

PROPOSAL FOR EMPLOYEE BENEFITS CONSULTING

RFQ # 2019-006
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HOTCHKISS
INSURANCE

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1. Executive Summary

Hotchkiss Insurance appreciates the opportunity to respond to the Request for Proposal from **County of WEBB COUNTY, Texas** (hereafter referred to as “**WEBB COUNTY**”) for employee benefits consulting services.

In business for over 40 years, Hotchkiss Insurance is a major privately held firm whose only business is insurance. We are one company, with no competing profit centers or silos. We have the flexibility and freedom to assign resources to support our clients as needed. We have no financial obligation to stockholders, so nothing takes precedence over our commitment to our clients.

What does this mean to WEBB COUNTY? You are assured of receiving outstanding knowledge and experience, objective guidance, and quality service to meet your requirements and goals.

The highlights of our strengths as WEBB COUNTY’s benefits consultant include the following:

- **Industry Position.** Hotchkiss Insurance ranks among the largest privately held firms in our industry in the United States. Across our company, we place and negotiate annual premium in excess of \$100 million. This volume of business translates into significant market knowledge and leverage, and positions us to deliver the best financial results.

In addition, I serve many education and public sector clients. Not only do we understand your needs and challenges from a benefits perspective, but we are committed to growing the partnership and support that goes beyond fulfilling our role as WEBB COUNTY’s broker.

- **Business Model:** Hotchkiss Insurance’s book of business includes clients of all sizes. We provide the resources and expertise of a national consultant, combined with local support from our offices in Houston, Dallas, Fort Worth and San Antonio for every aspect of your benefits program.
- **Strength of Your Service Team:** You work directly with a dedicated team of seasoned account professionals, whose members average over 20 years of industry experience. All have worked extensively with accounts across multiple industries. The team includes:
 - Account managers, who provide a level of day-to-day responsiveness and support that no other national consultant can match.
 - Subject matter experts, who represent all the core disciplines needed to plan and implement a high quality, cost effective benefits program. Their expertise covers Underwriting and Financial Analysis, Health Care Reform and Benefits Compliance, Health and Wellness, Employee Communications, and Quality Assurance.
 - Your account team will remain the same from day one and throughout the engagement. We never replace senior professionals with junior level personnel. You will come to know and rely on all of Hotchkiss Insurance’s team members.

- **Strategic Planning:** Given the cost and complexity of health insurance, “If you fail to plan, you plan to fail.” This is why Hotchkiss Insurance will develop a *benefits business plan* for WEBB COUNTY, beginning with a detailed analysis and financial review of your current program.
- **Proactive, Innovative Solutions:** Your account team has a comprehensive knowledge of the Texas benefits market as well as national carriers and best-in-class products and services. We will systematically explore every option to help WEBB COUNTY lower costs while maintaining the quality and competitiveness of your program.
- **Health Care Reform and Compliance Support:** Your account managers, supported by the compliance specialist on the WEBB COUNTY account team, provide updates, analysis, and guidance year round to help you manage the impact of the Affordable Care Act and all other national and state regulations.
- **Quality Control:** Our quality control program helps to ensure the consistency and quality of our service, and WEBB COUNTY’s satisfaction as our client.
- **Cost Certainty and Value:** We have proposed an all-inclusive, highly competitive fee for the quality of service provided.

Hotchkiss Insurance is confident in our ability to effectively partner with and serve WEBB COUNTY. We look forward to advancing to the next stage in your selection process.

2. Background Information

Hotchkiss Insurance was founded in 1975 by Doug Hotchkiss. Doug, as a successful CPA and real estate executive and an “outsider” to the insurance marketplace, was able to bring innovative strategies to Hotchkiss that would fuel sustained organic growth over the decades to come. Forty years later, Hotchkiss Insurance is one of the largest privately owned agencies in Texas and is uniquely positioned to leverage a depth of resources, experience and strong carrier relationships with a dedicated, nimble team to deliver the highest level of service to our clients. Hotchkiss operates regionally across Texas with four offices across the state and over \$150 million in written premium.

Hotchkiss is a member of the prestigious Council of Insurance Agencies and Brokers, which includes the finest insurance brokers in America. We value our employees, and one important way we support them is by investing in their professional development. 69 of our associates hold at least one industry designation; 39 hold two or more. Additionally, we have a department devoted to employee education and training which includes industry development, professional development and technology. As an agency, we have received numerous awards highlighting our culture and client service, including being named a “Best Places to Work” company in Houston and Dallas, multiple times. The best demonstration of this, however, is the tenure of our employees. Nearly 40 percent of our employees have served over ten years with Hotchkiss, and this coming year, 16 of our team members will have over 20 years of service.

The Consultants of our firm have served a number of education and public sector clients. Below is a representative sample of those accounts:

Current or former Public Sector Clients of the Consulting Team

- *Brazoria County*
- *Brownsville ISD*
- *Houston ISD*
- *Jefferson County*
- *Lower Neches Valley Authority*
- *Medina County*
- *Sabine Neches Navigation District*
- *Sabine River Authority*
- *San Felipe Del Rio CISD*

Because we are privately held, Hotchkiss Insurance is able to make faster decisions and implement service changes quicker than our larger competitors. Our private ownership allows us to be more flexible than larger, publicly traded firms. We have the ability to make difficult, long-term financial decisions without short-term pressures from shareholders. In addition, our vertically integrated structure allows us to access our greatest resources and talent for each client because all of our services are rolled out on a national basis.

Employee Benefits Practice

Employee Benefits Services is one of five business units within the Hotchkiss Insurance organization. It has been an independent business unit within Hotchkiss Insurance, with offices in Texas since 1975. It is directed by an executive management team, which manages its own budget and has full profit-and-loss responsibility.

Our area of focus is larger and mid-sized organizations, both public and private—organizations that are often underserved by traditional brokerage options. Within this space, we deliver the greatest value in terms of the range and quality of services provided. These services include:

- Underwriting and Financial Analysis
- Account Management
- Plan Design
- Funding Options
- Population Risk Management / Worksite Wellness
- Benefits Administration
- Health Care Reform and Compliance
- Employee Communications
- Quality Assurance

We will deliver these capabilities to WEBB COUNTY through a dedicated staff whose goals are not only controlling costs, but helping your organization use benefits to optimize recruitment, retention, and employee health and satisfaction.

Consistent with our “Local in Focus” approach, WEBB COUNTY will be served by a combination of:

- Account management and support specialists based in Houston, Dallas, Ft Worth and San Antonio

Dedicated Account Team

Hotchkiss Insurance utilizes a team approach to service our accounts. In this way, the client is guaranteed to receive all of the core services necessary for the effective management of its employee benefit program.

These services are delivered by professionals who have outstanding knowledge in their given areas of expertise as well as first-hand understanding of the client’s specific program, population, and needs. As stated in the Executive Summary, team members average more than 20 years of industry experience. They have worked with major insurance carriers, broker consultants, and/or specialty vendors, frequently in senior management positions. The team is also highly experienced in the education sector. For example, over the course of his 35-year career consultant Carey Malek has extensively consulted and/or placed insurance products with education and public sector clients in

Texas, which includes many independent school districts such as Brownsville, Beaumont, McAllen, and Round Rock.

The members of your account team are shown on the organization chart below. It is followed by a brief description of their account responsibilities.

- **Carey Malek, Consultant**, is the consultant for your account. He will contribute to strategic planning and ensure that WEBB COUNTY receives the best possible service at all times from the benefits team and the Hotchkiss organization as a whole.
- **Chris Hamilton, Consultant**, Chris brings 18 years in corporate finance and insurance industry working with mid-market, regional and national employers. He holds an MBA and BBA in finance. He will contribute strategic planning, executive supervision, and problem escalation to your account team.
- **Natalie Cooper, Account Executive**, Natalie brings 9 years in the finance and insurance industry. She has extensive experience implementing and managing self-funded health plans and associated programs. Natalie has her BBA in finance, her Life & Health license, and held the FINRA Series 7 and 63.
- **Reney Galvan, Account Manager**, Reney brings 17 years of experience in the insurance industry. She has extensive experience working on both the brokerage/account management and carrier sides of employee benefits business. Reney has her life and health license.
- **Candi Olivo, Account Manager**, Candi has worked for 15 years in the insurance industry. She has extensive experience working on both the brokerage/account management and carrier sides of the employee benefits business.
- **David L. LeFevre with LeFevre Law, P.C.**, is outside counsel that specializes in ERISA and benefits law. Representing clients throughout the United States, LeFevre is engaged to review findings, provide in-depth commentary on specific issues, and respond to escalated client questions.
- **Kim Espinosa, Manager, Marketing & Communications**, will manage content and advise on the production and distribution of benefit communication materials for employee awareness and education.
- **Adan Perez, Consultant/Risk Manager**, is an outside consultant retained by Hotchkiss to act as a local representative in Laredo and to support the Hotchkiss team.

