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LACERS Health Plan Consulting Services RFP Q&A

1. Question: Please provide the name of the current Consultant. How long have they worked with LACERS?

Answer: The current Consultant is Keenan & Associates. They have worked with LACERS since 2012. The current contract with Keenan & Associates has been in effect since March 1, 2018.

2. Question: Please provide the current pricing or last RFP results.

Answer: The Consultant’s fees as stated in the current contract, not to exceed the total costs indicated, are as follows:

Scope of Services		Year 1	Year 2	Year 3
A	Consultation & Advisory Services	\$107,000	\$107,000	\$107,000
B	Health Plan Bid and Renewal Process	\$98,000*	\$98,000*	\$98,000*
C	Strategic Planning Only	\$108,000	\$108,000	\$108,000
D	Program Evaluation & Development	\$97,000	\$97,000	\$97,000
E	Legislative and Regulatory Analysis	\$43,000	\$43,000	\$43,000
F	Communications	\$61,000	\$61,000	\$61,000
G	Special Projects	\$102,000	\$102,000	\$102,000
H	As-needed Graphic Design	\$21,000	\$21,000	\$21,000
I	Dashboard Creation and Maintenance	\$56,000	\$56,000	\$56,000
J	Wellness Consulting	\$85,000	\$85,000	\$85,000
K	Data Initiative	\$25,000	\$25,000	\$25,000
	Total	\$803,000	\$803,000	\$803,000

* If Contractor is requested by LACERS to conduct a RFP for medical, dental, and/or vision plans, the fee will be \$50,000 for each RFP in addition to fees specified in the Scope of Services fee schedule.

Consultant's professional services hourly rates of the current contract for the period March 1, 2018 to date:

Municipality Practice Leader	\$425
Lead Actuary	\$400
Underwriting & Actuarial Services	\$400
Vice President	\$375
Account Executive	\$350
Assistant Vice President	\$350
Director of Health Management	\$300
Vice President	\$300
Chief Employee Benefits Counsel	\$275
Service Consultant	\$265
Health Management Specialist	\$200
Health and Wellness Manager	\$200
Art Director	\$175
Graphic Designer	\$175
Health Management Service Coordinator	\$150
Benefits Underwriting	\$150
Production Artist	\$150
Marketing Coordinator	\$150
Service Representative	\$150

3. Question: When was the last RFP for LACERS - Health Consulting Services?

Answer: LACERS' last RFP for Health Plan Consulting Services was in 2017.

4. Question: Does the current consultant receive any commissions? If so, what are the commission percentages and general terms or structure?

Answer: The current consultant does not receive any commissions. You may refer to current contract fees listed in the response to Question 2.

- 5. Question:** Is this RFP being released due to procurement policy (required after a set number of years)? What are the key reasons that LACERS is currently seeking proposals for a new firm to provide the requested services in the RFP?

Answer: Los Angeles City contracting guidelines are established in Los Angeles City Charter §§ 371 and 1022 as well as Los Angeles Administrative Code §§ 10.1-10.5, which LACERS references when determining whether it is necessary to hold a competitive bid process. Additionally, even when a competitive bid is not required by City law, LACERS may choose to engage in this process as a part of complying with its fiduciary duty of prudence. With regard to this RFP, LACERS' current contract with its Health Consultant is expiring.

- 6. Question:** Can you list the names of the documents to submit?

Answer:

- General Consulting Fee Proposal
- Administration of LACERS Self Funded - Programs Actuary Fee Proposal
- Health Plan Consulting RFP – Questionnaire
- Request for Proposal Warranty & Affidavit
- Proposer Disclosure Form
- Bidder CEC Form 50
- Bidder CEC Form 55
- Sexual Harassment Policy Disclosure Form

- 7. Question:** Appendix C appears to be missing from the RFP attachments. If it was supposed to be attached, please provide a copy.

Answer: There is no "Appendix C" document. Please see the response to the previous question for a list of documents to submit. They can all be found posted both on the LACERS [website](#) and on [RAMP](#).

- 8. Question:** Are there any brokerage/consulting service issues LACERS is looking to improve upon with the issuance of this RFP? Are there any service delivery issues or other challenges that LACERS is trying to solve through this RFP?

