



## REQUEST FOR PROPOSALS

The City of Edinburg is soliciting sealed Request for Proposals; hereinafter referred to as RFP, to be received by the City Secretary's Office located at 415 W. University Drive, Edinburg, Texas 78541. City of Edinburg normal business days are Monday through Friday between the hours of 8:00 a.m. to 5:00 p.m. and shall be closed on recognized holidays.

RFP'S will be received until **3:00 p.m. Central Time**, on **Monday, July 21, 2014**, shortly thereafter all submitted RFP'S will be gathered and taken to the Edinburg City Hall Community Room, 1<sup>st</sup> Floor, to be publicly opened and read aloud. Any RFP received after the closing time will not be accepted and will be returned to the submitter unopened. It is the responsibility of the submitter to see that any RFP submitted shall have sufficient time to be received by the City Secretary's Office prior to the RFP opening date and time. The receiving time in the City Secretary's Office will be the governing time for acceptability of the RFP's. RFP's will not be accepted by telephone or facsimile machine. All RFP'S must bear original signatures and figures. The RFP shall be for:

**RFP No. 2014-015**

### **WORKER'S COMPENSATION AND STOP LOSS INSURANCE COVERAGE**

Respondents receiving a "NOTICE TO RESPONDENTS" and/or "REQUEST FOR PROPOSALS" notice in the mail or reading same in the newspaper are advised that the solicitation documents can be downloaded from the City of Edinburg web page address: [www.cityofedinburg.com](http://www.cityofedinburg.com), or may obtain copies of same by contacting the office of: LORENA FUENTES, PURCHASING AGENT, LOCATED AT 415 W. UNIVERSITY DRIVE, EDINBURG, TX 78541 by calling (956) 388-1895 Ext. 8972 or by e-mailing your request to the following e-mail address: [lfuentes@cityofedinburg.com](mailto:lfuentes@cityofedinburg.com). Proposal form documents may be obtained by interested parties through CD ROM at no charge at the following location: City of Edinburg - Human Resources Department, 415 W. University Drive, Edinburg, Texas 78541.

If you have any questions or require additional information regarding this RFP, please contact Ms. Estella Hinojosa, Risk Manager, at (956) 388-1873.

Hand Delivered RFP'S:

415 W. University Drive  
C/o City Secretary Department (1<sup>st</sup> Floor)

If using Land Courier (i.e.FedEx, UPS):

City of Edinburg  
C/o City Secretary  
415 W. University Drive  
Edinburg, Texas 78541

If Mailing Proposals:

City of Edinburg  
C/o City Secretary  
P.O. Box 1079  
Edinburg, Texas 78540-1079



**415 W. University Drive • P.O. Box 1079 • Edinburg, Texas 78540**  
**Phone (956) 388-8204 • Fax (956) 383-7111**



The City of Edinburg reserves the right to refuse and reject any or all RFP's and to waive any or all formalities or technicalities and to accept the RFP deemed most advantageous to the City, and hold the RFP's for a period of 90 days without taking action. RFP's must be submitted in an envelope sealed with tape and prominently marked on the lower left hand corner of the envelope with corresponding RFP number and title.

Please read your requirements thoroughly and be sure that the RFP offered complies with all requirements/specifications noted. Any variation from the solicitation requirements/specifications must be clearly indicated by letter, on a point by point basis, attached to and made a part of your RFP. If no exceptions are noted, and you are the successful respondent, it will be required that the service(s) be provided as specified.

#### **PURPOSE**

(1) The purpose of these solicitation documents is to execute a Professional Services Contract for:

### **WORKER'S COMPENSATION AND STOP LOSS INSURANCE COVERAGE**

#### **INTENT**

(2) The services to be provided under this RFP shall be in accordance with and shall meet all specifications and/or requirements as shown in this solicitation for RFP. There is no intention to disqualify any respondent who can meet the requirements.

#### **SUBMITTAL OF RFP**

(3) RFP's shall be submitted in sealed envelopes as called referenced on the attached solicitation. Two (2) complete sets of the response, one (1) original marked "**ORIGINAL**," and one (1) duplicate marked "**COPY**". RFP's submitted by facsimile (fax) or electronically shall **NOT** be accepted. Submittal of an RFP in response to this solicitation constitutes an offer by the respondent. Once submitted, RFP's become the property of the City of Edinburg and as such the City reserves the right to use any ideas contained in any RFP regardless of whether that respondent/firm is selected. Submission of a RFP in response to this solicitation, by any respondent, shall indicate that the respondent(s) has/have accepted the conditions contained in the RFP, unless clearly and specifically noted in the RFP submitted and confirmed in the contract between the City and the successful respondent otherwise. RFP's which do not comply with these requirements may be rejected at the option of the City. RFP's must be filed with the City of Edinburg before the deadline day and hour. No late RFP's will be accepted. They will be returned to respondent unopened (if properly identified). Failure to meet RFP requirements may be grounds for disqualification.

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c/o City Secretary Department (1<sup>st</sup> Floor)

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c/o City Secretary  
415 W. University Drive  
Edinburg, Texas 78541

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City of Edinburg  
c/o City Secretary  
P.O. Box 1079  
Edinburg, Texas 78540-1079

#### **TIME ALLOWED FOR ACTION TAKEN**

(4) The City of Edinburg may hold RFP/s 90 days after deadline without taking action. Respondents are required to hold their RFP/s firm for same period of time.

#### **RIGHT TO REJECT/AWARD**

(5) The City of Edinburg reserves the right to reject any or all RFP's, to waive any or all formalities or technicalities, and to make such awards of contract as may be deemed to be the best and most advantageous to the City of Edinburg.