3. Approach to Representing Webb County

The goals of our account services team in support of Webb County are to:

- Align the benefits strategy with each client’s overall business strategy
- Identify and address all risks and cost drivers
- Develop affordable, high-quality employee insurance programs
- Educate clients on all options available in the marketplace
- Mitigate health risks to reduce the number and severity of claims
- Support and provide options to improve administrative processes
- Provide an excellent experience for employer and employees

Strategic planning is a cornerstone of our effectiveness. A strategic approach is necessary to combat market pressures and ensure your plan is financially viable long-term. Our basic methodology is as follows:

- At the start of every engagement, Hotchkiss Insurance account leaders interview the client and other stakeholders in the benefits program) in depth, in order to learn about the client’s goals and priorities, benefits history, management, culture, and human capital needs.
- We work with the client to prepare an annual “benefits business plan” to identify (1) all of the major account management objectives and deliverables for the coming plan year; and (2) longer-term goals and directions for the program. This plan provides an initial “Program Analysis and Financial Overview” of your current benefits program.
- Once agreed to by the client and Hotchkiss Insurance, the business plan is mapped onto a “Benefits Service Calendar,” which breaks out and schedules all the activities needed to fulfill the plan’s deliverables on a weekly basis for every month of the plan year. At the same time, the calendar serves to keep the client informed about the status and progress of the benefits program on an ongoing basis. The details of the calendar will continue to be modified in response to new information, conditions, and priorities.
- A customized timeline/Benefits Service Calendar will be developed for WEBB COUNTY during the first month of our engagement, based on client interviews, our program and needs analysis, and WEBB COUNTY’s input and sign-off on the overall strategic plan, key deliverables, and target dates. A model Benefits Service Calendar is provided.
- We review progress with the client at both scheduled and ad hoc meetings. We will provide monthly claims data, legislative updates, and the status of upcoming benefit activities and any open issues. Larger program components are broken out, defined, and tracked through a detailed Project Plan.

- This process is repeated annually to adjust and re-focus the benefits business plan for each new plan year. Aiding the process is an annual Stewardship Report and meeting, to formally look back at the past year, evaluate the program's success to date, and review open issues and their status going forward.

Obtaining Competitive Bids

Based on our strategic plan, we facilitate a fair, objective procurement process that will identify qualified vendors and plans and help WEBB COUNTY make the most informed decision.

- We begin by reviewing the specific goals and requirements in going out to bid with the client, so that those parameters are clearly identified and represented in the RFP document to be distributed.
- We prepare a questionnaire that is comprehensive in scope, but clear and precise in the way information is presented. All specifications are provided for both individual products and services and the overall program, including timelines, deliverables, and expectations and conditions regarding performance.
- Prior to distributing the RFP, we use our market knowledge to pre-qualify the list of candidates (e.g., A-rated or higher) to save time and create the most competitive field.
- Upon receipt, the content of all responses will be reviewed and spread sheeted. (This includes financial analysis by our underwriting team to confirm the accuracy of the proposed marketing results.) We then meet with the client and present a side-by-side comparison of the candidates, highlighting their strengths and weaknesses. Based on this evaluation, finalists are recommended.
- Finalists are given the opportunity to respond to questions and revise their proposals. They are invited for an in-person interview, which the client is encouraged to attend.
- The winning candidate is then selected, subject to execution of the contract. Hotchkiss Insurance will oversee the contract process and work with the new vendor to facilitate a smooth transition based on a customized implementation plan.

Reducing Costs / Maintaining Quality

As previously stated in this section, Hotchkiss Insurance will build a strategic benefits business plan to help WEBB COUNTY reduce costs. This customized plan would be based on a thorough analysis of your current program, its history, and client input and discussion regarding your needs, objectives, and corporate culture.

That said, the following pages introduce some preliminary examples of initiatives which, given our experience within and outside the education and public sector space, should be worth investigating on WEBB COUNTY's behalf:

A. Negotiating Renewals

Our firm has strong relationships within the carrier and provider community, based on the volume of business we place annually and the extensive experience of our account teams and senior management. We always look to leverage those relationships to our client's advantage.

Our negotiating position is strengthened even by the work of the *underwriters and financial analysts* assigned to your dedicated account team. They bring years of experience working with both large national carriers and benefits consulting firms, and will have first-hand knowledge of your organization. Their work gives us even greater information, insight, and additional bargaining strength.

B. Self-Funding, Narrow Networks, Direct Contracting and On-Site Clinics

Companies choose to self-fund their benefit programs for several reasons:

- Cash flow is improved as the employer holds its own reserves and only funds claims as they are paid.
- **Self-funding** reduces the impact of federal and state premium taxes, which ranges from 2% - 5% of premium.
- Typically, self-funding allows for more employer control over plan design.
- State-mandated benefits must be included within insured contracts, but self-insured programs have the option to include or exclude these features.
- Self-funding allows for better targeting of health issues.
- **Narrow network** offer significantly better discounts than traditional PPO's and can be used a third plan option in the benefit plan.
- **Direct contracting** allows employers to take advantage of local buying power to establish special relationship with selected providers within their current PPO networks.
- **On-site clinics** are proven to reduce costs on the health plan. They can also reduce cost for unrelated to the medical plan such as pre-employment physicals, occupational costs, drug testing, DOT and non-DOT physical exams. It can also be used as a Workers Comp approved provider.

OTHER ALTERNATIVE FUNDING INITIATIVES

- **Direct Contracting**
Some hospitals and providers will be willing to direct contract with the District to provide deeper discounts than offered by traditional PPOs.
- **Narrow Networks**
Smaller networks with significantly better discounts.
- **Value Based Pricing**
Client pays fixed costs based on Medicare or some other reimbursement basis. The result can be a significant reduction in plan claim costs.

Hotchkiss Insurance has established itself as a thought leader in self-funding and other alternative funding methods, including direct contracts and value pricing. The analysis and design of funding programs is supported by our internal actuarial and underwriting expertise as well as our comprehensive knowledge of health plan vendor capabilities.

We have recently negotiated a **direct local hospital contract** for one of our Counties clients here in Texas. The result was twofold. We received better pricing and we set up a referral network to keep patients at the local hospital. That created even more savings by keeping patients local instead of higher priced alternatives. It actually had more of an impact than the reduction in contract pricing.

We have been instrumental in developing **narrow networks** with hospitals in several markets. We get better pricing and larger networks than the insurance companies can develop. They are also “outcome based” which put a premium on doctors success rates. It actually saves more money than severe discounts. A reduction in recidivism is paramount for successful outcomes.

We have become leaders in the **On-Site Clinics**. We implemented several over the last few months because the market costs have dropped considerably. We see this as part of a comprehensive plan to reduce costs for health benefits plus many other cost reductions not attached to the health plan.

As your benefits consultant, Hotchkiss Insurance will analyze your claims data on a continual basis to evaluate if and when a change to or consider direct contracting, narrow networks or if value pricing should be considered. Should you decide to make a change, we will structure the program, market the providers, and fully manage the implementation process.

C. Health & Wellness Programs

Effective health and wellness programs can reduce the frequency and severity of claims, and improve the quality of employee lives. That is why Hotchkiss Insurance is committed to helping clients develop wellness solutions that are “affordable” to our clients and within the scope of their internal resources to budget and administer. To achieve these goals for WEBB COUNTY, we have assigned Rick Fox, a wellness specialist, to your dedicated account team.

Effective worksite wellness typically has four interrelated tracks, shown below with examples:

- *Education*
 - Distribution of Health & Wellness newsletters
 - Sponsoring biometric screenings (e.g., blood pressure, cholesterol)
 - Raising awareness and participation in carrier disease management programs, etc.
- *Plan Design Changes*
 - Weight loss programs covered at 100%, Diabetes drugs covered at no or low copays, etc.
- *Financial Incentives*
 - When the employee completes a Health Risk Assessment
 - When the employee completes preventive screenings
 - When the employee participates in activities that promote good health (e.g., a tobacco cessation program) etc.
- *Employer Commitment and Leadership*
 - Supporting in-house wellness activities
 - Ongoing program recognition and endorsement, etc.

We recommend industry best practices to our clients (e.g., engaging spouses, domestic partners, and covered dependents, and linking incentives to biometric results) and look to design a long term strategy that emphasizes objective results and return on investment.

In addition, based on available carrier data, the underwriters/analysts in your account team will annually review claims activity. If the cost of claims has significantly increased from the previous year, we will determine whether the major cause is isolated “shock claims” (which are unlikely to recur) or a more widespread trend among your population.

If the latter is the case, Hotchkiss Insurance will analyze the data to identify the at-risk groups and recommend appropriate health management responses to reduce WEBB COUNTY’s exposure going forward.