Answer: There are currently no brokerage/consulting service issues we are looking to improve upon with the issuance of this RFP. There are currently no service delivery issues or service challenges LACERS is trying to solve through this RFP.

9. Question: Over the past two plan years, what was the average number of service/consulting hours recorded by your broker/consultant to service LACERS?

Answer: The average number of service/consulting hours for the past two years was 1,591 hours/year.

10. Question: Are there any items in the requested scope of services that the current broker/consultant does not currently provide? If yes, please identify the numbered scope items that are expansions from the current services.

Answer: There are no items in the requested scope of services that the current broker/consultant does not currently provide.

11. Question: When is the last time each of LACERS' benefit plans were competitively bid in a formal RFP process? How often does LACERS typically conduct RFPs for each of its benefits?

Answer: The last time LACERS' benefit plans were competitively bid in a formal RFP process was in 2015 for the Vision and Dental benefits, and 2013 for the Medical benefits. LACERS typically releases a RFP for each of its benefits every three years, or when practicable.

12. Question: What is the average number of onsite meetings by type the broker/consultant should plan to attend annually (i.e., meetings with LACERS Staff, Commissioners, Committees, Retiree Organizations, etc.)? What are the typical number of hours associated with each type of meeting? Please specify the number of "known" meetings and separately estimate the "unknown" meetings. (Detailed meeting information will allow us to provide the most accurate and competitive pricing.)

Answer: Currently, most meetings are conducted online via Zoom or Teams. LACERS will be transitioning online meetings to in-person meetings. The average number of meetings with LACERS Health Division is typically two (2) hourly status meetings per month. This average does not include as-needed meetings with carriers, Wellness events, and involvement in health plan renewal and Open Enrollment. Health plan renewal and Open Enrollment meetings with each of the six Carriers are about 2 hours long. There are monthly virtual Wellness meetings that occur every 2nd Tuesday, ranging 30-60 minutes in duration.

Additionally, the Carrier Summit Wellness meetings occur twice a year in January and September for 1 ½ hours, and this is in-person and virtual. The number of meetings and hours at Board and Committee meetings depends on the agenda and agenda item relating to the health and welfare program. Board meetings are transitioning to in-person meetings. There are approximately five (5) “unknown” meetings in a year, depending on special projects. Please be aware that if/when Board and Committee meetings resume to pre-pandemic procedures, the consultant must attend at least six (6) Board/Committee meetings in-person per year. Generally, financial dashboards presentations are conducted in-person to the Board. Given the logistics of each carrier’s teams, plan renewals and health plan negotiation meetings are conducted virtually.

13. Question: Does LACERS manage COBRA administration or is this responsibility outsourced (i.e., health plan vendors, third-party administrator, etc.)?

Answer: LACERS does not manage COBRA administration.

14. Question: Will the selected broker/consultant develop the Health Benefits Guide content each year, or is LACERS requesting only design and page layout assistance?

Answer: The selected broker/consultant will not be expected to develop the Health Benefit Guide content each year. The selected broker/consultant would provide graphic design assistance and as-needed annual review of the Health Benefits Guide.

15. Question: Will the selected broker/consultant be expected to develop and deliver an annual open enrollment presentation for retirees? If yes, how many in-person and/or virtual meetings are expected to take place?

Answer: LACERS and carriers are expected to develop and deliver annual Open Enrollment presentations for retirees. There are typically six (6) in-person and/or virtual meetings expected to take place. The selected broker/consultant is not expected to develop nor deliver annual Open Enrollment presentations; however, the selected broker/consultant will be invited to attend all Open Enrollment meetings.

16. Question: Will the selected broker/consultant coordinate review of provider materials that will be sent to retirees?

Answer: The selected broker/consultant would review provider materials on an as-needed basis.

17. Question: Special Projects Pricing - Should a budget for special projects be included in the overall pricing, or will those projects be subject to a separate SOW and/or annual budget?