#### **ASSIGNMENT**

(6) Respondents are advised that the City of Edinburg shall not allow the successful respondent to sell, assign, transfer, or convey any part of any contract resulting from this RFP in whole or in part, to a third party without the written approval of the City of Edinburg.

#### **AWARD**

(7) Respondents are advised that the City of Edinburg is soliciting RFP's and award shall be made to the respondent that in the opinion of the City of Edinburg is the best qualified.

#### **NUMBER OF CONTRACTS**

(8) THE CITY reserves the right to award one, more than one, or no contract(s) in response to this RFP.

#### **STATUTORY REQUIREMENTS**

(9) It shall be the responsibility of the successful respondent to comply with all applicable State & Federal laws, Executive Orders and Municipal Ordinances, and the Rules and Regulations of all authorities having jurisdiction over the work to be performed hereunder and such shall apply to the contract throughout, and that they will be deemed to be included in the contract as though written out in full in the contract documents.

#### **ALTERATIONS/AMENDMENTS TO RFP**

(10) RFP **CANNOT** be altered or amended after opening time. Alterations made before opening time must be initiated by respondent guaranteeing authenticity. No RFP may be withdrawn after opening time without acceptable reason in writing and only after approval by the City of Edinburg.

#### **NO RESPONSE TO RFP**

(11) If unable to submit a RFP, respondent should return inquiry giving reasons.

#### **LIST OF EXCEPTIONS**

(12) The respondent shall attach to his/her RFP a list of any exceptions to the specifications/ requirements.

#### **PAYMENT**

(13) The City of Edinburg will execute payment by mail in accordance with the State of Texas Pay Law after SERVICES have been completed, introduced to the City, and found to meet City of Edinburg specifications/requirements. No other method of payment will be considered.

#### **SYNONYM**

(14) Where in this solicitation package SERVICES is used, its meaning shall refer to the request for WORKER'S COMPENSATION AND STOP LOSS INSURANCE COVERAGE as specified.

### **RESPONDENT'S EMPLOYEES**

(15) Neither the Respondent nor his/her employees engaged in fulfilling the terms and conditions of this Service Contract shall be considered employees of the City. The method and manner of performance of such undertakings shall be under the exclusive control of the vendor on contract. The City shall have the right of inspection of said undertakings at any time.

### **INDEMNIFICATION CLAUSE**

(16) The Respondent agrees to indemnify and save harmless the City, from all suits and actions of every nature and description brought against them or any of them, for or on account of the use of patented appliances, products or processes, and he shall pay all royalties and charges which are legal and equitable. Evidence of such payment or satisfaction shall be submitted upon request of the Purchasing Agent, as a necessary requirement in connection with the final estimate for payment in which such patented appliance, products or processes are used

### **INTERPRETATIONS**

(17) Any questions concerning the project and/or specifications/requirements with regards to this solicitation for statement(s) of qualifications shall be directed to the designated individuals as outlined in the RFP. Such interpretations, which may affect the eventual outcome of this request for statements of qualifications, shall be furnished in writing to all prospective Respondents via Addendum. No interpretation shall be considered binding unless provided in writing by the City of Edinburg in accordance with paragraph entitled "Addenda and Modifications".

### **VERBAL THREATS**

(18) Any threats made to any employee of the City, be it verbal or written, to discontinue the providing of item/material/services for whatever reason and/or reasons shall be considered a breach of contract and the City will immediately sever the contract with the Respondent/Consultant on contract.

### **CONFIDENTIAL INFORMATION**

(19) Any information deemed to be confidential by the respondent should be clearly noted on the pages where confidential information is contained; however, the City cannot guarantee that it will not be compelled to disclose all or part of any public record under Texas Public Information Act, since information deemed to be confidential by the respondent may not be considered confidential under Texas Law, or pursuant to a Court order.

### **PAST PERFORMANCE**

(20) Respondent's past performance shall be taken into consideration in the evaluation of RFP submittal.

### **JURISDICTION**

(21) Contract(s) executed as part of this solicitation shall be subject to and governed under the laws of the State of Texas. Any and all obligations and payments are due and performable and payable in Hidalgo County, Texas.

### **RIGHT TO AUDIT**

(22) The City of Edinburg reserves the right to audit the vendor's books and records relating to the performance of this contract. The City of Edinburg, at its own expense, shall have the right at all reasonable times during normal business hours and upon at least twenty-four (24) hours' advance notice, to audit, to

examine, and to make copies of or extracts from the books of account and records maintained by the vendor(s) with respect to the Supply/Service and/or Purchase Contract. If such audit shall disclose overpayment by City to vendor, written notice of such overpayment shall be provided to the vendor and the amount of overpayment shall be promptly reimbursed by vendor to the City. In the event any such overpayment is not paid within ten (10) business days after receipt of such notice, the unpaid amount of such overpayment shall bear interest at the rate of one percent (1%) per month from the date of such notice until paid.

#### **VENUE**

(23) The parties agree that venue for purposes of any and all lawsuits, cause of action, arbitration, and/or any other dispute(s) shall be in Hidalgo County, Texas.

#### **CONFLICT OF INTEREST**

(24) CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of the City of Edinburg not later than the 7th business day after the date the person becomes aware of facts that require the statement be filed. See Section 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor. For more information or to obtain Questionnaire CIQ visit the Texas Ethics Commission web page at [www.ethics.state.tx.us/forms/CIQ.pdf](http://www.ethics.state.tx.us/forms/CIQ.pdf).

