Fire Risk Management Services (FRMS)
Request for Proposals (RFP): Health Benefits Consulting & Administrative Services

RFP Release Date: February 12, 2026
Amended Date: March 12, 2026

1) Introduction & Overview of FRMS

Fire Risk Management Services (FRMS) is a California joint powers authority (JPA) and member-directed risk-sharing pool serving the fire service community. FRMS was formed through the consolidation of the Fire Districts Association of California – Employee Benefits Authority (FDAC EBA) and the Fire Agencies Self Insurance System (FASIS). FRMS provides multi-line coverage solutions, including employee health benefits and workers' compensation, for eligible public agencies across California.

The FRMS consolidation and governing JPA framework were approved effective July 1, 2023, to deliver rate stability, broad coverage, and expanded services for FRMS members. FRMS contracts with Sedgwick for day-to-day JPA administration.

2) RFP Schedule (Anticipated Timeline)

1. RFP Issue Date: February 12, 2026
2. Questions Due: March 3, 2026 by 2:00 p.m. PST
3. Proposals Due: March 23, 2026 by 2:00 p.m. PST
4. Interviews (if needed): April 6-10, 2026
5. Notice of Intent to Award: April 27, 2026
6. Board Consideration/Approval: April 2026 Board meeting
7. Contract Start / Service Commencement: **July 1, 2026**
8. Initial Term: Three (3) years, with two (2) optional one-year renewals

Note: FRMS may adjust dates at its discretion. Any changes will be communicated via written addendum.

3) Scope of Services

The selected vendor will work closely with the FRMS Board of Directors and administrative staff to help manage the ongoing success of FRMS programs (dental, vision, and AD&D), including benefits consulting, client service, financial analysis, actuarial modeling, contract renewals and negotiations, and program marketing and communication support. There are approximately 2000 people currently enrolled in this program. Ideally, the selected vendor will dedicate at least one consultant, with additional specialty support (e.g., underwriting, marketing, wellness, compliance, and legal review). FRMS had a medical benefits program which ended January 01, 2026.

FRMS is governed by public officials and staffed by contractors; the selected vendor must provide expert, educational, and objective advice aligned with the standard of care for full-service health benefits consultants to complex, self-funded clients.

Section A

Consultant Standards of Care (Summary)

- Act as an informed, experienced advisor; deliver competent, reliable, and objective guidance as a fiduciary to FRMS
- Review and validate all inputs used for rates, reserving, and renewal projections (including census, enrollment, cash flow, and reserve levels).
- Ensure renewal analysis is conducted or supervised by a qualified health actuary; produce an actuarial report enabling well-informed Board decisions.
- Provide sufficient information and scenarios for informed decision-making.
- Clearly explain risks associated with proposed rates/strategies.
- Provide clear explanation of renewal funding assumptions and data limitations impacting FRMS decisions (e.g. eligibility, enrollments, turnover, cash flow, reserves, trend, large claims, plan design changes, etc.).

Key Support Categories & Services

1. Strategic Planning

- Annual strategic planning with FRMS Board/staff; quarterly progress meetings.
- Ongoing meetings with participating agencies; agenda staff report authorship prior to FRMS meetings.
- Attend FRMS Board meetings, present materials, respond to questions.
- Weekly coordination calls with FRMS administrative staff; timely regulatory updates.

2. Financial Monitoring & Reporting

- Annual budgets for FRMS programs; quarterly loss experience and budget vs. actual reporting.
- Year-end financial reporting (in consultation with FRMS finance).
- Actuarial valuations; benchmarking by coverage; underwriting and claims/utilization reporting.
- Executive claims report to FRMS Board; alert FRMS to adverse trends immediately.

3. Renewal Services

- Annual renewal planning; carrier/vendor meetings; preliminary & final renewal reports.
- Negotiate financial and benefit terms; market alternatives as needed.
- Coordinate stop-loss and actuarial audit (GASB 10) bids; support communications to members.

4. Renewal Rate Setting

- Review rating models with FRMS Board/staff; develop initial & final renewal actions.
- Complete preliminary underwriting for Board presentation; gather claims data; determine loss ratios; project renewal costs; review relative value differentials.
- Underwriting engagement; reserve requirements and actuarial certifications.
- Present final rating actions to FRMS Board.

5. Vendor Management

- Identify/address vendor issues; billing/claims service resolution.
- Contract review/accuracy; performance agreements; senior-level vendor engagement for service quality.

6. Compliance Services

- Compliance reviews/updates and alerts; recommend procedures; monitor legislation and regulatory developments.
- Evaluate benefit design and key documents (SPDs, SBCs, contracts, communications).