Our Advantages Representing Webb County

- Hotchkiss Insurance’s business model allows us to provide all the expertise and resources of a national consultant, but with the hands-on, day-to-day support and service of a local broker.
- Hotchkiss Insurance’s experience public sector clients. We understand and have proven ourselves responsive to their (e.g., strict budget constraints; importance of benefits in lieu of salary to recruit and retain quality personnel; often limited HR staff). We always look to strike a balance between saving money and maintaining and improving the quality of your benefit offerings.
- Your account team consists of seasoned benefits professionals. These professionals will remain on your team for the length of our engagement. Not only will WEBB COUNTY benefit from their knowledge but also from the consistency of their permanent assignment to your account.
- Hotchkiss Insurance has been doing business in Texas since 1975. Our knowledge and presence in this market contributes to our local and national negotiating leverage as we annually place *more than \$100 million in premium* company wide.
- Our “benefits business plan” approach systematically addresses all of the factors impacting your cost and the needs of your agency. We are relentless in exploring every option on your behalf for the best possible results.
- We place special especial emphasis on providing client information, education, and guidance regarding compliance, especially in the critical area of Health Care Reform.
- We partner with specialized vendors to offer innovative solutions to our clients. In the case of WEBB COUNTY, our partnerships can provide (a) a state-of-the-art benefits administration system at no additional cost; and (b) a potential opportunity to receive a reduction in premium for participating in an outsourced worksite wellness program.

Our pricing remains highly attractive for the range and depth of services we provide. We are also willing to put a percentage of our compensation at risk if we fail to deliver outstanding service by including a performance guarantee as part of our cost proposal.

4. Employee Communications

Communicating benefit program information and directions to employees is often an inefficient and costly process for employers, whether for open enrollment, workplace wellness programs, or other event-driven needs. We have the expertise to develop accurate, effective, and professional employee communications in support of WEBB COUNTY at no additional charge.

Your account team is experienced in the writing and design of awareness-building and educational tools, and includes a communications specialist. We work with multiple forms of media in various languages based on client needs, such as:

- Print
 - Brochures
 - Flyers
 - Newsletters
 - Signage
 - Direct mail
- Video
- Email
- Web-based
- Hand-held devices
- Advertising premiums
- Live presentations
- Virtual meetings
- Events (e.g., health fairs)



Hotchkiss Insurance takes several steps to ensure consistent and professional messaging throughout the communications process. For example:

- We make sure that we understand and reflect all of the client's corporate communications standards, in terms of both graphics and content.
- A project plan is developed for each communications project, so that the required timetable, deliverables, resources, development stages, approval process, and production/distribution schedules are better understood and adhered to.

5. Annual Reenrollment

Hotchkiss Insurance will indirectly support and help coordinate certain aspects of the open enrollment process through completion. Your account team will work with your HR management to create a complete Open Enrollment project plan and timeline. Aspects of the program to be addressed include:

- Finalizing of benefits offering and employee contributions
- Defined roles, responsibilities, and deliverables for the client, the vendors, and Hotchkiss Insurance
- Scheduling
- Enrollment procedures
- Required plan documentation
- Creation and distribution of employee communication and educational materials (including legal notifications)
- Enrollment meetings (live and webcasts)
- Facilities preparation (if needed)
- Q&A support for employees
- Coordination, review, and transmission of final enrollment data with the carriers.

In addition, after open enrollment is completed, we conduct a renewal review meeting with the client. The purpose of the meeting is to review results and identify any adjustments or changes to be made in the future.

Open enrollment is more than an administrative event for employees—it is an educational opportunity, with special emphasis placed on plan changes and new product rollouts. Your account team (which includes a communications specialist) is experienced in the planning, writing, and design of awareness-building and educational tools. In addition to meetings, we can employ a range of techniques and media (print, email, intranet, etc.) to proactively disseminate information, build awareness, and facilitate the enrollment process.

6. Rebidding Process

Our firm has strong relationships within the carrier and provider community, based on the volume of business we place annually and the extensive industry experience of our account teams and senior management. We always look to leverage those relationships to our client's advantage. However, conducting effective renewals is not only a matter of "who you know" but "what you know." Carrier formulas based on claims data is what drives cost. The approach of Hotchkiss Insurance is to ***treat renewals as an ongoing 12-month process*** so there is always sufficient information and time to budget, negotiate, make plan adjustments, and go to market if necessary. Highlights of our approach include the following steps:

- *Monitor and report on claims activity* on a continual basis.
- Have the underwriters on your account team prepare an "early warning" renewal projection at least six months before the renewal date for planning and budgeting purposes.
- Work to obtain the carrier's renewal *as far in advance of the renewal date as possible*. This gives us time for a thorough analysis and response.
- Have our underwriter's *recalculate the renewal*, using our assumptions and results to check every aspect of the carrier's submission for accuracy and reasonableness.
- *Review details of the recalculation* with the carrier's underwriter as well as the carrier's account manager. This allows for the professional and productive discussion of the merits of our findings.
- *Aggressively market coverages* to obtain the most favorable pricing for WEBB COUNTY.

Hotchkiss Insurance's renewal process is consistently effective for two reasons. First, we can evaluate the renewal cost far enough in advance of the actual renewal date that all negotiating options are open (e.g., meeting with the carrier's underwriters; escalating within the carrier's organization; going to market). These options would often not be available if the renewal were received only 60 days prior to the renewal date, which is often the carrier practice.

Second, our advocacy for our clients is based on objective data and analysis. We are speaking the carrier's language from an underwriting perspective. We are going to get better results because we are making an evidence-based case.

Our extensive knowledge of the insurance market enables us to pre-qualify carries and vendors before distributing the RFP, thus saving time and facilitating the selection process. However, we do not play favorites. As a professional broker/consultant, Hotchkiss Insurance maintains industry-wide relationships but never at the expense of the needs of the client. WEBB COUNTY can have complete confidence in the objectivity and transparency of our marketing process.

7. Compliance

Failure to meet the maze of federal, state, and local compliance requirements exposes a client to potential fines and lawsuits. Hotchkiss Insurance has a regulatory compliance group to assist WEBB COUNTY in this area. For WEBB COUNTY, these services are coordinated through *ErisaFire* who concentrates on legal and compliance issues as they impact employee benefits.

To perform this function, we utilize a comprehensive range of information sources, including industry databases, specialized news services, professional benefits and HR organizations, dedicated legislative and compliance reviews, and government websites and advisories. Our internal compliance group is assisted by the outside counsel of *David L. LeFevre (LeFevre Law P.C.)*, which has a specialty practice in ERISA and benefits law. They are typically engaged to review findings, provide in-depth commentary on specific issues, and respond to escalated client questions. Representative issues reflect such topics as:

- Health & Welfare Plans
- Qualified Plans
- Executive Compensation
- Fiduciary Compliance
- Mergers & Acquisitions

Our **core support services** for compliance include:

- Health Care Reform guidance from a regulatory, financial and operational perspective
- Ongoing review and identification of relevant legal and regulatory developments. These findings are communicated to clients directly from the account team or via the electronic distribution of compliance updates.
- Providing an annual compliance timeline (a sample is provided in the *Exhibits section*)
- Performing a compliance review of basic benefit documentation requirements, such as:
 - Summary Plan Descriptions for all plans
 - Annual Report of Employee Benefit Plan – Form 5500 and related documents (as applicable)
 - Coverage continuation arrangements – COBRA and state specific requirements
 - Medicare – Part D notification and filing requirements
 - Child Health Insurance Plan (CHIP) – notice requirements
 - HIPAA – notice requirements
- Assisting in preparation of a Wrap Summary Plan Description to help reduce government filings and simplify communications related to ERISA compliance.

Today's overriding regulatory concern is Health Care Reform. To keep our clients up to date on the Affordable Care Act—and prepared to make all of the decisions the law requires—we provide a comprehensive program that features these initiatives:

- Continue to monitor and analyze legislation; provide updates as soon as new information is released.
- Conduct Health Care Reform compliance reviews (e.g., for W-2 reporting, Summary of Benefits Coverage, Affordability Standard, etc.) customized for the client organization and the state(s) in which it operates.
- Help manage the Summary of Benefits Coverage process for fully insured and self insured plans.
- Aid in evaluating potential “Pay or Play” scenarios and affordability tests.
- Evaluate private Health Care Exchanges and defined contribution approaches for employers considering this direction.
- Ongoing communications/education program through monthly newsletters, webinars, client meetings, and escalation of questions to the head of our Compliance group or ERISA counsel as needed.
- Schedule specific Health Care Reform meeting dates for one-on-one counseling.
- Sponsor roundtable sessions with selected clients to share best practices and client-specific strategies.

Hotchkiss Insurance takes a hands-on, proactive role in addressing this critical topic. We do not just pass along information or wait for the client to ask questions. Health Care Reform is a topic on our agenda for every client meeting. We help our clients crunch the numbers (from Pay or Play analysis to calculating the number of “full-time equivalent employees” or FTEs) and objectively assess financial alternatives and strategies. In effect, we accept the responsibility to lead our clients in planning for this highly complex and challenging legislation.