**IF YOU HAVE ANY QUESTIONS ABOUT COMPLIANCE, PLEASE CONSULT YOUR OWN LEGAL COUNSEL. COMPLIANCE IS THE INDIVIDUAL RESPONSIBILITY OF EACH PERSON OR AGENT OF A PERSON WHO IS SUBJECT TO THE FILING REQUIREMENT. AN OFFENSE UNDER CHAPTER 176 IS A CLASS "C" MISDEMEANOR.**

#### **CONFIDENTIALITY OF INFORMATION AND SECURITY**

(25) Should the successful respondent become the holder of and have access to confidential information in the process of fulfilling its responsibilities in connection with an awarded contract the successful respondent agrees that it shall keep such information confidential and will comply fully with the laws and regulations of the State of Texas, ordinances and regulations of the City, and any applicable federal laws and regulations relating to confidentiality.

#### **TERMINATION OF CONTRACT**

(26) The City of Edinburg reserves the right to terminate the contract if, in the opinion of the City of Edinburg, the successful vendor's performance is not acceptable, no funds are available, or if the City wishes, without cause, to discontinue this contract. Termination will be in written form allowing a 30-day notice.

#### **RESPONSE DEADLINE**

(27) Responses to the RFP must be addressed to City Secretary, City of Edinburg, 415 W. University Drive by **Monday, July 21, 2014 until 3:00 p.m.** for consideration. An original and one (1) duplicate set of the response must be submitted no later than this date and time in a sealed envelope indicating that its contents are in response to the RFP for "WORKER'S COMPENSATION AND STOP LOSS INSURANCE COVERAGE". Respondents are advised that all confidential records must be submitted in a separate sealed envelope and marked accordingly.

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c/o City Secretary Department (1<sup>st</sup> Floor)

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### **ADDENDA AND MODIFICATIONS**

(28) Any changes, additions, or clarifications to the RFP are made by amendments (addenda). Any respondent in doubt as to the true meaning of any part of the RFP or other documents may request an interpretation from the Purchasing Division. At the request of the respondent, or in the event the Purchasing Division deems the interpretation to be substantive, the interpretation will be made by written addendum. Said Addenda shall be mailed, e-mailed, hand delivered and/or faxed, to all prospective respondents. All Addenda issued in respect to this RFP shall be considered official changes to the original documents. Verbal statements in response to inquiries and/or requests for explanations shall not be authoritative or binding. It shall be the respondent's responsibility to ensure that they have received all Addenda in respect to this project. Furthermore, respondents are advised that they must recognize, comply with, and attach a signed copy of each Addendum which shall be made part of their RFP Submittal. Respondent(s) signature on Addenda shall be interpreted as the respondent's "recognition and compliance to" official changes as outlined by the City of Edinburg and as such are made part of the original solicitation documents. Failure of any respondent to receive any such addendum or interpretation shall not relieve such respondent from its terms and requirements. The City may issue a written addendum no later than five calendar days prior to the date bids must be received. Addendums are available online at [www.cityofedinburg.com](http://www.cityofedinburg.com).

### **RFP PREPARATION COSTS**

(29) The City of Edinburg shall not be held liable for any costs incurred by any respondent for work performed in the preparation of and production of a RFP or for any work performed prior to execution of contract.

### **EQUAL EMPLOYMENT OPPORTUNITY**

(30) Respondent agrees that they will not discriminate in hiring, promotion, treatment, or other terms and conditions of employment based on race, sex, national origin, age, disability, or in any way violate Title VII of 1964 Civil Rights Act and amendments, except as permitted by said laws.

### **AUTHORIZATION TO BIND RESPONDENT TO RFP**

(31) RFP's MUST give full firm name and address of respondent, and be manually signed. Failure to do so will disqualify your RFP. Person signing bid must show title or AUTHORITY TO BIND HIS/HER FIRM IN A CONTRACT. Firm name and authorized signature must appear on each page that calls for this information. The legal status of the Respondent whether corporation, partnership, or individual, shall also be stated in the RFP. A corporation shall execute the RFP by its duly authorized officers in accordance with its corporate by-laws and shall also list the state in which it is incorporated. A partnership Respondent shall give full names and addresses of all partners. All partners shall execute the RFP. Partnership and Individual Respondent shall state in the proposal the names and addresses of all persons with a vested interest therein. The place of

residence of each Respondent, or the office address in the case of a firm or company, with county and state and telephone number, shall be given after the signature.

**BRAND OR MANUFACTURER REFERENCE**

(32) Unless otherwise specified, any catalog or manufacturer's reference or brand name used in describing an item is merely descriptive, and not restrictive, and is used only to indicate type and style of product desired. Proposals on alternate brands will be considered if they meet specification requirements. If a bidder quotes on equipment other than the one(s) specified in the bid, sufficient specifications and descriptive (pictured literature) data must accompany same to permit thorough evaluation. In the absence of these qualifications, he/she will be expected to furnish the product called for.



## **Request for Proposals**

Workers' Compensation and  
Stop Loss Insurance Coverage

**RFP #2014-015**





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# REQUEST FOR PROPOSALS

## Specifications and Underwriting Information

### *Workers' Compensation and Stop Loss Insurance Coverage*

1. Sealed proposals shall be received by 3:00 p.m., Monday, July 21, 2014 at the office of the City Secretary, at which time all proposals will be publicly opened. Proposals received after the deadline will be returned to sender unopened. The City of Edinburg is not responsible for problems with postal or delivery service.
2. The sealed proposals shall be received in duplicate and addressed to:

**CITY OF EDINBURG**  
**c/o City Secretary**  
**415 West University**  
**P. O. Box 1079**  
**Edinburg, Texas 78540-1079**

The envelope shall be clearly identified as follows:

**Workers' Compensation and Stop Loss Insurance Coverage**  
**RFP # 2014-015**

Proposals submitted via facsimile or e-mail shall not be accepted.