Answer: Special projects will arise throughout the term of the contract and have not been identified at this time. As such, proposals for the scope of work, once determined, will be sent to the selected consultant for not-to-exceed project price, which should be based on the consultant hourly rates as bid on the Fee Proposal worksheet. The most current budget for special projects is \$102,000 per year.

18. Question: Communications Pricing – Should the Consultant’s quoted fee include the actual cost of design, printing, postage, and mailing of benefits materials in the consultant’s fee? If yes, please provide a detailed breakdown of the annual cost.

Answer: See response to Question 17. The proposals for the scope of work related to communication and marketing, once determined, will be sent to the selected consultant for not-to-exceed project price, which should be based on consultant hourly rates. On occasion, a communications project could include the design, printing, postage, and mailing of health benefits materials. On an annual basis, the selected consultant will review and provide graphic design for LACERS’ Open Enrollment communication materials to its Members.

The current consultant has assisted LACERS with, including, but not limited to, graphics design and overall review of annual Health Benefits Guide for 22,000 mail-out; graphics design to Wellness related informational materials; LACERS Well logo; designing promotional activities and campaign events; and flyers and postcards. The current contract pricing with LACERS’ current contractor includes a budget for communications in the amount of \$61,000 and graphics design for \$21,000 per year.

Besides the selected consultant, LACERS uses its in-house fulfillment resources, as well as its carriers and other communications consultant to create and send out communication pieces to its Members.

19. Question: Pricing – Besides work being performed by the Consultant, are there other costs that are to be included in the Consultant’s compensation for work performed by a subcontractor such as the communications work referenced in “Communications Pricing” above? If yes, please provide the service, provider and annual cost.

Answer: Please use the Fee Proposal worksheet to identify all fees associated with the services your firm, and its agents, will be providing to fulfill LACERS’ requirements. If there are additional fees unrelated to consultant hourly rates, please itemize them on a separate sheet. For instance, “mailing, printing, and postage will be provided by firm’s fulfillment vendor and charged at cost to LACERS.” Please also refer to the answer to Question 28 regarding use of subcontractors.

20. Question: What is the current annual budget for retiree benefits communications?

Answer: LACERS’ current annual budget for retiree benefits communications is as follows:

Postage	\$55,000
Printing	\$35,000
Graphics Designer	\$15,000
Video Production Subscription Services	\$15,000
Mailchimp	\$6,500
Streaming and Recording Equipment	\$4,000
Retirement Seminars Kits & Giveaways	\$4,000

21. Question: Would LACERS prefer a separate communication budget and fees in our proposal or should that budget and fees be included in our overall broker/consulting fees?

Answer: Please include a communication budget in your firm’s Fee Proposal worksheet. If there are additional fees unrelated to consultant hourly rates, please itemize them on a separate sheet. Please also refer to the answers to Questions 19 and 28 regarding use of subcontractors.

22. Question: In addition to the Health Benefits Guide, what communications do retirees receive in advance of and during open enrollment, as well as throughout the year?

Answer: Retirees receive Open Enrollment meeting notifications with important updates, meeting dates, times, and Zoom meeting information via e-blast, newsletter, paycheck flyer, and website postings in advance of the Open Enrollment, during Open Enrollment, and throughout the year as needed. Retirees receive an Open Enrollment Statement, Open Enrollment Confirmation Statement, and an Open Enrollment Overview.

23. Question: Please confirm the communication elements that the selected broker/consultant is responsible for developing.

Answer: Communication elements the selected broker/consultant will be responsible for will be on an as-needed basis to augment benefits communications provided by LACERS and Health Carriers.. Examples of communication elements the selected broker/consultant will assist in providing include the design of some materials such as the Health Benefits Guide, covers for the Comprehensive Annual Financial Report, newsletters, and items for LACERS Well (e.g., postcards, flyers, promotional and training materials). Printing and postage are generally completed with LACERS' in-house fulfillment. However, if LACERS needs printing and/or postage to be arranged by the selected broker/consultant, the service would be considered as a Special Project. If there are additional fees unrelated to consultant hourly rates, please itemize them on a separate sheet. Please also refer to the answers to Questions 19 and 28 regarding use of subcontractors.

24. Question: Do you currently conduct retiree surveys and/or focus groups? If yes, can you provide the survey and focus group results?

