

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

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Response 1

1. We noticed that the RFP references medical plans throughout and includes several questions that appear to apply specifically to medical benefits. Since our response is intended for ancillary lines of coverage only (e.g., dental, vision, life), could you confirm whether these medical-related questions should be addressed, or if they can be skipped or considered not applicable? Additionally, if there are any sections that should be interpreted differently for ancillary lines, please advise so we can ensure our submission aligns with your expectations.

-FRMS may offer a medical benefits program in the future, though at this time only ancillary lines are a part of the program. Please consider answering the questions related to medical benefits to demonstrate experience and ability.

2. We noticed that medical coverage was offered to members through December 2026. Could you share the factors or circumstances that led to the discontinuation of the medical program after that date?

- The medical program discontinued due to financial performance.

3. Are any of the current lines of coverage in a pool? If so, what lines of coverage and what pool?

-Yes. The lines are dental, vision, life, AD&D, with an EAP, and workers' compensation. There is one JPA that operates two separate programs; benefits and workers' compensation.

4. Is the Dental and Vision coverage self-funded?

-No.

5. Are there any issues FRMS is experiencing with any of its incumbent insurance carriers?

-FRMS is currently working to resolve nonpayment from the medical stop loss insurer for the discontinued medical program.

6. What goal(s) is FRMS hoping to achieve through this RFP?

- The intent of the RFP is to identify a vendor with experience, capability, and stewardship that will produce the best outcomes for FRMS.

7. What are the major areas of focus in the City benefits programs in the next 3-5 years?

-The BOD will decide on major areas of focus. Historically growth has been a focus.

8. What are the primary challenges FRMS is facing with its current benefit offering?

- The new vendor must partner with FRMS to deliver a program that is cost-effective, competitive, fiscally responsible, economically sustainable, and in the best interest of FRMS—a public entity—and its participants.

9. Who is current benefits consultant for FRMS?

-Keenan & Associates

10. What is their current consultant's compensation? How is the consultant paid? Direct with FRMS on a fee basis, commissions from the carriers, or both?

- The only method FRMS will consider with the new vendor is a flat fee.

11. How long has FRMS worked with their current benefits consultant?

- FRMS was established in 2023 through the consolidation of FASIS and FDAC EBA. Prior to the consolidation, FDAC EBA had contracted with Keenan & Associates beginning around 2016. This is the first RFP FRMS has issued for Benefits Administration after reviewing the offer from the current benefits consultant.

12. Are there any issues or concerns that FRMS is experiencing with current benefits consultant?

-- The new vendor must partner with FRMS to deliver a program that is cost-effective, competitive, fiscally responsible, economically sustainable, and in the best interest of FRMS—a public entity—and its participants.

13. Are there any services that the current benefits consultant pays for on behalf of FRMS?

-No.

14. Does FRMS currently have a formal communications strategy in place that supports the benefits overall?

- Yes, and the new vendor is expected to provide additional recommendations on strategy.

15. On average, how many in-person meetings take place each year, in which the benefits consultant would participate in?

-3 to 4 meetings.

Response 2

1. Since the medical program ended on January 1, 2026, please clarify what you mean by “stop-loss coordination” going forward. Specifically:

a. For which lines of coverage (medical, pharmacy, ancillary, or other) do you expect stop-loss coordination services?

None currently there was medical stop-loss previously. FRMS may offer a medical benefits program in the future.

b. Is there any existing stop-loss coverage in place for any lines we should be aware of? If so, please identify the lines and current carriers.

There is no current stop loss coverage in place.

2. When the RFP references “actuarial audit (GASB 10) bids,” please clarify the intended scope and cadence:

a. Which program financials should be included in the actuarial audit (e.g., medical, dental, vision, ancillary, all programs)?

All programs should be included.

b. How often do you expect an actuarial audit to be performed (annual, biennial, ad hoc)?

Medical to be performed annually. All other programs biennially.

- c. What deliverables and level of detail do you expect from the actuarial audit (full GASB 10 valuation report, executive summary for Board, reserve analysis, etc.)?

Full GASB 10 valuation report.

- d. Who is the current actuarial provider (if any) for these audits?

Previously, the actuarial report was provided by the TPA, however, no external actuarial provider was acquired to perform the service.

- 3. For stop-loss and actuarial audit services, are you expecting the consultant to:
 - a. (A) evaluate and assist FRMS in selecting external stop-loss and actuarial audit partners (advisory role), or (B) act as broker/contracting agent and place/manage those relationships directly on FRMS's behalf (transactional role)?

Advisory role.

- b. If a combination is acceptable, please describe your preferred split of responsibilities.

Advisory services to facilitate the procurement of an external actuary to prepare the required report.

- 4. Do you expect actuarial valuation and renewal/rate modeling for ancillary programs (dental, vision, AD&D) to be performed at the same level of detail as medical?

FRMS requests that the vendor, as the subject matter expert, provide guidance on the appropriate levels and information needed to ensure the program remains fiscally sound.

- a. If not, please indicate the expected level of detail for each ancillary line (e.g., high-level trend analysis, full credibility-adjusted rate model, claims-level modeling).

Providing high-level trend analysis would be the baseline.

- b. Are there any specific deliverables you require for ancillary renewals (sample rate exhibits, Board-ready summaries, reserve calculations, etc.)?

Sample rate exhibits in addition to reserve calculations.

- 5. Please describe FRMS's current IDR process for California matters:

FRMS requests that the vendor, as the subject matter expert, provide guidance on the appropriate comprehensive IDR process for the current benefits offerings.

- a. What is FRMS's existing workflow from intake to resolution, and what role (if any) does the incumbent consultant play in that workflow?
- b. Do you have standard forms, timelines, or internal contacts used for IDR submissions that we should know about?