3. Due care and diligence has been used in the preparation of this information, and it is believed to be substantially correct. However, the responsibility for determining the full extent of the exposure and verification of all information presented herein shall rest solely upon the proposer.

The City of Edinburg and its representatives will not be responsible for any errors or omissions in these specifications nor for the failure on the part of the proposer to determine the full extent of the exposures.

4. The City of Edinburg reserves the right to renegotiate the term of this coverage. The City of Edinburg shall reserve the right to renew (annually) the contract with the selected proposer, provided that proof is shown that said insurance carrier is providing the lowest possible rate at time of renewal. Tentative award date is Tuesday, August 19, 2014.
5. The City of Edinburg expressly reserves the right to reject any or all proposals, or waive any formalities in any proposal, in its own best interest and also hold the proposals for a period of ninety (90) days after publicly opening the proposal without taking action thereon. The City intends to

review all aspects of the proposals to determine the best overall program for the City at this time. Since there are important considerations involved in selecting a carrier in addition to rates, the City will not be required to accept the lowest proposal. Failure to manually sign proposal will disqualify it. Person signing proposal should show title or authority to bind their firm to a contract.

6. All rates shall be guaranteed for twelve (12) months, or longer, to be billed beginning October 1, 2014. However, the City of Edinburg reserves the right to accept a guarantee of more than twelve (12) months if it is in the City's interest.
7. The company shall reference its proposal in the same order as provided in the specifications. Any company seeking to provide or underwrite insured programs for the City of Edinburg must respond to appropriate sections of these specifications and must meet all conditions or standards listed in these specifications.
8. The City of Edinburg currently has an agent of record for Fiscal Year 2013-2014. The City reserves the right to select the agent of record for the FY 2014-2015 policy, if it is in the City's best interest. If applicable, the agent will service the policy on an annual basis provided that said agent is providing acceptable service at an acceptable cost. The agreement may be terminated by the City with thirty (30) days written notice.
9. The City of Edinburg, herewith referred to as the "Planholder" is requesting proposals to solicit competitive quotes for the Workers' Compensation and Stop Loss Insurance coverage.

## **Part I**

### **QUALIFICATIONS OF PROPOSER**

**Please read carefully.** The Planholder is not required to consider any proposal that does not comply with the criteria set forth herein. All proposers **shall utilize** the "Request for Proposal Form" (Part VI, pages 7 – 22).

1. All companies and agents submitting proposals must be licensed by the State of Texas and have a demonstrated level of good performance with public entities, including municipalities.
2. The agent must have an errors and omissions policy with a minimum limit of \$500,000. **A copy of policy shall be furnished with your proposal.**
3. The company must be recommended in the latest edition of A. M. Best's Insurance Reports with a general policyholder's rating of "B+"- or better with

no contingency rating. **The agent shall furnish A. M. Best's policyholder rating for each company with which coverage is being quoted.**

4. Any agent or agency submitting a proposal must be licensed by the carrier stipulated therein at the time it is submitted.
5. The agent and company must have a willingness to commit to specified levels of performance for services and quality in "Agent Scope of Services" see (Exhibit B).
6. The company and agent must provide sufficient telephone service, preferably toll-free service, to handle inquiries directly from plan participants.

## **Part II**

### **DESCRIPTION OF THE RISK**

1. **NAME OF INSURED:**  
City of Edinburg, Texas
2. **EFFECTIVE DATE:**  
October 1, 2014
3. **TERMS:**  
October 1, 2014 through September 30, 2015  
One (1) year contract or better.
4. It is the intent of these specifications to establish a Workers' Compensation Coverage and Stop Loss Plan contract with proposer for the following Full-time Employees, Volunteer Firefighters, Police Reserves, Volunteers, Permanent Part-Time, Part-Time Seasonal, and Elected Officials.

## **Part III**

### **ADMINISTRATION OF CLAIMS**

1. Proposer will act as a third party claims administrator or contractual claims administrator, for the express purpose of administering the Planholder Benefit Plan.

The proposer will be responsible for, but not limited to the following:

- a. Consulting and Installation of the Plan. Reviewing carrier policies to assure they meet specifications.
- b. Drafting of the Plan Document or Master Contract and announcement material.
- e. The proposer will analyze all statistical data for future cost projections. Periodic meetings will be held to advise City staff on these projections.
- f. Original contracts for all carriers will be filed with the Planholder.
- g. Processing and payment of all claims within ten (10) days of receipt from employees, hospital, or doctor.
- h. Proposals must include an agreement to furnish quarterly reports of all paid claims showing claimants name, plan year to date amount paid, lag report that indicates incurred date and payments for claims of \$10,000 or more, nature summary, etc. These reports must be furnished within fifteen (15) days of the end of each previous quarterly period.
- i. The proposer will honor and assist in administering any discount plan, which the City has arranged with the Rio Grande Valley Area.
- j. Processing and payment of administrative fees and premiums will be done on a monthly basis.
- k. Necessary Government Filings.
- l. Provide Stop-Loss Excess Workers' Compensation Insurance