7. Participating Member Support

- Dedicated claims advocate; communications support; weekly operations calls.
- Contract management; legal issue escalation to FRMS counsel.
- Wellness program support and inter-agency initiatives.

8. Day-to-Day Program Management

- Interface with eligibility reporting vendors; FRMS Board meeting preparation and materials.
- Adhere to timelines for agenda posting; present Board items

Section B

Vendor Response Section

Vendors shall provide the following information in a separate section of their proposal titled **"Vendor Response Section."**
For each item below, vendors must **restate the question in full** and then provide their response.

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1. Organizational Background
Provide a brief overview of your organization, including:

- Year founded and number of years in operation
- Core lines of business
- Number and location of offices, and total number of employees

    - Indicate whether any services described in this RFP will be performed outside California, and if so:
        - Which services
        - At which non-California locations
- Corporate structure and ownership of your organization

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2. Assigned Account Team

Describe the proposed account team for FRMS, including:

- Team size and functional roles
- Professional credentials, licenses, and certifications for all key personnel assigned to FRMS
    - Key staff may not be substituted without prior written approval from FRMS
- Specific experience supporting California public sector clients
- Identification of primary points of contact

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3. Public Sector Experience

Describe your firm's experience working with:

- Joint Powers Authorities (JPAs)
- Counties
- Cities and municipalities
- Special districts or other public entities

Provide examples of work performed for entities with 500 or more benefit-eligible employees, including:

- Type of public entity (county, city, JPA, special district)
- Covered population size
- Governance or coordination structure supported
- Scope of services provided
- Length of engagement
- Key outcomes or results achieved

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4. Client References

Provide at least three (3) references from California public sector clients, preferably including:

- Counties
- Cities or municipalities
- Joint Powers Authorities

Include contact names, titles, phone numbers, and email addresses.

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5. Client Retention and Departures

Identify any California public sector clients that have terminated or not renewed services within the past five (5) years.

For each, provide:

- Type of public entity

- Approximate size of covered population
- Length of engagement
- Reason for termination or non-renewal (as communicated by the client or proposer)
- Whether services were replaced by another consultant or brought in-house

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6. Cost, Risk, and Utilization Management Strategies

Describe strategies your firm has implemented for California public sector clients to manage:

- Health care cost control and forecasting
- Utilization management, including high-cost claimants
- Risk mitigation approaches in self-funded or partially self-funded arrangements
- Client size and funding structure
- Measurable outcomes achieved

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7. Stop-Loss Coverage and Captive Market Solutions

Describe your approach to stop-loss analysis for self-funded public sector groups, including:

- Evaluation of specific and aggregate stop-loss options
- Strategies for navigating hard market conditions
- Experience with captive market solutions
- Innovative or alternative approaches to mitigate premium volatility and long-term risk

Provide California-specific examples where available.

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8. Self-Funded Risk Management Experience

Provide detailed examples of how your firm has helped California public sector clients manage financial and operational risks in self-funded arrangements.

For each example, include:

- Type of public entity and population size
- Plan structure (self-funded, partially self-funded)
- Key financial risks identified (e.g., large claims, volatility, adverse utilization)
- Risk mitigation strategies applied (plan design changes, funding strategy, stop-loss changes, clinical interventions)
- Timeframe for implementation
- Quantifiable results (e.g., cost trend changes, reserve stabilization, improved predictability)

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9. Plan Design and Funding Strategy Consulting

Describe your process for assisting clients with:

- Evaluating self-funded funding strategies
- Assessing alternative plan designs
- Identifying opportunities for cost savings and efficiency improvements

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10. Multi-Year Strategic Planning

Describe how your firm develops multi-year benefit strategies, including:

- Cost-containment initiatives
- Risk-mitigation approaches
- Long-term sustainability planning

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11. Underwriting Capabilities

Describe your underwriting approach for self-funded clients, including:

- Data sources used
- Projection methodologies
- Key assumptions and stress-testing processes

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12. Claims and Cost Driver Analysis

Describe the tools and methodologies your firm uses to:

- Evaluate claims experience
- Identify utilization patterns
- Analyze cost drivers and emerging risks

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13. Benchmarking Data

Describe the benchmarking data your firm provides, specifically for:

- California public sector employers
- Comparable public entities with similar characteristics

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14. Client Reporting

Provide descriptions or samples of standard client reports, including:

- Claims and utilization analysis
- Financial performance reporting
- Wellness or population health outcomes (if applicable)

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15. Measuring Success

Explain how your organization measures the effectiveness, value, and impact of its consulting and administrative services.