8. Additional Services

Online Database for Benefits and HR Information

Another business partner gives Hotchkiss Insurance access to an online database for benefits and HR topics, which target the information needs of both employers and employees. One of the primary advantages of the database is its emphasis on timely and effective communication. At any time an inventory of 3,000 publications is ready for distribution in print and electronic formats.

We can provide WEBB COUNTY with your own direct access to this communications database. You will have the ability to search and download the publications of your choice on a continual, on-demand basis. This feature (called “**Think HR**”) offers a custom portal for the communications section of the database. Examples of recent articles include:

- Understanding a Health Savings Account (HSA)
- Sample Employee Handbook Policies
- Live Well, Work Well Newsletters
- Workplace Wellness
- Weight Loss Winner (comprehensive workplace wellness competition)
- Top 10 COBRA Mistakes (and How to Avoid Them)
- Section 125 Plans: Do You Need One?
- Creating and Maintaining Employee Personnel Files
- Health Insurance Terms You Need to Know
- National Health Observances Calendar
- Fitness First: Exercise and Healthy Eating



There would be no additional cost to WEBB COUNTY for this service.

9. Compensation

- Hotchkiss Insurance proposes **two compensation options**, either of which can be chosen at the discretion of WEBB COUNTY:
 - Hotchkiss Insurance would charge an **annual flat fee of \$75,000** to provide brokerage consulting services for all of WEBB COUNTY's current lines of coverage, to be paid in monthly installments. This price would remain in effect for the first year of the contract, with a 5% increase per annum in option years 2, 3 and 4, unless a pricing change is mutually agreed upon. All insurance products would be procured net of any commissions.
 - Hotchkiss Insurance would waive the annual flat fee in lieu of being named **Broker of Record on all voluntary (employee paid) insurance products** and receiving standard broker commissions for each year of the engagement as long as they cover in excess of the annual flat fee proposed.
- Hotchkiss Insurance provides a comprehensive package of all services needed for the successful planning, implementation, and management of an employee benefits program—both financially and operationally.

The chart beginning on the following page summarizes these services, which can be adjusted and further customized, if needed, to meet the specific needs of WEBB COUNTY.

- The contract period would be for one base year and up to four option years. WEBB COUNTY has the right to cancel the contract at any time after the base year with three months' notice.
- Quality and client satisfaction are ingrained in Hotchkiss Insurance's culture. To demonstrate this commitment, Hotchkiss Insurance is willing to place a portion of our fee for core services at risk, based on objective mutually agreed-to criteria, should we fail to deliver outstanding performance.

Employee Benefits Capabilities

Strategic Planning	
Benefits Business Plan	<ul style="list-style-type: none"> • Develop a comprehensive understanding of the client. • Identify excessive costs and exposures through financial analysis and vendor/operational review • Plan and implement a long-range strategy for operations and cost control.
Financial Analysis	
Advance Renewal Projection	<ul style="list-style-type: none"> • Project renewals in advance of carrier submission. • Establish budget requirements and determine marketing objectives— with enough time to take appropriate action. • Eliminate surprises for the client.
Recalculation of Carrier Renewals	<ul style="list-style-type: none"> • Conduct internal, line-by-line review to check carrier submission for accuracy and reasonableness. • Use findings to drive negotiations favorable to the client.
Benchmarking	<ul style="list-style-type: none"> • Evaluate the client’s benefits program compared to companies similar in size, industry, location, plan design, etc. • Use findings to help keep program competitive for recruitment and retention.
Utilization Analysis	<ul style="list-style-type: none"> • Study available carrier claims data to determine cost drivers (in terms of health conditions and employee behavior). • Develop targeted strategies to address cost drivers and lower costs.
Alternative Funding Studies	<ul style="list-style-type: none"> • Review multiple alternatives to traditional full insurance. • Present options that balance the potential of lower costs against the client’s tolerance for higher levels of risk.
Provider Network Studies	<ul style="list-style-type: none"> • Conduct network access studies of competing vendors to promote optimal use of in-network providers.

Account Management	
Dedicated Account Team	<ul style="list-style-type: none"> • Assign a team of specialists dedicated to serving the client’s needs. • Ensure client always works with senior professionals with proven industry experience and success.
National Resources and Local Support	<ul style="list-style-type: none"> • Provide access to national insurance and administrative markets, vendors, subject matter experts, and other resources. • Combine the above with day-to-day local support, both proactively and in response to client requests.
Service Calendar	<ul style="list-style-type: none"> • Map out activities, due dates, and responsibilities for the entire year; continually review and update as needed. • Ensure that the client knows what to expect in terms of service and performance. • Keep Hotchkiss Insurance accountable to the client at all times.
Vendor Negotiations and Management	<ul style="list-style-type: none"> • As one of country’s largest broker/consultants, leverage volume of premium placed, carrier relationships, and underwriting expertise on client’s behalf. • Optimize financial results and carrier performance during renewal and throughout the plan year.
Market Review and Client Education	<ul style="list-style-type: none"> • Keep the client up to date on industry developments through direct reporting as well as monthly newsletters, quarterly webinars, and special publications and events. • Look to apply this information to help make improvements in the client’s program.
Stewardship Report	<ul style="list-style-type: none"> • Annual review of program status. • Identify and resolve open issues. • Discuss and lay groundwork for upcoming projects.
Benefits Administration	<ul style="list-style-type: none"> • Establish client requirements, needs, and goals in this area. • Provide employers and employees with the advantages of a mobile app that hosts wellness programs, a benefits library, and other educational and time-saving features. • On request, consult on a technology platform to facilitate enrollment and HR tracking of employee benefit activity.

Health Care Reform and Compliance	
Comprehensive ACA Support Program	<ul style="list-style-type: none"> • Proactive education and guidance, including: <ul style="list-style-type: none"> – Latest updates – Pay or Play modeling – Defined contribution approaches – Health Care Reform compliance reviews to avoid exposure and penalties
Employee Benefit Plan Compliance Reviews	<ul style="list-style-type: none"> • Identify risks and assist with corrective action in areas such as: <ul style="list-style-type: none"> – Plan documents and Summary Plan Descriptions – Section 125 Cafeteria Plans – COBRA procedures – Benefit plan discrimination rules – HIPAA privacy – Preparation of annual plan notices and filings
Employee Engagement	
Custom Communications Programs	<ul style="list-style-type: none"> • Provide an annual employee communications plan and schedule. • Assist HR with all phases of employee communications through print, email, the Internet, live meetings, and events.
Benefits Landing Page/Portal	<ul style="list-style-type: none"> • Create and manage an easy-to-use benefits web portal for employees. • Give employees instant access to plan documents and descriptions, claim forms, carrier websites and customer service, and client specific information.
Quality Assurance	
Individual Client Experience (“I.C.E.”) Program	<ul style="list-style-type: none"> • Proprietary process used by Hotchkiss Insurance to align the client's benefit strategies with its organizational and human resource goals. • Attain specific and measurable results. • Ongoing review of strategies and benefit plans, making adjustments as needed to remain current with organizational and/or market change.

Population Risk Management / Health & Wellness	
Wellness Programs	<ul style="list-style-type: none"> • Based on available data, apply results of utilization studies to identify chronic conditions and incidence of potentially preventable large claims. • Develop and manage initiatives to help employees improve their health and reduce claims. • Use results to help lower benefit costs and improve employee productivity, attendance and job satisfaction. • Establish means to objectively measure and track results (e.g., employee participation; lower benefit costs; reduced disability claims) and calculate ROI.
Select Services	
Individual Worksite Voluntary Benefits	<ul style="list-style-type: none"> • Research and propose new products to add value to the benefits program without increasing client costs



EXHIBIT I:
ADDITIONAL ACCOUNT TEAM
MEMBER PROFILES

Carey Malek

Employee Benefits Consultant
210.581.0412
cmalek@hiallc.com

Hotchkiss Insurance is a fee-based firm that has a specialty in doing projects for public entities. My expertise in this field comes from a long background in this area. I have been doing insurance and consulting for over 35 years with firms like Aon Hewitt and Willis. I have consulted and placed large commercial accounts like Dell, Continental Airlines and AT&T. I have also consulted or placed insurance on public business like Brownsville ISD, Beaumont ISD, Cameron County and Jefferson County from one end of Texas to the other. I have a wealth of experience from working with groups like these that will help you customize a solution for your entity.

I have helped design one of the first client specific PPO networks in the State for a Texas school district. I specialize in self-funded groups as it allows entities the flexibility to design and contract with the medical community to its' advantage. We still have experience in fully insured, **Cost Plus or Reference Based Pricing**, HMO and retiree benefits. We have also used effectively used **site-based clinics** and mobile clinics as part of the overall medical spend strategy. Clinics along with an active **Wellness plan** couple very well with the introduction of **narrow networks** and **direct contracting** with providers.