**Part IV**

**CENSUS DATA OVERVIEW**

1. Workers' Compensation Payroll Classification Schedule:

Class Code	Payroll Amount	Employee	Outside Vol.	Volunteer Firefighters	Police Reserves	Elected Officials, Boards, Commissions	Inside Vol.
0042	49,512	1					
4511	369,417	11					
5506	1,004,312	43					
6306	122,713	4					
6319	643,074	31					
7520	849,960	42					
7580	800,514	29					
7704	1,484,351	35					
7720	8,115,340	151					
8391	73,341	4					
8742	391,301	4					
8810	5,902,655	192					
8831	93,742	4					
8838	998,110	45					
9015	646,335	28					
9060	829,710	45					
9102	3,255,607	515					
9403	1,971,474	91					
37240			73				
7704V				72			
7720V					9		
8742F						154	
8742I							99
<i>Totals . . . .</i>	<i>27,601,474</i>	<i>1275</i>	<i>73</i>	<i>72</i>	<i>9</i>	<i>154</i>	<i>99</i>

## **Part V**

### **SUMMARY OF CURRENT BENEFITS**

#### **HISTORY OF WORKERS' COMPENSATION PROVIDER**

11/01/2009 – Present	TRISTAR Risk Management (self funded)
8/24/1981 – 10/31/09	Texas Municipal League Intergovernmental Risk Pool

#### **Workers' Compensation**

1. **Coverages/Limits:** Statutory
2. **Deductible if any:** None
3. **Other Provisions**
  - a. The Planholder's current experience modification factor is .96. The effective date of the experience modification factor is October 1, 2008. This factor must be used by all proposers.
  - b. Proposal must state if premium is guaranteed or subject to retrospective rating or other year-end adjustment.
  - c. Volunteer coverage is requested.

#### **Stop-loss Excess Insurance**

1. **Specific Retention:** \$350,000 except \$750,000 for police/fire
2. **Employer Liability Limit:** \$1,000,000
3. **Aggregate Limit:** \$1,000,000
4. **Maximum Loss Accruing Aggregate:** \$350,000

**Part VI**

**REQUEST FOR PROPOSAL FORM**

**ONLY THOSE PROPOSALS SUBMITTED ON THIS FORM AND IN DUPLICATE WILL BE CONSIDERED. ALL OTHERS WILL BE REJECTED AND DISQUALIFIED.**

This form must include **ALL COSTS OF THE PROGRAM**. This should include fixed costs, prescription plan, cost containment options, and all printing expenses and miscellaneous expenses. The costs should be quoted per monthly charge.

All costs must be shown at the time of the proposal. We reserve the right to get written clarification of any benefits you propose.

The Planholder is interested in determining the cost or savings related to various changes in plan coverage. After quoting rates to duplicate proposed benefits, please provide the cost or savings related to changes in coverage as a rate change to the base monthly rates.

**1. WORKERS' COMPENSATION**

Agency: \_\_\_\_\_

Carrier: \_\_\_\_\_

PREMIUM

\$ \_\_\_\_\_

a. Statutory workers' compensation coverage:

b. \*All bidders shall use an experience modifier of .96.

Effective date of modifier: October 1, 2010

c. Any other applicable discounts or surcharges: \_\_\_\_\_

d. \*\* Other charges: \$ \_\_\_\_\_

e. Coverage included for volunteers? Yes \_\_\_\_\_ No \_\_\_\_\_

f. Deductible, if any: \$ \_\_\_\_\_

g. Payroll: \$ \_\_\_\_\_

h. Audit at conclusion of coverage period? Yes \_\_\_\_\_ No \_\_\_\_\_

\* Alternative bids may be submitted using a different modifier. You must identify the modifier used and the reason for using it in lieu of the stipulated modifier.

\*\* Explain what "other charges" are.

**2. CLAIMS ADMINISTRATION SERVICES**

Agency: \_\_\_\_\_

**General: (APPLIES TO ALL COVERAGES QUOTED)**

(1.) What is the location of the office that will handle the Planholder's claims?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(2.) Is there 24-hour claims service? Yes \_\_\_ No \_\_\_

(3.) Will the entity be consulted on the disposition of all liability claims? Yes \_\_\_ No \_\_\_

(4.) Will the entity receive quarterly loss-run reports? Yes \_\_\_ No \_\_\_

(5.) Does the premium quoted include service to handle claims to their conclusion if coverage is cancelled or non-renewed? Yes \_\_\_ No \_\_\_

If no, what will the additional fee be? \$ \_\_\_\_\_

(6.) Fee Structure: (If charged in addition to premium quoted.)

Service	Fee Basis
_____	_____
_____	_____

(7.) Please attach any additional information that is relevant to your claims services.

(8.) Please attach copies of claims reporting guidelines that the insured must comply with, as well as samples of all claims reporting forms used.

(9.) Does your agency contract directly with physicians? Yes \_\_\_ No \_\_\_

**3. CLAIMS ADMINISTRATION SERVICES**

Workers' Compensation:

(1.) Do you provide the following services within the terms of the contract and quoted fee? (If available for an additional fee, please indicate and list fee).

	Yes	No	Additional Fee
Representation at all Benefit Review Conferences (BRC)	___	___	_____
Representation at Contested Case Hearings (CCH)	___	___	_____
Legal representation at BRC/CCH	___	___	_____
Does your firm select the law firm or will the entity have the ability to select the law firm of its choosing?	___	___	_____
Periodic (monthly or quarterly) visits with adjuster	___	___	_____
How often?	_____		
Will on-line computer access to entity's loss data be available?	___	___	_____
Retaining of private investigator (PI), when necessary	___	___	_____
Computer generated claims reports/updates	___	___	_____
Provide a dedicated adjuster	___	___	_____
Handle claim for the life of claim	___	___	_____
Provide for medical review where necessary	___	___	_____

(2.) Briefly describe how your company sets reserve limits:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(3.) Estimate the average number of claims assigned to each adjuster:

\_\_\_\_\_

(4.) Provide a list of names, experience, and qualifications of the personnel who will serve as claims adjusters.

