourly fees for programs and ability to build in the Spanish version into our program.

Approval of this proposal is very time sensitive due to programming of AISD's specialized platforms, and implementation required prior to insurance enrollment starting the end of July. Upon final analysis, we recommend for award, BenefitFocus meeting the needs of our district with a customized benefit program to enroll, manage and exchange benefit information.

**RFP #1504INBEP - INSURANCE AND BENEFIT ENROLLMENT PLATFORM
PROPOSAL ANALYSIS**

Platform Comparison Summary Based on 2510 employees
As Provided in the Last and Final Request for Pricing

DETAIL/DESCRIPTION OF OPTIONS REQUESTED	Benefit Focus	Frost
Enrollment Platform (PEPM)	\$ 2.50	\$ 2.00
COBRA	\$ 0.53	Included in PEPM Svc fee
Bill Reconciliation (1-5)	\$ 0.40	Included in PEPM Svc fee
LookBack Administration	\$ 0.30	\$ 0.75
Communications Package	\$ 0.35	NOT AVAILABLE
Service Fee (PEPM)	\$ -	\$ 7.15
Total PEPM (core items)	\$ 4.08	\$ 9.90
Annual Estimate Expenditure Based on 2510 Employees Enrolled	\$ 122,889.60	\$ 298,188.00
FSA (Employee Cost)* (Healthcare and Dependent Care Reimbursement)	\$ 3.90 **should Employee choose to participate	Included in PEPM Svc fee **built into fee paid by District
Initial Start-Up - One Time Fees		
Enrollment System	\$ -	\$29,500.00 + some hourly
Online Build	included	\$13,500
Data file Feeds	included	12,500
COBRA feed	included	\$2,000
FSA/HSA Feed	included	\$1,000
Additional programming	included	\$150/Hour
Build to Spanish	included	\$500 + \$175/hour
ACA Lookback	\$ 15,000.00	Detailed information not provided in proposal
Price Lock	Fixed, Initial Term 2-5 yrs	Fixed year 1&2. Year 3-5 will increase the greater of 2.5% or CPI annually

*FSA is listed with BenefitFocus totals separately since it is an employee cost. Frost includes in PEPM cost to the district whether the employee chooses to participate or not.

(PEPM = Per Employee Per Month)