Answer: LACERS' guiding principles (Model Professionalism, Culture of Innovation, Respect People and Their Privacy, Use Kindness & Caring in All Interactions, and Everything is Better With Teamwork) sets us on a pathway of communication and service. Our surveys focus on how we can better serve and help our Members. Results of our service surveys are reported to the Board and/or Benefits Administration Committee. Our recent Customer Service

Survey conducted online and in virtual workshops and seminars for period November through December 2021 show Members were overall satisfied with LACERS' service. Our first Retirement Application Portal (RAP) Feedback Survey issued to Members with retirement effective dates prior to January 7, 2022 using the RAP communicated that the RAP had areas for improvement as well as Members' desire to have the ability to consult with staff in the retirement process. LACERS will conduct a quarterly RAP survey to gather further input from Members and measure improvements.

LACERS periodically conducts surveys to our covered Members to determine how our plan designs can better help Members and their covered dependents in their health and wellness. The latest of this type of survey led to our health plans to include covering chiropractic services. Additionally, LACERS conducted a Medicare Part B audit in late-2021, with survey tabulation completed by the current consultant, as part of a discussion of whether the City of Los Angeles should consider increasing the amount of Part B premium reimbursements to Members. This discussion has not been finalized. Finally, our health carriers conduct their own customer service surveys.

We are interested in your firm's experience and availability to conduct surveys and focus groups of our retirees to better understand the changing needs of the population we cover and how LACERS can meet those needs.

25. Question: Communications Strategy – How do you communicate with your retirees? Email, US mail, meetings? What is the preferred method of communicating with LACERS retirees?

Answer: LACERS communicates with our retirees via LACERS' website, mail, e-mail, MyLACERS portal, YouTube, Facebook, phone, and Webinars conducted on Zoom. As of Fiscal Year 2021, LACERS communicates with 22,012 retirees and beneficiaries, with an average of Age 69.5. Our medical subscribers range from 40-50 age group to 100-110 age group. While most of our retirees and beneficiaries are in Southern California, we have retirees and beneficiaries in all 50 states of the U.S. as well as some that are located internationally. Depending on our retirees' years of Service Credit towards health, they are

eligible for health and dental subsidy beginning at Age 55. Early retirees may choose to enroll in LACERS' health plans without receiving subsidy. Early retirees are those who are below Age 55. About 70% of LACERS' retirees are above Age 65 with Medicare. LACERS is interested in your approach to addressing the challenges of communicating with retirees of our demographics.

26. Question: Does LACERS use social media to communicate with retirees? If yes, which ones (e.g., YouTube, Facebook, Twitter, Snapchat, others)?

Answer: Yes. Please refer to the answer to Question 25.

27. Question: Overall Pricing – Does LACERS prefer to award all components of the work to one firm? Or does it prefer to split the work to two or more firms?

Answer: As stated in the RFP, LACERS may award one three-year contract to one Proposer for all services in Section III.B. of the RFP or divide the services between two Consultants, one for General Consulting Services (Section III. 1-38) and one for Administering LACERS Self-Funding Programs (Section III. 39-40).

28. Question: Subcontractors - Should the Consultant be aware of any special considerations regarding the use of subcontractors?

Answer: LACERS expects all contractors and subcontractors to abide by the requirements of:

- Appendix A – Standard Provisions
- Confidentiality & Non-Disclosure of Member Information

29. Question: Special Considerations - Are there any special considerations/points in awarding the work that the Consultant should be aware of? For example, does LACERS require a percentage of the work conduct by minority owned companies, etc.?

Answer: The breakdown of possible points awarded during the evaluation period can be found in Section V.B. of the RFP document. With regard to contracting requirements after

the selection process, the Standard Provisions for City Contracts can be found as Appendix B.

30. Question: Current Contracts – Please state which firms currently provide the covered services delineated by General Consulting and Self-Funded Program Administration. Also, kindly provide their annual compensation and number of service hours expended per year. Any additional special project fees? Any out-of-pocket reimbursement fees? Are there any service issues with either firm? If yes, please elaborate.

Answer: Please refer to the answers to Questions 1, 2, and 8.