(5.) Provide a list of other public entities, if any, does your firm administer claims for.

(6.) Is there an additional claims handling fee for the life of the claim if coverage is cancelled or non-renewed? If yes, specify fees:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

- (7.) If open claims are moved to a TPA of the entity's choice upon contract termination, is coverage still provided for claims that occurred during the policy period, but were unknown and not reported to the entity?
- 

**4. LOSS PREVENTION SERVICES**

Agency: \_\_\_\_\_

Loss Prevention Provider: \_\_\_\_\_

Local governments need Loss Prevention/Control services that address the risks that are unique to cities and other governmental entities. It is essential that anyone providing Loss Prevention/Control services to the entity be knowledgeable and experienced in serving local governmental entities. We need the following information to better analyze the services to be provided to the entity.

- |                                                                                                                                                                                                                                                                                            | Yes | No  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| (1.) Do your loss prevention services include access to loss prevention staff who are: 1) experienced in identifying potential exposures unique to local governments, and 2) qualified to offer training and other specific services necessary to reduce the potential exposure to losses? | ___ | ___ |

- (2.) Are the specialists who will provide services knowledgeable in the following areas?

	Yes	No
Public Safety (fire, police, emergency medical)	___	___
Public Utilities (water and wastewater)	___	___
Gas and Electric utility operations	___	___
Public Works (streets & solid waste)	___	___
Building Construction	___	___
Employment Issues	___	___
General operations of local government's	___	___
Liability, property, and workers' compensation coverages	___	___

*(Please attach list of qualifications of the loss prevention staff who will be assigned to service our entity.)*

- |                                                                                                                     |     |     |
|---------------------------------------------------------------------------------------------------------------------|-----|-----|
| (3.) Do you have instructors and classes certified by agencies such as TCLEOSE, the Fire Commission, and the TNRCC? | ___ | ___ |
|---------------------------------------------------------------------------------------------------------------------|-----|-----|

- |                                                                                                                                                                                                                                                      |     |     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| (4.) Will Loss Prevention specialists perform an on-site survey of the operations and facilities and provide the entity with written recommendations along with appropriate up-to-date resource information to help address potential problem areas? | ___ | ___ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|

- (5.) Do you have a class of recommendations that the entity is required

- to comply with for the coverage to remain in effect? \_\_\_\_\_
- (6.) Will you provide reports analyzing losses and recommending actions to minimize adverse claims trends? \_\_\_\_\_
- (7.) Are resources (i.e. sample policies, safety manuals, checklists, etc) available to support development and implementation of Loss Prevention Programs ? \_\_\_\_\_
- (8.) Can you arrange for Industrial Hygiene services including air sampling, noise monitoring, and asbestos and lead identification? Is the cost included in the premiums for coverage? \_\_\_\_\_
- (9.) Do you have a video library?  
If yes, provide a list of videos which address safety issues applicable to local government operations which will be available for use by the entity. \_\_\_\_\_
- (10.) Are the costs of the above loss prevention services included in the premiums for coverages? If not, please give the additional costs. \_\_\_\_\_

Service	Fee

- (11.) Do you provide the following training within the cost of the coverages? (If available for an additional fee, please indicate the fee.)

	Yes	No	Additional Fee
Accident Investigation	_____	_____	\$ _____
Supervisory and Safety Training	_____	_____	\$ _____
Job Safety Analysis	_____	_____	\$ _____
Self Inspections	_____	_____	\$ _____
Driver Training	_____	_____	\$ _____
Personnel Issues	_____	_____	\$ _____
Public Officials Liability	_____	_____	\$ _____
Law Enforcement Liability	_____	_____	\$ _____
Playground, parks and recreation (including swimming pools)	_____	_____	\$ _____
Back Prevention	_____	_____	\$ _____
Operation of Emergency Vehicles (police and fire)	_____	_____	\$ _____
Confined Space Entry	_____	_____	\$ _____
Trench Safety	_____	_____	\$ _____
Public Works & Utilities Safety	_____	_____	\$ _____
Dispatcher	_____	_____	\$ _____
Sexual Harassment/Cultured Diversity Workplace	_____	_____	\$ _____

5. STOP-LOSS EXCESS INSURANCE

- (1.) Specific Retention \_\_\_\_\_
- (2.) Specific Limit \_\_\_\_\_
- (3.) Employers Liability Limit \_\_\_\_\_
- (4.) Aggregate Limit \_\_\_\_\_
- (5.) Maximum Loss Accruing Aggregate \_\_\_\_\_
- (6.) Terrorism Charge \_\_\_\_\_

**WORKERS' COMPENSATION PLAN**

**ONLY THOSE PROPOSALS SUBMITTED ON THIS FORM AND IN DUPLICATE WILL BE CONSIDERED. ALL OTHERS WILL BE REJECTED AND DISQUALIFIED.**

1. ADMINISTRATION COSTS

	<u>Per Insured</u>	1275	<u>Per Month</u>
(1.) Claims Administration Fee	_____		_____
(2.) Plan Document or Master Contract	_____		_____
(3.) Finance Charge	_____		_____
(4.) Set-up costs	_____		_____
(5.) Consulting & Claims Liaison	_____		_____
(6.) Broker Fee or Commission	_____		_____
(7.) Taxes	_____		_____
(8.) Credit for payment in full at the beginning of the policy period.	_____		_____

(9.) Discount program with hospital and pharmacies \_\_\_\_\_

(10.) Total Costs =====

(11.) Other Costs (Explain Below) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(12.) Are set up fees a one time cost?  
Explain:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(13.) What is the cost to administer run-in claims? (Incurred during past carrier's coverage)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**2. ADMINISTRATION COSTS (ALTERNATE PROPOSAL)**

(Please feel free to submit other alternate proposals on separate sheet, if applicable.)