Every entity is different with different challenges and goals. We can help you attain your goals at fees that are reasonable. We maintain and provide experts on ACA, in house so that this service won't need to be outsourced. We do a full assessment and make recommendation all as part of our basic services. We also house a wellness expert to do an in depth assessment of your specific issues and find a solution. Every wellness plan is customized to the employer's wants and needs. We employ **actuarial services** for every need from GASB-75 valuations to setting funding requirements. Also, as part of our services we employ local underwriters to help with dealing with carrier renewals and other projects when an actuary isn't needed. All these are part of our basic services.

We will assign an account manager to assist with everything from planning and communications to open enrollments. Again, all part of our basic services. Below is a partial list of the public entities with which I have worked with or are current clients:

Brownsville ISD
Los Fresnos CISD
McAllen ISD
Rio Hondo ISD
Beaumont ISD
Sweeny ISD
Round Rock ISD
Copperas Cove ISD
Pearland ISD
Palacios ISD
Medina County

Point Isabel CISD
Jefferson County
Brazoria County
City of Brownsville
Brownsville PUB
Port of Beaumont
Port of Brownsville
LNVA
Sabine-Neches Navigation District
Jefferson County Drainage District #7

Adan Perez
Consultant
Risk Manager

Certified in OSHA General Industry Safety & Health. Offering 30+ years of experience in conducting pre-suit claim investigations and preparing initial reports, while reducing exposure and expense. Breadth of experience spans HR Administration, FMLA, HR Policies & Rule Implantation, Terminations, Employee Benefits (Self-Funded), HIPPA, Enrollment and Renewal Contracts, Audits, Wellness Programs, RX, Financial Risk, General Liability, Student Insurance, FEMA Experience, Property and Casualty oversight. Influential leader and consensus builder; expert ability to communicate with diverse audiences with varying agendas. Verifiable track record with analyzing issues/techniques in the areas of risk management, audit methodology, and claim quality. Leadership excellence resulted in millions of savings in a self-funded health and Workers' Compensation Programs.

QUALIFICATIONS

- Twenty plus years in the insurance industry with Texas Department of Insurance and Insurance Service Organization (ISO)
- Certified in OSHA General Industry Safety & Health
- Experience in developing safety programs that identify risk with solutions
- Experience in teaching safety training classes to departments (use of proper PPE & equipment) and implementing safety programs with incentives
- Experience in laboratory safety, including biosafety, radiation safety and bio-waste disposal
- Experience in Health, Safety and Environmental problems
- Experience in delivering quality risk assessments, loss analysis reports, transfers of risk and implementing Loss Prevention Programs
- Experience in administrating random alcohol and controlled substance testing program
- Experience in Self-Funded Employee Benefits Program, Cobra, Dental and RX coverage
- Experience in establishing Wellness Programs
- Experience with annual renewal and/or bid process for employment benefits and other risk management coverage's
- Experience in contract negotiations with third party vendor for the Benefits Program
- Experience implementing health program plan documents, deductibles, premiums, and fee charges
- Experience in monitoring stop loss fees, aggregate fees and run-off fees
- Experience with insurance committees and training (education of members)
- Experience in managing COBRA, HIPAA, FMLA, transitional return to work program, light duty and disability
- Experience in coordinating annual open enrollment process and conducting benefit orientation to new employees
- Experience working with the Finance Officer on setting insurance funding and payment of deductibles

- Experience with managing large budgets and maintain a positive fund balance
- Experience with preparing benefits booklets, insurance cards and activating the health system toll free number
- Experience in Self-Funded Workers' Compensation Insurance Program and return to work programs (light duty)
- Experience in consulting with various vendors, i.e. private investigators, medical providers, case managers and attorneys
- Experience in preparing and attending employees BRC, CCH and Appeal hearings
- Experience in developing a medical network for employer
- Experience in commuting with doctors, imaging centers and hospitals
- Experience in assisting in claims management and subrogation
- Experience in Workers' Compensation contracts negotiations with stop loss coverage
- Experience in reviewing workers' compensation employees claims with adjuster with recommendation for closer
- Experience in writing job descriptions with Functional Capacity Evaluations (FCE) requirements
- Experience in investigation work-related injuries to determine cause
- Experience in fleet and cargo insurance, accident investigations, vehicle inspections and training
- Experience in Property/Casualty Insurance with flood coverage (NFIP), boiler & machinery coverage and FEMA recovery
- Consult and advise with architects, engineers and contractors on heavy complex structural buildings
- Experience in public building inspections of school's facilities, chillers, water treatment plants and multi-level complex structures
- Experience in roof design - UL Laboratory, Factory Mutual design (class 90, 60, metal decks), poured decks and pre-cast roof
- Experience in fire protection of steel frame, reinforced concrete buildings and fire-rated doors
- Experience in concrete PSI requirements for FR, SFR insurance rating
- Experience in contract compliance, contractor's legal liability, builders risk coverage, equipment coverage, subcontractors default insurance (SDI) and subcontractor's bond
- Experience in ansul systems and inspections
- Experience in sprinkler systems and inspections
- Experience in General Liability coverage and working with legal counsel on claims, subrogation's
- Experience with Emergency Management Planning
- Experience in reviewing insurance proposals coverages for (RFQ's, RFP's)
- Experience with preparing renewals for the coming year and procuring proposals for the upcoming fiscal year
- Experience in developing a good working relationship with all insurance carriers and agents
- Experience in office management, customer service and supervision.
- Experience working knowledge of OSHA, ANSI, FEMA, SORM, EPA, NFPA and Homeland Security
- Excellent communication skills (bi-lingual) verbal and written

TRAINING

Property Rating Field Training
Specific Commercial Property
Blue Print Training SBCCI
Sprinkler Training
Hood & Duct Systems
ARM 54, 55
Leave, Absences & FMLA
Safety Training
Fire Prevention
Slip, Trip & Falls
Office Safety
Ladder Safety
Heat Stress
First Aid & CPR Training
Benzene
PPE
Combustible & Flammable Liquids
Civil Engineer Training (40hrs)
Hazard Communication
Water Damage Restoration
(Certified by IICRC)

Re-Roofing Certificate
Drafting
Technical Training-Windstorm Roofing
OSHA Certified
Concrete Training
Human Resource Training
TXSRMA President 2009-2010
(TX School Risk Manager Association)
Drugs in the Work Place
Tool Safety
Lockout/Tagout
Electrical Safety
Tagout/Lockout
Confined Space Entry
Hydrogen Sulfide (H₂S)
Machine Safeguard
Fall Protection
Fire Extinguisher
Spill Prevention & Response Procedures



EXHIBIT II:
SIGNED FORMS



**EXHIBIT III:
E&O CERTIFICATE AND
CONSULTING LICENSE**



EXHIBIT IV:
MODEL TIMELINE AND
BENEFITS SERVICE CALENDAR

Texas Department of Insurance
Insurance Licensing Search and Renewal

Agent Profile

Note to agents and adjusters:

- Renewal notices will be emailed to your business email address. You can check and change the email we have for you by going to the Sircon website.
- You can renew your license online starting 90 days before your license expires. When it's time to renew, a "Renew license" button will appear on this page.

CAREY STEPHEN MALEK

Business Address:

4120 INTERNATIONAL PKWY STE 2000
CARROLLTON, TX 750071960

License/Registration	License/Reg Type	Qualification	Most Recent Issue Date	Exp Date	Status
2018336	Life and Health Insurance Counselor		07/24/2015	08/31/2020	Active
813291	General Lines Agent	Life, Accident, Health and HMO	10/23/1985	08/31/2020	Active

Have a payment or insurance license question? Call the Texas Department of Insurance at 512-676-6500. You also might be able to get your answer by going to the Texas Department of Insurance's [website](#).
Need help with this website? Call 1-877-452-9060 or email Support@TexasGovHelpDesk.com.



Certificate of Insurance

Producer AmWINS Brokerage of Texas 5910 N. Central Expressway, Suite 500 Dallas, TX 75206	THIS CERTIFICATE OF INSURANCE IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY. IT DOES NOT PROVIDE THE CERTIFICATE HOLDER WITH ANY RIGHTS UNDER THE POLICY DESCRIBED BELOW. THE POLICY IS NOT CHANGED OR AMENDED IN ANY WAY BY THIS CERTIFICATE.
---	---

Named Insured Hotchkiss Insurance Agency, LLC 4120 International Pkwy #2000, Carrollton, TX 75007	Insurance Company Hudson Specialty Insurance Company (a stock company) 100 William Street, 5th Floor, New York, NY 10038
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THE POLICY DESCRIBED BELOW IS SUBJECT TO ALL OF THE TERMS, CONDITIONS AND EXCLUSIONS CONTAINED IN THE POLICY. THIS CERTIFICATE REFLECTS THAT THE POLICY WAS ISSUED TO THE NAMED INSURED ABOVE FOR THE POLICY PERIOD INDICATED. THIS CERTIFICATE IS NOT EVIDENCE THAT THE POLICY MEETS ANY REQUIREMENTS OF ANY CONTRACT OR OTHER DOCUMENT THAT MAY EXIST BETWEEN THE NAMED INSURED AND ANY OTHER PARTY. THE LIMITS OF LIABILITY SHOWN BELOW MAY HAVE BEEN (OR IN THE FUTURE MAY BE) REDUCED OR EXHAUSTED BY PAID CLAIMS.