31. Question: Consultant’s team location - Any restrictions on consultant’s staff location?

Answer: There are no restrictions on consultant’s staff location.

32. Question: Service - Please provide a breakdown of how the incumbent spends their hours servicing the account. Assuming that in person meetings take place now or in the future, in a given year how many onsite meetings occur? Please delineate by type of meeting (i.e. carrier meetings, board meetings, open enrollment, etc).

Answer: Below is the current consultant’s average hours per year spent on each service:

Consultation & Advisory Services	303
Health Plan Bid & Renewal	265
Strategic Planning	384
Program Evaluation & Development	399
Legislative & Regulatory Analysis	87
Communications Consulting	30
As-Needed Graphic Design	37
Dashboard Creation & Maintenance	116
Wellness Consulting	311
Data Initiative	73

Please note that Special Projects has been excluded. You may also refer to the answers to Questions 2, 9, 12, and 38 regarding how the current consultant spends their hours servicing LACERS.

33. Question: Wellness – Please provide a detailed description of LACERS’ current wellbeing program including how it communicates with retirees, activities and their frequency, vendors that are used, what percentage of retirees utilize those services. It appears as if wellness costs are covered by the health plan carriers. Are there any wellness costs that are to be absorbed by the Consultant? What is the annual budget for the LACERS Well program?

Answer: The LACERS Wellness Program seeks to enhance the quality of life and retirement for LACERS Members by providing them with resources and activities that promote optimal health and wellness. The program’s Living Purposefully Campaign fosters the five pillars of well-being: Purpose, Social Engagement, Finances, Health, and Community. The program is funded by the health plan carriers, and its annual budget is \$429,000. Approximately 8% of the membership utilizes the services. The program communicates with Members through monthly e-mail blasts, twice yearly newsletters, monthly website postings, weekly Facebook social media postings, and monthly mailings. Traffik is the vendor for the newsletters, and KES is the vendor for mailings. There are no wellness costs absorbed by the Consultant.

34. Question: Health Plan Bid and Renewal Process – Please provide a schedule of anticipated RFPs to be released during the next three years. Does LACERS anticipate any major carrier or provider changes in the next three years?

Answer: LACERS intends to conduct Carrier RFP every three years, or as needed. The next Carrier RFP is tentatively scheduled for 2024.

35. Question: Contracting – Is LACERS willing to negotiate a limitation of liability? The RFP states LACERS reserves to right to reject proposals where the alternative/conditions are not acceptable. Please provide a list of contract exceptions that are “non-negotiable” if any.

Answer: The City is not able to negotiate a limitation of liability. The Standard Provisions for City Contracts (PSC) contain non-negotiable contract terms for City contracts. (See Appendix B.) It is possible that the City will issue revised provisions before the contract is executed to address new City laws.

36. Question: Overall Strategy – In addition to managing costs, what are the top three issues impacting LACERS' benefits program strategy?

Answer: The current top three issues impacting LACERS' benefits program strategy are:

1. Utilization results
2. Benefit design changes
3. Socio/Economic factors and legal requirements

37. Question: Does LACERS have an HR or benefits communication brand? If not, would LACERS like to develop a brand?

Answer: LACERS has a brand.

38. Question: Please share additional information regarding the California Municipality Retiree Wellness Collaborative Meeting (i.e., date, location, number of expected attendees) as well as content and financial support requested from the consultant.

Answer: California Municipality Retiree Wellness Collaborative (CMRWC) Meeting is a new wellness initiative. The purpose of the CMRWC is to promote collaboration among wellness leaders to share strategies for improving wellness and health management initiatives for California municipal retiree populations. The first and second meetings were held on November 30, 2021 and February 2, 2022. The next meeting is scheduled for June 1, 2022. The meetings are held virtually, and the number of expected attendees is 15. Agenda items consist of: Finalization of the CMRWC's Purpose, Mission, and Collaborative Goals; Determination of the Proposed Scope of the Collaborative's Membership; Municipality Wellness Program Showcases; and Collaboration Opportunities. The consultant would provide the content indicated for the meeting agenda. LACERS will not request financial support for the initiative.