	<u>Per Insured</u>	1275	<u>Per Month</u>
(1.) Claims Administration Fee	_____		_____
(2.) Plan Document or Master Contract	_____		_____
(3.) Finance Charge	_____		_____
(4.) Set-up costs	_____		_____
(5.) Consulting & Claims Liaison	_____		_____
(6.) Broker Fee or Commission	_____		_____
(7.) Taxes	_____		_____
(8.) Credit for payment in full at the beginning of the policy period.	_____		_____
(9.) Discount program with hospital and pharmacies	_____		_____
(10.) Total Costs	=====		=====
(11.) Other Costs (Explain Below)	_____		_____
	_____		_____
	_____		_____

(12.) Are set up fees a one time cost?

Explain:

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(13.) What is the cost to administer run-in claims? (Incurred during past carrier's coverage)

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***IF PREMIUM QUOTE INCLUDES AGENT COMMISSION, PLEASE PROVIDE FOLLOWING INFORMATION:***

a. Agent commission formula & estimated annual commission:

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b. Are agent commissions negotiable?  YES  NO  
*Comments:*

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c. Copy of agent's E&O Insurance Certificate.

d. Copy of agent's insurance license.

e. Name/Mailing Address for Agent & Local Service Office:

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f. Agent's relationship with insurance company (length of time, number of groups, amount of premium):

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g. Agent services to be provided:

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h. Agent experience with insurance company:

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i. Please attach biographical information for each agent in local service office.

**3. DEVIATIONS:**

Indicate any deviations or qualifications of the proposed plan.

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**4. COST/SAVINGS RECOMMENDATIONS:**

The Planholder is interested in determining the cost or savings related to various changes in plan coverage. After quoting rates to duplicate proposed benefits, please provide the cost or savings related to changes in coverage as a rate change to the base monthly rates.

**REQUEST FOR PROPOSAL RESPONSE FORM**

**WORKERS' COMPENSATION AND STOP LOSS INSURANCE COVERAGE**

Name of Company/Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone # \_\_\_\_\_ Facsimile # \_\_\_\_\_

Current A. M. Best Rating: \_\_\_\_\_

*(Shall furnish copy of policyholder rating for each company with which coverage is being quoted)*

\*\*\*\*\*

Name of Agent: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Telephone # \_\_\_\_\_ Facsimile # \_\_\_\_\_

Number of Years in Business \_\_\_\_\_

*(Must enclose E & O Certificate of Insurance)*

**Proposal Format**

**IMPORTANT:**

In order for your proposal to receive consideration, you must complete the certification statement below acknowledging that you have full knowledge of the requirements for providing insurance programs to the City of Edinburg.

**CERTIFICATION STATEMENT**

The undersigned does hereby declare that they have read the specifications for the Workers' Compensation Insurance and with full knowledge for the requirements, does hereby agree to furnish the coverage in full accordance with the specifications and requirements.

I certify that \_\_\_\_\_ and its response  
*(Name of Company/Organization)*  
complies with these specifications.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Type/Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## NON-COLLUSIVE REQUEST FOR PROPOSAL CERTIFICATE

By submission of this proposal, the PROPOSER certifies that:

- (a) This proposal has been independently arrived at without collusion with any other proposer or with any competitor;
- (b) This proposal has not been knowingly disclosed and will not be knowingly disclosed, prior to the opening of the proposals for this project, to any other proposer, competitor, or potential competitor;
- (c) No attempt has been or will be made to induce any other person, partnership or corporation to submit or not to submit a proposal;
- (d) The person signing this proposal certifies that he has fully informed himself regarding the accuracy of the statements contained in this certification, and under the penalties being applicable to the proposer as well as to the person signing in its behalf.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Type/Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name of Company/Organization

\_\_\_\_\_  
Date

**REFERENCES**

Please provide the Planholder with three (3) references that have been insured with your company for at least three (3) years.

Company Name: \_\_\_\_\_

Name of Proposer: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ # of Employees: \_\_\_\_\_

Company Name: \_\_\_\_\_

Name of Proposer: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ # of Employees: \_\_\_\_\_

Company Name: \_\_\_\_\_

Name of Proposer: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ # of Employees: \_\_\_\_\_

**TERMINATIONS**

Please provide the Planholder with three (3) references that have terminated with your company in the past year.

Company Name: \_\_\_\_\_

Name of Proposer: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ # of Employees: \_\_\_\_\_

Company Name: \_\_\_\_\_

Name of Proposer: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ # of Employees: \_\_\_\_\_

Company Name: \_\_\_\_\_

Name of Proposer: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ # of Employees: \_\_\_\_\_

## DECLARATION OF COMPLIANCE

The undersigned does hereby declare that they have read the Request for Proposal on which they are submitting a proposal with full knowledge of the requirements, and does hereby agree to furnish all services in full accordance with the requirements outlined in the Request for Proposal.