X	Type of Insurance	Policy Number	Policy Start Date	Policy End Date	Liability Limits at Policy Inception
	ClickStream® 2.0 connected services with CyberInfusion® policy				\$ \$
	HyperDrive® 2.0 technology services with CyberInfusion® policy				\$ \$
	Disseminator SM content liability policy				\$ \$
X	InsureWare SM 2.0 Insurance Services E&O with CyberInfusion® Policy	EMY 12780 3	6/5/2018	6/5/2019	\$5,000,000 EACH CLAIM \$5,000,000 AGGREGATE

Description or Comments

Certificate Holder
 Hotchkiss Insurance Agency, LLC
 4120 International Pkwy #2000
 Carrollton, TX 75007

THIS CERTIFICATE DOES NOT CHANGE IN ANY WAY THE INSURANCE PROVIDED BY THE POLICY DESCRIBED HEREIN. THE CERTIFICATE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE HOLDER AND ANY OTHER PARTY.

 Authorized Representative

6/4/2018
 Date

Sample Benefits Service Calendar for ABC Company

Renewal date of 1/1/2016.

Final submission subject to further discovery, client review, and approval.

Calendar to be reviewed and updated throughout the plan year.

Monthly Tasks	Responsible Party	Target Week Week/Date	Completion Date	Weekly Activities			
				Week 1	Week 2	Week 3	Week 4/5
Jul-15							
BOR effective date	HIA/Carriers	Week 1					
File Broker of Record letters with all carriers	HIA/ABC	Week 1					
Initial meeting with ABC; identify and prioritize open issues; next steps	HIA/ABC	Week 1					
Obtain all plan documents, current census, claims history, etc.	HIA/ABC/Carriers	Week 2					
Meet with carrier/vendor representatives	HIA/ Carriers	Week 2-3					
Examine plan designs	HIA	Week 3					
Benchmark plan parameters	HIA	Week 3					
Conduct analysis of data received	HIA	Week 3-4					
Confirm/complete filing of Form 5500 for plan year 2014	HIA/ABC	Week 3-4					
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5					
Aug-15							
Obtain early renewal from carriers	HIA/Carriers	Week 1-2					
Underwriting recalculation of the early renewal	HIA	Week 2					
Discuss findings of recalculation with carriers	HIA/ABC	Weeks 3-4					
Conduct utilization review study	HIA	Week 2-3					
Examine cost reduction strategies and feasibility for client	HIA	Week 3-4					
Review status of Health Care Reform compliance and strategy	HIA/ABC	Week 3-4					
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5					
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5					
Sep-15							
Discuss findings, recommendations, and next steps	HIA/ABC	Week 1-2					
Finalize benefit plan and renewal strategy	HIA/ABC	Week 2					
Prepare and distribute RFP to market	HIA	Week 3					
Begin wellness program review/development	HIA/ABC	Week 4/5					
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5					
Monthly claims review	HIA/ABC	Week 4/5					
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5					

Oct-15			Week 1	Week 2	Week 3	Week 4/5
Review RFP response; finalize carrier selection	HIA/ABC/Carriers	Week 1-2				
Finalize plans for wellness initiatives during plan year	HIA/ABC	Week 2				
Announce wellness program to employees	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				
Nov-15			Week 1	Week 2	Week 3	Week 4/5
Prepare Open Enrollment schedule and communications plan	HIA/ABC/Carriers	Week 1				
Open Enrollment period	HIA/ABC	Week 3-4				
Collect final employee documents at conclusion of Open Enrollment	ABC	Week 4/5				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				
Dec-15			Week 1	Week 2	Week 3	Week 4/5
Check enrollment forms for accuracy and completeness; prepare carrier submissions	HIA	Week 1				
Transmit final enrollments to carriers	HIA	Week 1				
Receive eligibility file from carrier for issues resolution	Carriers/HIA	Week 2				
Carriers mail new ID cards (if needed)	Carriers	Week 3				
Employee wellness communication/activity	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				
Jan-16			Week 1	Week 2	Week 3	Week 4/5
Plan year 2016 begins	HIA/ABC/Carriers	Week 1				
Renewal wrap up meeting	HIA/ABC	Week 2				
Employee wellness communication/activity	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				
Feb-16			Week 1	Week 2	Week 3	Week 4/5
Annual objective setting meeting for 2016 plan year	HIA/ABC	Week 1				
Employee wellness communication/activity	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				

Mar-16			Week 1	Week 2	Week 3	Week 4/5
Annual stewardship meeting	HIA/ABC	Week 1				
Deliver Wrap Summary Plan Document for 2016 plan year	HIA	Week 2				
Employee wellness communication/activity	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				
Apr-16			Week 1	Week 2	Week 3	Week 4/5
Employee wellness communication/activity	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				
May-16			Week 1	Week 2	Week 3	Week 4/5
Employee wellness communication/activity	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				
Jun-16			Week 1	Week 2	Week 3	Week 4/5
Conduct mid-year review; present HIA renewal projection	HIA/ABC	Week 1				
Deliver signature-ready Form 5500	HIA	Week 2				
Employee wellness communication/activity	HIA/ABC	Week 3				
Monthly call to discuss open issues, update calendar, etc.	HIA/ABC	Week 4/5				
Monthly claims review	HIA/ABC	Week 4/5				
ABC benefit newsletter; Health Care Reform and compliance updates; webinars	HIA	Weeks 1-4/5				

GOVERNMENT/COMPANY NAME: Lower Neches Valley Authority
LOCATION: Beaumont, Texas
CONTACT PERSON AND TITLE: Annette Purrington, HR Manager
TELEPHONE NUMBER: 409-892-4011
SCOPE OF WORK: Employee Benefits
CONTRACT PERIOD: 2002- current

REFERENCE TWO

GOVERNMENT/COMPANY NAME: Jefferson County
LOCATION: Beaumont, Texas
CONTACT PERSON AND TITLE: Phil Kelly, General Manager
TELEPHONE NUMBER: 409-985-4369
SCOPE OF WORK: Employee Benefits
CONTRACT PERIOD: 2002- Current

REFERENCE THREE

GOVERNMENT/COMPANY NAME: Sabine River Authority
LOCATION: Nederland, Texas
CONTACT PERSON AND TITLE: Kristin Meehan, Operations Manager
TELEPHONE NUMBER: 409-729-4588
SCOPE OF WORK: Employee Benefits
CONTRACT PERIOD: 2006- current

REFERENCE FOUR

GOVERNMENT/COMPANY NAME: Medina County
LOCATION: Hondo, Texas
CONTACT PERSON AND TITLE: Stacey Cameron, HR Manager
TELEPHONE NUMBER: 830-741-6111
SCOPE OF WORK: Employee Benefits
CONTRACT PERIOD: 2016- current

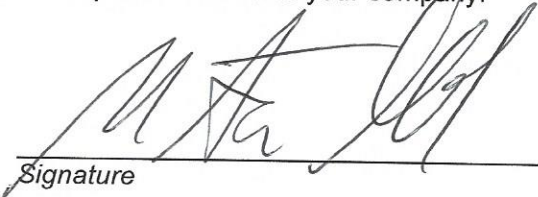
Supplier Information

Company Name: Hotchkiss Insurance Agency
Contact Name: Carey S Malek
Address: 3625 Paesanos Parkway Suite 200
San Antonio, Texas 78231
Phone: 210-581-0412
Fax: 210-581-0422
Email: cmalek@hiallc.com

Supplier Notes

By submitting your response, you certify that you are authorized to represent and bind your company.

Carey S Malek
Print Name



Signature

RFQ # 2019-006

***“Independent Consulting Services for Webb County's
Group Health Insurance Programs”***

ATTACHMENTS



Proposer Information

Name of Company: Hotchkiss Insurance Agency
Address: 3625 Paesanos Parkway # 200
City and State San Antonio, Texas 78231
Phone: 210-581-0412
Email Address: cmalek@hiallc.com

Signature of Person Authorized to Sign:


Signature

Carey S Malek
Print Name

Consultant
Title

Indicate status as to "Partnership", "Corporation", "Land Owner", etc.

LLC

5/6/15
(Date)

Note:

All submissions relative to these RFQ shall become the property of Webb County and are nonreturnable.

References: (See section 11 for instructions)

Name of Local / State government or private company	Address	Phone	Name of Contact	Project Name when was it completed
See attached				

Webb County will accept proposers own format on references. It must include the information being requested above.