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16. Regulatory Monitoring, Interpretation, and Client Communication

Describe your experience advising clients on regulatory compliance, including:

- Employer reporting
- Nondiscrimination requirements
- Applicable federal, state, and local regulations

Describe how your firm:

- Monitors and interprets regulatory changes
- Assesses regulatory impact for California public employers
- Communicates updates to clients (frequency, format, process)
- Provides examples of recent regulatory changes and how they were operationalized

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17. Regulatory Compliance Support and Risk Mitigation

Provide examples demonstrating your support for California public sector clients in achieving and maintaining compliance.

For each, include:

- Public entity type and size
- Regulatory areas addressed
- Specific compliance risks identified
- Actions taken
- Coordination with legal counsel or third-party vendors
- Final outcomes (e.g., avoidance/resolution of penalties or findings)

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18. Independent Dispute Resolution (IDR) – California

Describe your approach to supporting employer-sponsored plans with IDR cases under California law.

Address:

- Experience handling IDR cases and case volume
- Processes for identifying, tracking, and escalating IDR-eligible claims
- Roles and responsibilities of your firm vs. employer, carrier, TPA, legal counsel
- Compliance with California timelines and regulations
- Documentation and outcome tracking
- Proactive strategies to reduce future IDR disputes
- How results and trends are communicated to plan sponsors

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19. Technology Platforms

Describe technology platforms your firm provides or supports, including:

- Enrollment and eligibility systems
- Reporting and analytics dashboards
- Data integration and file-feed capabilities

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20. Eligibility, Billing, and Data Accuracy

Describe processes to ensure timely and accurate:

- Eligibility management
- Billing and reconciliation
- Vendor file feeds and data exchanges

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21. Public Procurement Compliance and Transparency

Describe how your firm ensures compliance with:

- California public procurement requirements
- Conflict-of-interest laws
- Transparency, audit, and reporting expectations

Include information about related internal controls, documentation processes, and governance structures.

22. Claims Resolution and Escalation Support

Describe your firm's approach to resolving complex claims issues and assisting members with escalated concerns.

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23. Performance Guarantees and Service Level Agreements (SLAs)

Detail the performance guarantees or SLAs your firm offers, including:

- Performance metrics tracked (e.g., response times, accuracy, reporting timeliness)
- Measurement and reporting methodologies
- Remedies or corrective actions for unmet SLAs
- Whether guarantees are contractual and enforceable
- Examples of SLA management with public sector clients

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24. Case Studies

Provide case studies showing your firm's ability to:

- Reduce costs
- Improve outcomes
- Strengthen regulatory compliance

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25. Disclosure of Affiliations and Conflicts of Interest

Identify any affiliations or financial relationships that may present a conflict of interest, including:

- Ownership, investment, or partnership relationships with carriers, vendors, consultants, or benefit-service providers
- Subcontractor or captive arrangements that may support services under this RFP
- Policies used to identify and mitigate conflicts
- Examples of past conflicts and how they were resolved

Section C

VENDOR COMPANY DATA

This section shall include the following information regarding the vendor's qualifications, experience, capacity, and compliance history. Vendors must provide clear, complete, and accurate responses to each item.

Qualifications and Related Experience

1. Independence Confirmation

Confirm that your organization serves as an independent consultant or broker, and that you are not affiliated with any insurance company, third-party administrative agency, or provider network. This confirmation must affirm that no such affiliations influence, enhance, or otherwise conflict with the services proposed for **Fire Risk Management Services (FRMS)**.

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2. Current Workload and Staffing Capacity

Provide a detailed overview of your firm's current and projected workload, including:

- A listing of all major current engagements and anticipated future commitments.
- A graph, chart, or similar visual, illustrating allocated and available staff hours (man-hours) across your organization.
- A description of how the FRMS engagement will be integrated into your firm's workload during the contract period, including:
    - Staffing availability
    - Ability to meet FRMS timelines and service needs
    - Any anticipated resource constraints

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3. Financial Statements

Provide copies of audited financial statements for the last three (3) fiscal years for the entity or program that will deliver the proposed services.

If audited statements are not available, compiled or reviewed statements are acceptable if accompanied by three years of federal tax returns.

- **Do not submit** these documents with your proposal. FRMS may request them after the RFP closes.