The proposer affirms that, to the best of their knowledge, the proposal has been arrived at independently and is submitted without collusion to obtain information or gain any favoritism that would in any way limit competition or give unfair advantage over other proposers.

The undersigned hereby declares that they have the authority to represent the proposer in submitting this proposal at the unit prices and level of services herein after notice of proposal award.

Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip Code: \_\_\_\_\_  
Contact Person/Agent: \_\_\_\_\_  
Area Code & Phone Number: \_\_\_\_\_  
Authorized Signature: \_\_\_\_\_  
Typed Name of Signatory: \_\_\_\_\_  
Title of Signatory: \_\_\_\_\_  
Date: \_\_\_\_\_

# EXHIBIT

# A

City of Edinburg  
TRISTAR Risk Management  
Workers' Compensation Insurance  
Premiums/Claims History

**City of Edinburg  
Workers' Compensation Insurance  
Premiums/Claims History  
(As of March 2014)**

<b>TIME PERIOD</b>	<b>PREMIUMS PAID</b>	<b>NUMBER OF CLAIMS</b>	<b>CLAIMS INCURRED</b>	<b>CLAIMS PAID</b>
11/01/2009 through 09/30/2010	\$164,213	92	\$263,472	\$263,472
10/01/2010 through 09/30/2011	\$185,038	119	\$302,928	302,928
10/01/2011 Through 09/30/2012	\$180,750	93	\$514,003	\$466,613
10/01/2012 thru 04/30/2013	\$181,121	86	\$284,765	\$271,065
10/01/2013 thru 04/30/2014	\$196,368	50	\$366,667	\$137,905

# EXHIBIT B

TML-IRP Risk Management Information Reports  
Workers' Compensation  
Summary of Claim Experience



# Risk Management Information Reports

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## Workers' Compensation

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9460  
FINANCIAL SUMMARY  
EDINBURG  
AS OF 3/31/2014

EXPERIENCE	ACCIDENTS OR LOSSES REPORTED				NET CLAIMS WITH SOME DOLLAR VALUE			NET CLAIM LOSS RATIO		
	NUMBER	TOTAL INCURRED	RECOVERIES	INCURRED DEDUCTIBLE	INCURRED UNPAID DEDUCTIBLE	NUMBER	NET INCURRED		PAID TO DATE	RESERVE OUTSTANDING
WORKERS COMPENSATION - POOL										
10-01-08	4	26,369	1,267	0	0	4	25,102	25,102	0	35.9%
10-01-07	80	360,582	5,758	0	0	79	354,823	354,823	0	42.0%
10-01-06	106	452,303	13,904	0	0	104	438,399	438,399	0	53.1%
10-01-05	98	488,443	2,749	0	0	89	485,694	485,694	0	58.9%
10-01-04	120	389,188	11,632	0	0	115	377,556	377,556	0	45.8%
10-01-03	121	521,979	5,874	0	0	114	516,105	516,105	0	59.7%
10-01-02	118	590,379	45,724	0	0	112	544,655	544,655	0	75.1%
10-01-01	96	530,916	13	0	0	94	530,903	530,903	0	95.3%
10-01-00	87	535,023	13,519	0	0	81	521,504	521,504	0	184.5%
10-01-99	94	763,794	19,133	0	0	89	744,661	744,661	0	291.5%
10-01-98	49	132,558	1,322	0	0	48	131,236	131,236	0	76.6%
10-01-97	67	288,188	1,983	0	0	62	287,205	287,205	0	171.7%
10-01-96	65	175,688	1,589	0	0	61	174,100	174,100	0	81.1%
10-01-95	76	75,480	108	0	0	72	75,372	75,372	0	31.1%
10-01-94	60	114,750	27,804	0	0	57	86,946	86,946	0	33.8%
10-01-93	68	205,180	244	0	0	65	204,936	204,936	0	55.6%
10-01-92	68	107,455	10,296	0	0	66	97,159	97,159	0	27.5%
10-01-91	68	430,485	3,310	0	0	66	427,175	427,175	0	93.0%
10-01-90	62	224,924	36,161	0	0	61	188,763	188,763	0	33.4%
10-01-89	65	293,012	9,894	0	0	61	283,119	283,119	0	74.8%
10-01-88	52	190,677	14,600	0	0	51	176,077	176,077	0	76.8%
10-01-87	65	326,434	37	0	0	64	326,397	326,397	0	151.3%
10-01-86	65	393,851	54,941	0	0	63	338,910	338,910	0	181.5%
10-01-85	90	140,265	2,104	0	0	87	138,161	138,161	0	104.5%
10-01-84	91	469,680	0	0	0	89	469,680	469,680	0	527.9%
10-01-83	80	54,231	1,000	0	0	78	53,231	53,231	22,254	44.1%
COV. TOTAL	2,015	8,281,835	283,966	0	0	1,932	7997,869	7975,616	22,254	78.6%

SUMMARY OF CLAIM EXPERIENCE  
01-10-69 THRU 03-31-14 AS OF 03-31-14

# EXHIBIT C

Agent Scope of Services

# AGENT SCOPE OF SERVICES

**To include but no be limited to:**

1. Shall act as a liaison between the City and insurance company.
2. Shall meet with the Department of Personnel Risk Management Division every 2 weeks to address any unresolved concerns or issues that there may be regarding the coverage.
3. Shall submit a written follow-up report to the Department of Personnel Risk Management Division regarding any concerns or issues within ten (10) business days.
4. Shall coordinate the initial enrollment process.
5. Shall coordinate meetings as requested by the City with departments and/or employees.

**List any additional services to be provided by the agent.**

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