- 6. For scoping purposes, can you provide recent IDR volume and characteristics:

FRMS does not currently have a medical benefit program which ended on 01/01/26. The selected vendor will work as a consultant to assist FRMS with any currently required IDR process.

- a. Approximately how many IDR cases has FRMS handled in the last 12–24 months, and for which benefit types (medical, pharmacy, ancillary)?
- b. If available, please indicate any trends or repeating issues (e.g., certain claim types, vendor disputes) that have driven IDR filings.

- 7. Please identify the current systems and vendors used by FRMS (or participating agencies) for:

- a. Enrollment / eligibility management (system names and vendor contacts, if available)

MyWorkplace (enrollment / eligibility management)

- b. Claims / reporting / analytics platforms

Vision Service Plan (VSP), Delta Dental of California, ThrivePass (COBRA)

- c. Data exchange / file feeds (format, frequency, and integration owner).

We will work with the prior and incoming TPA on data exchange and integration.

- 8. Who currently owns and maintains the data integrations (file feeds) today — FRMS, Sedgwick, the carrier/TPA, or an incumbent consultant? If multiple parties share responsibility, please describe the division of ownership.

The selected vendor will work with FRMS to determine future ownership of any item owned by FRMS or a current vendor. Current consultant works with MyWorkplace to maintain data integrations.

- 9. How is premium billing and reconciliation handled today across FRMS programs?
 - a. Please describe current responsibilities (e.g., which party prepares bill reconciliations, who reviews and approves them, and who remits/collects funds).

Members update their enrollment on the MyWorkplace platform. Premium invoices are generated in MyWorkplace. The benefits consultant approves invoices. Members remit payments to FRMS.

- b. Are there any recurring billing issues or reconciliations FRMS would like a consultant to resolve or own going forward?

COBRA payments that are paid through MyWorkplace are included in the monthly member billing. The member does not remit payments for COBRA, which creates invoice variances. Member invoices should be separate from COBRA billings.

- 10. For the consultant role, what specific billing and reconciliation responsibilities do you expect the selected vendor to:
 - a. Own (perform end-to-end), and/or oversee / audit / validate (review and certify) versus vendor/TPA responsibilities?

Own performance end-to-end.

- 11. Why is FRMS going out to bid at this time?

The current vendor offered a contract that represented a material change from the previous agreement. Because the medical benefit program had become too costly and was discontinued, the Board of Directors determined it was appropriate to seek a new vendor.

12. Are there any current issues with service or consulting that FRMS is looking to improve?

The new vendor must partner with FRMS to deliver a program that is cost-effective, competitive, fiscally responsible, economically sustainable, and in the best interest of FRMS — a public entity—and its participants.

13. Who is FRMS's current Broker/Consultants?

Keenan & Associates / Gallagher Assured Partners

14. What is the anticipated term of the contract?

Three (3) to five (5) years with amendments as needed for new programs or additional lines of coverage.

15. What is the current method of compensation to current Broker/Consultant (i.e. fees, commissions, etc.)?

The only method FRMS will consider with the new vendor is a flat fee.

16. What is the total annual compensation amount to current Broker/Consultant?

As the subject-matter expert, the new vendor is expected to independently determine and state their proposed fee.

17. How many active employees does FRMS have?

FRMS does not employ staff. According to the current vendor, benefits enrollment includes 2,044 dental participants, 2,239 vision participants, and 1,363 life insurance participants. The new vendor will partner with FRMS to strategically grow the program membership and create a sustainable, cost-effective plan.

18. How many retirees does FRMS have?

Please see the previous response to question 17.

19. What are the renewal dates for each of the plans?

The plans are renewed January 1st.

20. Who are the current carriers?

The current carriers are Delta Dental California and MetLife DHMO for dental coverage, and VSP (Vision Service Plan) for vision coverage. The Harford for Life coverage. The new vendor is expected to evaluate these existing arrangements and recommend any changes needed to best support and enhance the benefits program.

21. How many employees are enrolled in each of the plans?

Please see the response to question 17.

22. What is the current annual premium on each plan?

The new vendor will be paid a fee, not a commission.

23. What is FRMS's current contribution strategy?

The new vendor is expected to provide recommendations on contribution strategy.

24. Are any of FRMS's plans self-funded? If so, please describe.

Not at this time.

25. Does FRMS currently participate in any wellness programs or initiatives? If so, please describe.

Yes, FRMS offers an EAP.

26. Does FRMS offer any voluntary benefits? If so, what voluntary benefits are offered, and who are the carriers?

Please see the response to question 20.

27. How does FRMS handle enrollment? Online or paper?

Online

28. Does FRMS currently have a benefits web portal or intranet?

FRMS contracts with MyWorkPlace.

29. Does FRMS have an established Benefits communication strategy? If so, what does the strategy entail?

The new vendor is expected to provide recommendations on strategy.

30. Will the Broker/Consultant be responsible for drafting open enrollment materials and other participant communications?

Yes.

Will the printing and mailing of these materials be required under this contract?

No.

31. How many meetings would the selected Broker/Consultant need to attend during a twelve month period, and are the meetings with staff with the Board, or with employee groups?

Formal meetings with the BOD and Committee are approximately (12) twelve with a mix of in person and online, with online meetings with FRMS staff as needed.

32. What are the planned major activities for the upcoming plan year?

In addition to open enrollment, evaluating new partners to develop a cost-effective benefits plan with the desired options, guided by our new vendor's expertise.

33. What are the top 3 Health and Benefit issues facing FRMS

Escalating costs, insufficient benefit offerings, and continued declines in enrollment demonstrate the need to reassess the current program.