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4. Litigation and Legal Action History

Describe all pending lawsuits or legal actions, as well as any such matters resolved within the past five (5) years, including:

- Location filed
- Name of court
- Docket or case number
- Nature of the lawsuit or legal action (e.g., employment-related, contractual dispute, regulatory action)

This information must include matters involving:

- Your firm
- Parent companies
- Subsidiaries
- Any key personnel proposed for the FRMS engagement

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5. License Sanctions

List any **r**egulatory or licensing agency sanctions issued against your firm or key personnel within the past five (5) years, including:

- Name of agency issuing the sanction
- Date of action
- Reason for sanction
- Current status or resolution

4) Instructions to Proposers (Proposal Content & Format)

Submit proposals in the sequence below to facilitate consistent evaluation. Proposals that omit requested items or use a different format may be disadvantaged.

I. Cover Letter (one page): Company name and address; primary contact (name/title, email, phone).
II. Proposal Identification Sheet (see template).
III. Table of Contents.
IV. Conflict of Interest Statement: Address potential conflicts and mitigation; comply with applicable laws.
V. Trade Secret Acknowledgement: Sign where required.
VI. Certification – Disclosure: Criminal History & Civil Actions.
VII. Exceptions: Note any exceptions and proposed agreement edits.
VIII. Scope of Services Response: Summarize understanding; provide detailed approach per Scope; include sample reports (appendix); include proposed scope exhibit.
IX. Vendor Response Section: Restate each question and provide responses.
X. Vendor Company Data: Qualifications; workload; (post-close) financials upon request; litigation/legal actions; license sanctions.
XI. Cost Proposal: Flat fee retainer; see Compensation Restrictions; optional performance-at-risk component.
XII. Insurance Requirements: Provide required certificates/endorsements upon award.

5) Proposal Identification Sheet (Template)

Our proposal is attached and identified as: _____

The undersigned agrees to furnish the services at the prices and terms stated in the Cost Proposal. Work/services will commence within the contract period.

Legal Name of Proposer: _____

Authorized Signer (Name/Title): _____

Signature / Date: _____

Phone / Email: _____

6) Trade Secret Acknowledgement

Each proposal is a public record under the California Public Records Act and generally open to inspection. FRMS will not exclude proposal content from disclosure except for information properly submitted as a “trade secret,” and only if California law allows it to be withheld. Submit trade secret materials in a separate PDF titled “TRADE SECRET” with a concise justification. Pricing, cover letters, marketing materials, and references are typically not trade secrets. FRMS is not responsible for protecting information that is not properly segregated or that is otherwise subject to disclosure. FRMS will notify the proposer if a public records request is made for materials

designated as trade secrets so that the proposer may seek judicial determination as to whether the material must be disclosed.

Acknowledgement:

I have read and understand the “Trade Secret Acknowledgement.”

Company Name: _____

Authorized Signer (Name/Title): _____

Signature / Date: _____

7) Required Disclosures – Criminal History & Civil Actions

Proposer must disclose whether, within the past three (3) years, it or its owners/officers/managers/partners have:

- Been convicted of, or had a civil judgment for, fraud or a criminal offense related to obtaining/performing a public contract; antitrust violations; embezzlement, theft, forgery, bribery, falsification or destruction of records; false statements; or receipt of stolen property.
- Had a public transaction terminated for cause or default.

Disclosure does not automatically eliminate a proposer from consideration; FRMS will evaluate the context and any additional information provided. Failure to disclose may result in termination for material non-compliance.

8) Certification Regarding Debarment, Suspension & Other Responsibility Matters

By submitting a proposal, the proposer certifies to the best of its knowledge and belief that:

- Not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal or state department or agency.
- No relevant convictions or civil judgments within the past three (3) years as described above.
- No public transactions within the past three (3) years have terminated for cause or default.

If unable to certify, attach an explanation. The certification is a material representation of fact and may be relied upon by FRMS.

9) Cost Proposal & Compensation Restrictions

- Flat Fee Only: Proposals must be for a flat fee retainer for the requested services.
- No Commissions / Volume Compensation: FRMS will not allow commission and/or volume compensation of any kind tied to carriers, vendors, or placement volume.
- Disclosure of Commission Relationships: Vendors must disclose any existing or potential commission, override, finder’s fee, marketing allowance, or other indirect compensation relationships relevant to this engagement.

- Performance-At-Risk (Optional): Vendors may propose a portion of the flat fee at risk to be tied to mutually agreed performance objectives.

Include details and rates/fees for any optional services not covered by the flat fee. Attach a proposed compensation exhibit compatible with FRMS's agreement form.