Capacity to Perform Questionnaire:

1. Vendor Selection Process See attached proposal
 - a. Describe how your firm would handle the review, selection and recommendation of insurance carriers and other service providers for Webb County.
 - b. Describe your firm's consulting approach for bidding and selecting the most appropriate insurance plan alternative.
2. Can you provide the completion dates for project activities? If yes, please provide time chart. If no, please explain.
3. Submit a brief summary report on your approach to management of projects. Also, include a statement identifying your firm's methodology in the development of such a plan.
4. Various elements of the plan will require review and/or approval of different County offices and departments as well as other entities (i.e. County Commissioners, etc.). Please submit a brief summary of your approach regarding the coordination of these efforts.
5. Describe the process your firm utilizes to manage and administer a benefit package of our size throughout a contract.
6. What strategy does your firm utilize to manage and forecast a benefit package over a 2-3 year period?
7. Describe all services your firm will offer WEBB COUNTY.
8. What type of performance measures would your firm use to evaluate customer service and COUNTY employee satisfaction? Are you willing to provide performance guarantees to COUNTY for your services?
9. Describe your procedure for dealing with employee inquiries.
10. Do you offer assistance with claims and/or coverage questions?
11. Describe the action that would be taken, the support provided, and the personnel who would be involved in investigating and settling a disputed claim.
12. Please describe how you will provide the services identified in the Scope of Services page.
13. The applicant possesses or is able to obtain adequate financial resources as required to perform the Scope of services. Should your firm be chosen to represent the County, would your firm require additional financial resources? If so, please explain your firm's plan to obtain additional financial resources.
14. Ability to comply with the required or proposed delivery schedule. Please provide a detailed summary of how your firm shall meet the proposed delivery schedule.

15. The applicant shall have a satisfactory record of integrity and ethics. Therefore, please disclose and explain any significant negative events in you firm's recent history including criminal charges, civil litigation, or administrative actions involving allegations of legal or administrative violations by your firm or its employees, or suspension of any licenses held by members of your firm or you firm entity during the past five years.
16. Submit a brief summary of your staffing level and the experience of your staff.
17. Should your firm be chosen to represent the County, would your firm require any additional human resources? If so, please explain your firm's plan to obtain additional human resources.
18. Are there any other lines of business conducted by your firm that could conflict with your role as insurance consultant for Webb County? Please disclose any arrangements that might present an actual or apparent conflict of interest or the appearance of impropriety with the role of an independent insurance consultant.
19. The Applicant must have insurance for agent's errors and omissions liability with a limit of at least one million dollars (\$1,000,000.00) per occurrence.
20. Please submit a copy of your current Professional Liability Insurance. Note: The Commissioners' Court will accept Professional Liability insurance on a project-by-project basis.



Request for Qualifications (RFQ)

RFQ # 2019-006

"Independent Consulting Services for Webb County's Group Health Insurance Program"

Due: May 8, 2019 @ 2pm

Notice is hereby given that Webb County is seeking Requests for Qualifications to solicit and select an "Independent" insurance/benefits consultant (hereinafter referred to as Independent Consultant) to advise the County of Webb regarding the management of Webb County's Group Health And Dental Containment Services Self-Funded Program, and auxiliary products. This solicitation will comply with the Texas Government Code, Section 2254, Sub-Chapter A (Professional Services) & B (Consulting Services).

The accompanying RFQ with its terms, conditions, attachments and all other forms in this RFQ package are due by or before 2 p.m. (Central Time) on May 8, 2019. ***RFQ received after the due date and time will not be accepted.*** All RFQ meeting the required deadline will be read publicly at the following location in accordance with Webb County Purchasing Policies and Procedures:

Webb County Purchasing Department
1110 Washington St., Ste. 101
Laredo, Texas 78040

This RFQ solicitation can be viewed at the following online address. Interested Contractors may submit their proposals by registering on Webb County's eBid site and uploading their file to our "Response Attachments" Tab. Should anyone need assistance please contact Mr. Juan Guerrero, Contract Administrator at (956) 523-4125.



<https://webbcountyebid.ionwave.net/Login.aspx>

Webb County reserves the right to reject any and all RFQ, to waive informalities in the RFQ process, or to terminate the RFQ process at any time, if deemed in the best interest for Webb County.

THIS FORM MUST BE INCLUDED WITH RFQ PACKAGE; PLEASE CHECK OFF EACH ITEM INCLUDED WITH RFQ PACKAGE AND SIGN BELOW TO CONFIRM SUBMITTAL OF EACH REQUIRED ITEM.

RFQ # 2019-006

"Independent Consulting Services for Webb County's Group Health Insurance Program"

Public Notice

Proposer Information

References

Capacity to Perform Questionnaire

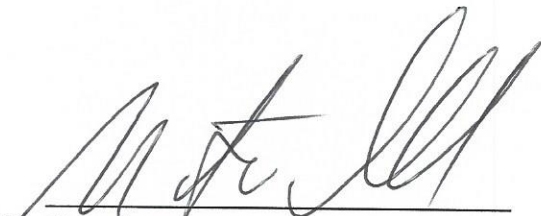
Conflict of Interest form (Form CIQ)

Certification regarding Debarment (Form H2048)

Certification regarding Federal lobbying (Form 2049)

Proof of No Delinquent Tax Owed to Webb County

Purchasing Ethics Affidavit



Signature of Authorized Representative

5/6/19

Date Signed

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1. Scope of Work

Webb County is seeking Requests for Qualifications to solicit and select an "Independent" insurance/benefits consultant (hereinafter referred to as Independent Consultant) to advise the County of Webb regarding the management of Webb County's Group Health And Dental Containment Services Self-Funded Program and Auxiliary programs, act as its representative as needed with third party providers and other parties.

The Independent Consultant shall evaluate and recommend the most advantageous options for benefit plans or placement of insurance coverage including but not limited to the terms and conditions of coverage, continuity, and cost. In addition, the Independent Consultant must be capable of providing a full range of value-added services, including but not limited to, those outlined in the Scope of Services section. The consulting services shall be strictly those of an Insurance Counselor and shall be compensated by fee negotiated with the County. Absolute independence from insurers is required and no commission-based services are permitted in the scope of this engagement.

Scope of Services: as needed, but are not limited to:

A. Group Health and Dental Containment Services Self-Funded Program

1. Prepare and evaluate request for proposals/bid specifications and analyze the bids/proposals received from prospective providers and claims services administrators [TPAs]. - Project
2. Negotiate renewal terms with current providers and claims service administrators [TPAs] or negotiate terms with prospective providers and claims service administrators [TPAs] for the policy year beginning January 1, 2020. Discuss cost containment alternative to help control current and future plan costs in conjunction with the rate review. Review plan documents for content and legal requirements.
3. Provide an annual cost impact analysis as benefit changes are anticipated or recommended. Calculate, with the County, the appropriate employee funding and premium requirements, as well as case specific trend factors and reserve calculations.
4. Prepare Requests for Proposals for insurance services of other employee benefit programs (i.e. vision, life, ancillary products etc.); analyze and make appropriate recommendations.
5. Participate in Commissioners Court Agenda meetings as determined by the County's management.
6. Semi-Annually review insurance carriers contracts and third party administrators contract to assure the most cost effective provider utilization. Review specific stop loss limits. Review and analyze claims experience data, claims service, efficiency and accuracy of claims administration to ensure that COUNTY is receiving optimum service and benefits from all carriers and vendors.
7. Assist in COBRA, HIPAA, and other regulatory compliance and reporting to include Summary Plan Descriptions and other Plan Documents. Act as a technical resource and provide periodic updates on legislative developments and emerging trends. On a needed basis – Hourly Rate

8. Conduct claim audit of the Third Party Administrator (TPA) to include medical claim payment functions and to evaluate the performance of the third party claims administrator.
9. Provide appropriate actuarial cost analysis of the current WEBB County Health and Dental Benefit Plan. Prepare GASB 75 actuarial valuation for the Group Health and Dental Self-Funded Retiree program for three fund years ending September 30, 2019. County's group health experience, including census, Administrative fees, stop loss premiums, run-off fees and run-off liabilities.
10. Prepare the County's Employees Health Benefits Year-end for Incurred But Not Reported (IBNR) for medical and prescription claims along with provider's reports to support the estimate.
11. Prepare the County's OPEB (Other Postemployment Benefits) report for the County's annual financial audit.
12. Prepare the County's Annual PCORI (Patient-Centered Outcomes Research Institute) report for IRS filing for year end 2019.

2. Proposal Preparation Cost

Webb County will not be liable in any way for any costs incurred by proposer in the preparation of its qualifications in response to this RFQ, nor for any presentation by it and/or participation in any discussions or negotiations.

3. Term of Agreement

To be Determined after selection and award of the most qualified consulting firm.

