

OFFICE OF THE SPECIAL DEPUTY RECEIVER
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Chicago, IL 60654
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REQUEST FOR PROPOSAL

EMPLOYEE GROUP INSURANCE AND HEALTH PLAN ASSESSMENT AND RECOMMENDATIONS

Proposed deadline – January 16, 2009

December 22, 2008

Introduction

The Office of the Special Deputy Receiver (OSD) seeks proposals for consulting services to assess the company's group healthcare, life/AD&D, and long term disability plans and to recommend the most comprehensive, cost-efficient alternative for future coverage.

Goals include: 1) an independent, comprehensive assessment of the OSD's group healthcare, life/AD&D, and long term disability needs; 2) recommendations as to alternatives available for meeting the identified needs in a comprehensive and cost-efficient manner; and 3). If new group health benefit providers are selected, the transition from the current providers to the new providers must be completed by May 31, 2009.

Objectives

A report providing a comprehensive review and evaluation of OSD's group healthcare, life/AD&D, and long term disability needs:

- a. Assessment of existing OSD group healthcare, life/AD&D, and long term disability plans.
- b. A thorough analysis of the various types of employer-provided insurance available in the market place today, taking into account the current environment at OSD and stating the reasons why each type of insurance would or would not be appropriate for OSD.
- c. Recommendations as to the most cost effective and comprehensive coverages available in the marketplace for the OSD's needs.

Background

Pursuant to the Illinois Insurance Code (Code), the Director of Insurance of the State of Illinois (Director), is appointed as Receiver of domestic insurance companies which have been determined by the state courts to be insolvent and/or subject to grounds for conservation, rehabilitation or liquidation as specified in the Code.

The Director is empowered by the Code to appoint a Special Deputy as his agent to assist in the conservation, rehabilitation, or liquidation of the impaired insurance companies. The OSD, an Illinois not-for-profit corporation, supports the Special Deputy in the management and administration of the business and affairs of the insurance companies placed in receivership (Estates). The activities of the OSD are conducted at its offices located at 222 Merchandise Mart Plaza, Suite 1450, Chicago, Illinois 60654; (312) 836-9500.

The OSD is not a state agency or a part of the Division of Insurance. Accordingly, the employees of the OSD are not state employees. They are not paid by the State, do not participate in any of the various State employee health or pension plans, and are not subject to any State personnel rules or regulations. The operations of the OSD are funded by allocating to the companies it administers the actual costs of the services provided by the OSD and its employees.

The OSD provides a contributory self-insured group health plan with specific stop loss reinsurance. The plan provides medical, dental, vision, and weekly disability benefits. Currently, there are 102 employees, 99 of whom are participants in the health plan. All employees are covered under the Life/AD&D and Long Term Disability group policies. Certain employees have voluntary life insurance and/or long term care insurance. The plan year for all plans is from June 1 through May 31.

Instructions Regarding Proposals

All proposals must be received by the OSD by 4:00P.M. Central Time on January 16, 2009. Send or deliver one signed copy original and four copies of the proposal to:

Paul W. Cox
Human Resource Manager
Office of the Special Deputy Receiver
222 Merchandise Mart Plaza
Suite 1450
Chicago, Illinois 60654

Although other OSD employees will participate in the pre and post proposal phases, the Human Resource Manager will be the sole point of contact for questions, suggestions, and requests. Send written communications to him at pcox@osdchi.com, or you may telephone him at (312) 836-9658.

Each responding firm will bear all expenses associated with preparing, providing, and presenting their response to this Request For Proposal.

Proposals must include the following information:

1. Name of firm, addresses of firm's corporate headquarters and offices, location of office or offices that will provide services to OSD, and names of the firm's primary and alternate contact persons and their contact information.

2. The background and ownership of the firm including years in business, description of the organizational form (e.g., partnership, Professional Corporation, etc.) and number of employees.
3. A description of any material changes in the firm's senior management positions within the last three years.
4. A statement of the firm's qualifications and a list of relevant client experience in the last 3 to 5 years. List experience with clients with approximately 100 employees.
5. A list of client reference contacts, names and contact information, from those client companies with approximately 100 employees identified in item 4, above.
6. A list of employees that would work with OSD, including a resume for each, including their experience and tenure with your firm and others, and the role they would play.
7. An explanation of the evaluation process you would use to determine OSD's group insurance needs and the time-frame for completing the evaluation.
8. A list of insurers and claim administrators, if applicable, you would recommend and why.
9. An explanation of the service model you would use on an ongoing basis to provide service to OSD.
10. A statement explaining the broker fee structure including insurance premiums and administrative fees for this project. You should address all possible sources of compensation, including, but not limited to, direct or indirect compensation, current and future compensation, placement or administrative fees, contingent commissions, renewal commissions, services fees, and any other form of compensation. The OSD will consider bidders whose brokerage fee arrangements are usual and customary within the industry.
11. A statement of your understanding of the assignment as well as the need for any specific information from OSD to perform this work.

Evaluation and Award

The OSD intends to enter into a contract with the firm that in the OSD's opinion best meets the responsiveness criteria described below. However, this RFP does not commit the OSD

to select or enter into a contract with any firm. The OSD reserves the right to reject any and all proposals. The OSD will use an evaluation committee to review and evaluate proposals.

Evaluation of Compliance

The OSD will determine whether the offer complied with this RFP. We must reject your offer if it is received after January 16, 2009. Failure to meet other requirements will affect our evaluation and may result in rejection.

Evaluation of Responsiveness

The OSD often, but not always, uses a point ranking system or other evaluation methods to aid in the evaluation process. The OSD reserves the right to use its discretion to eliminate proposals deemed unacceptable.

We will separately determine how well offers satisfy the RFP objectives in terms of responsiveness and we will rank proposals using a point ranking system (unless otherwise specified). The OSD will consider references in this portion of the evaluation.

The OSD will determine whether any failure to supply information, or the quality of information, will result in rejection or downgrading a proposal. Brokers who do not rank sufficiently need not be considered for selection. Brokers whose proposals meet minimum responsiveness will be eligible for further consideration. The following list describes the responsiveness evaluation point system.

1. The maximum number of points for responsiveness is 100.
2. Brokers who receive less than 75 responsiveness points will not be considered for price evaluation and selection.
3. The elements of responsiveness evaluation criteria and their relative weights are:

Responsiveness Criteria	Points
Compliance	10
Group healthcare, life/AD&D, and long term disability plans Insurance Experience	20
Qualifications and experience of proposed broker team members	30
Quality and comprehensiveness of the proposal	25
Input from reference contacts	15
Total Points	100

Alternative Evaluation

If OSD receives three or fewer proposals, we may evaluate them using a simple comparative analysis of the elements of responsiveness and compensation instead of the announced method of evaluation.

Timetable

December 22, 2008	RFP Published
January 16, 2009 4:00 P.M. Central Time	Proposal deadline
February 1, 2009	Anticipated decision on proposals