10) Insurance Requirements

The selected Contractor shall maintain the following minimum coverages for the duration of the agreement (and as noted for any extended reporting):

- Commercial General Liability (CGL): $2,000,000 per occurrence / $4,000,000 aggregate.
- Professional Liability (Errors & Omissions): $2,000,000 per claim / $4,000,000 aggregate (claims-made policies must have retroactive date prior to services and tail coverage for 5 years).
- Cyber Liability: $2,000,000 per claim / $4,000,000 aggregate.

Required Policy Conditions:

- Additional Insured: CGL policies must name Fire Risk Management Services (FRMS), including its officers, agents, employees, and volunteers, as Additional Insured, including ongoing and completed operations (as applicable).
- Primary & Non-Contributory: Coverage shall apply on a primary and non-contributory basis with any insurance or self-insurance maintained by FRMS.
- Waiver of Subrogation: A waiver of subrogation in favor of FRMS is required on all applicable policies.
- Notice of Cancellation: Insurer must provide notice of cancellation in accordance with policy terms and applicable law.
- Carriers: Unless otherwise agreed, carriers admitted in California and rated A (Excellent) and size category VII or greater or better by A.M. Best (or equivalent).
- Certificates and endorsements must be provided to FRMS upon award and upon renewal thereafter.

11) Submission Instructions

- Format: Electronic PDF only.
- Deadline: **March 23, 2026 – 2:00 PM PT**.
- Submit To (email): Amanda.Bistolfo@Sedgwick.com (FRMS Administration).
- Number all pages, including appendices. **Do not include** confidential information in the main proposal; submit any trade secrets as a separate PDF named "TRADE SECRET."

12) Evaluation & Award Criteria

FRMS will be the sole judge of proposal merit and may reject any or all proposals. Evaluation will consider, without limitation:

- Cost: Flat fee structure; transparency; overall value.
- Capability & Qualifications: Staff, experience, resources; actuarial/underwriting capabilities; reporting and analytics; understanding of FRMS and public employer health benefits.
- Management Plan: Organizational approach, team structure, implementation and account management plan.

False, incomplete, or unresponsive statements may be cause for rejection.

13) General Terms

- Addenda: Any changes to this RFP will be issued via written addendum.
- Reservation of Rights: FRMS reserves the right to amend, withdraw, negotiate, or cancel this RFP; request additional information; accept or reject any or all proposals; and waive informalities.
- The successful proposer will be required to execute a contract with FRMS that may include additional terms addressing such concerns as indemnification, privacy and security of protected information, record retention, contract termination, compliance with nondiscrimination and labor laws, disclosure of subcontractors, etc.

AWARD CRITERIA

Selection of the winning proposal will be based on the criteria outlined below. The list is **not** presented in order of importance; proposals will be evaluated on their overall ability to meet **all** requirements. **Fire Risk Management Services (FRMS)** shall be the sole judge in the ranking and selection process and reserves the right to reject any or all proposals. False, incomplete, or unresponsive statements may result in proposal rejection.

1. Cost

Cost, as submitted in the Cost Proposal section.
FRMS intends to award the contract to the firm whose proposal is determined to be most advantageous to FRMS, considering both technical merit and price.

2. Capability and Qualifications

A. The vendor has demonstrated that it possesses the qualifications—including staff, experience, and resources—necessary to provide the consultation services requested by FRMS.
B. The service descriptions clearly address all areas identified in the RFP, including the services set forth in the Scope of Services required to fulfill FRMS's consultation needs.
C. The vendor has demonstrated the ability to provide actuarial services and robust data reporting, including the ability to tabulate, analyze, and summarize relevant data such as claims, trends, and premiums, and convert such analysis into actionable recommendations.
D. The vendor has clearly demonstrated its understanding of FRMS's needs and the environment in which FRMS operates, including:

i. The broad landscape of employee health benefits
ii. Employee benefits product markets

iii. Applicable laws, regulations, and statutes
iv. Effective operating principles for delivering these consulting services

E. The vendor has demonstrated current, relevant experience working with a comparable or similar public agency.

3. Management Plan

The vendor has demonstrated that its organizational plan and management structure are adequate and appropriate for the comprehensive implementation of the consultation services requested by FRMS.

Contacts & Reference Information

FRMS Administration (Sedgwick): 1750 Creekside Oaks Dr., Ste. 200, Sacramento, CA 95833.

Please contact Kimberly Naucler with questions at Kimberly.Naucler@Sedgwick.com.

To submit final proposals, please contact Amanda Bistolfo at Amanda.Bistolfo@Sedgwick.com or (916) 244-1190.

About FRMS (mission, services, JPA history): frmsrisk.org.