4. Instructions to Proposers:

RFQ Proposals shall include the following:

- A. Cover Letter and Cover Page
- B. Executive Summary
- C. Management Component
 1. Company Information
 2. Name of the proposed firm and name of the representative submitting the proposal. Include all contact information.
 3. Provide an overview of your firm and its ownership/organizational structure, philosophy/culture and number of employees.
 4. Describe, if applicable, how your firm is legally and/or functionally tied to any insurer, broker or provider of service and how that relationship may influence your ability to provide Consultant services to COUNTY.

5. Identify members of your staff that would be assigned to this contract and provide a summary of their qualifications and experience, percentage of their time you anticipate they would be dedicating to this contract and their availability to travel to WEBB COUNTY and/or other field locations.

D. Experience/Qualifications of Firm:

1. Please describe your firm's development of similar or related projects as described above in Scope of Work. Please provide a listing of client projects and client contact person.
 2. Describe your firm's expertise in each of the following areas:
 - a. Health, Dental, Life, Vision and LTD and ancillary products
 - b. Benchmarking
 - c. Actuarial/Underwriting
 - d. Benefits Administration
 3. Describe your firm's marketplace advantage in negotiating with carriers in regards to rates, policy terms and plan design.
 4. Describe your view of the role of a Consultant in this type of relationship and what differentiates your firm from other consulting firms.
 5. Please indicate how many insurance consulting service agreements your firm is currently engaged in or has been engaged in the immediate past five years that are or were funded by the state, counties, municipalities, and/or school districts.
 6. Please provide a list of the firm's current engagements to provide insurance consulting services to other entities and the names and addresses of said entities.
 7. Please describe whether and how many of your consulting services involve fully funded and/or self-funded insurance plans.
 8. Please submit your TDI (Texas Department of Insurance) listing of appointments; as well as a percentage breakdown of the carriers you have recommended in your agreements with Public Entities.
6. Consultant Management:
- a) Please identify the member[s] of your firm to be in charge of this project. Include the members' educational background, qualifications, training certifications, and experience for this type of work and list the specific duties each will be assigned.
 - b) Please identify other consultants or personnel to be involved in this project. Include the educational background, qualifications, training certifications and experience for all other individuals to be assigned to this project.

5. Disqualification

Reasons for disqualification include, but are not limited to:

- Failure to provide any information requested in this document.
- Failure to provide satisfactory documentation of resources (financial, personnel, & equipment).
- If, in the County's opinion, firm/Contractor lacks sufficient financial, personnel, or equipment resources deemed necessary to adequately perform the services described in this document.
- Unsatisfactory performance record or insufficient experience, as determined by Webb County.

6. Licensing & Certifications:

Prospective professional provider must affirmatively demonstrate their responsibility to meet the following requirements and have at least 15 years of experience in the industry and at least 5 years of experience in consulting services (i.e.: Fully and Self-Funded Group Health Insurance plans, Stop-Loss, Life and AD & D and Voluntary Benefit Plans etc.)

The independent consultant must hold the following (Please identify and attach copies):

- a. Life and Health Insurance Counselor License awarded by the Texas Department of Insurance under Chapter 4052, Texas Insurance Code;
- b. Risk Manager License issued by the Texas Department of Insurance pursuant to CHAPTER 4153, Texas Insurance Code;

Additional Licensing: Please identify and attach copies, INCLUDING BUT NOT LIMITED TO, the following LICENSES AND/OR DESIGNATIONS held by any members of applicant's firm or by individual applicants:

- a. Designation as chartered life underwriter (CLU);
- b. Designation as chartered financial consultant (ChFC);
- c. Designation as a certified financial planner (CFP);
- d. Designation as a certified insurance counselor (CIC) from the national Society of Certified Insurance Counselors;
- e. Life Underwriting Training Counsel Fellow (LUTCF)
- f. any and all other Certifications/Accreditations/Awards, etc.

7. Conflict of Interest

The contract or contracts in this solicitation are subject to Texas Govt. Code Sec. 2261.252(b), which prohibits the Webb County from entering into contracts with certain private vendors in which certain Webb County officers and employees have a financial interest. Each respondent shall include in its proposal a statement that it is not prohibited from entering into a contract with Webb County as a result of a financial interest as defined under Texas Govt. Code Sec. 2261.252(b).

Webb County requires that its consultants and sub consultants be able to work solely in Webb County's interest, without conflicting financial or personal incentives. Webb County reserves the right to disqualify any prime provider or sub providers, or to place contractual limits on work or on personnel, if there is a conflict of interest that might affect or might be seen to affect the prime provider's or sub providers' duty to act solely in the interest of Webb County.

A conflict of interest may involve conflicting incentives with regard to the firm as a whole, or any employee. The conflict may arise between the provider's work under a contract entered as a result of this solicitation

and a relationship involving Webb County, a construction contractor, another engineering firm, a materials testing firm, a third party affected by the project, a sub provider for any other consultant or contractor, or any other entity with an interest in a project on which work is performed under a contract entered as a result of this solicitation.

During the term of the agreement, since the Consultant will assist the County in evaluating, negotiating, and contracting for insurance and benefits services, Consultant (or individual/firm) will be prohibited from bidding or directly/indirectly representing any other vendor who bids on Webb County Group Health And Dental Containment Services Self-Funded Program or third party services. Further, Consultant and his employer or any other organization that directly/indirectly controls the Consultant, will not directly or indirectly receive any compensation or benefit (including any rebate, commission, fees, etc.) from any insurer, broker, service provider or any other person relating to the County's benefit products or services, County's Group Health And Dental Containment Services Self-Funded Program.

It is mandatory that the Consultant and his applicable employer, and any other organization that directly/indirectly controls the Consultant, shall not be engaged in the business of selling insurance.

8. Ethical Standards

The County of Webb will ensure that it will promote and enforce proper ethical conduct by all Vendors, Procurement Officials, Elected Officials and County employees directly or indirectly involved in the procurement process. All vendors wishing to participate in any solicitation must sign and notarize the affidavit form included as part of this solicitation package and upload with your electronic submission. Failure to submit form will disqualify your bid or proposal package from being considered. The Ethics Policy can be viewed at the Webb County Purchasing Agents website for vendors to read prior to signing and submitting the affidavit form.

When responding to an Active Solicitation, Vendors shall be required to disclose donations and campaign contributions by the Vendor or any individual or entity acting on the Vendor's behalf to the Purchasing Agent or his designee made within six (6) months prior to the date of the Active Solicitation. Failure by a Vendor to accurately disclose such contributions may result in the Vendor's disqualification, debarment, or contract voidance as per Section 18 of the Ethics Policy.

The Webb County Purchasing Board approved the Code of Ethics policy on April 19, 2018 and adopted by the Webb County Commissioners Court on May 14, 2018.

9. Texas Ethics Commission Requirement Notification:

In 2015, the Texas Legislature adopted [House Bill 1295](#), which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

A signed and notarized Form 1295 shall be tendered to Webb County by providers selected to receive a contract prior to contract execution. Webb County will not evaluate the information provided, or respond to any questions on how to interpret the Texas Ethics Commission's rules.

For additional information, please reference the Texas Ethics Commission webpage at <https://www.ethics.state.tx.us/tec/1295-Info.htm>

10. General Conditions

Interested Firms shall familiarize themselves with conditions relating to the scope, specifications, and restrictions regarding the execution of work to be performed. It is the firm’s responsibility to obtain any additional information it deems necessary to submit in its RFQ proposal, as well as in the performance of the contract. Questions shall be submitted under the “Questions” tab before the deadline stated on the RFQ Schedule. Each question, along with the County’s response will be provided in writing to all prospective proposers under the “Questions” tab. Any verbal communication regarding this request for qualifications will be considered non-binding on either party. Information contained in this document should not be considered all-inclusive.

All clarifications regarding this RFQ proposal request must be submitted to in writing to via email to Mr. Juan Guerrero, Purchasing Contract Administrator at juguerrero@webbcountytx.gov & copy Mr. Jose Angel Lopez III, Purchasing Agent at joel@webbcountytx.gov

11. Consulting-Only References:

Please provide references from current or former clients, preferably of similar size, type, and complexity to our COUNTY where your firm provided or is currently providing insurance consulting services within the last three (3) years. The COUNTY will contact the references provided.

12. Independence:

The consulting services shall be strictly those of an Insurance Counselor and shall be compensated by fee negotiated with the County. Absolute independence from insurers is required and no commission-based services are permitted in the scope of this engagement. By signing below you certify that your firm is not in the business of providing insurance services and does not receive any commissions or fees for the brokerage of any insurance related services.

13. RFQ Evaluation

Qualifications will be scored according to the following criteria:

1.	Experience relevant to Scope of Services	35 points
2.	Licenses & Certifications	25 points
3.	Team Qualifications	30 points
4.	Consulting-Only References	10 points
	Total points	100

During the RFQ process, firms may be required to attend interviews, give presentations as requested to the evaluation committee. The evaluation committee may conduct the following tasks but is not an all-inclusive list of tasks that may be conducted by committee:

- Review all RFQs received for compliance with RFQ terms and conditions.
- Prepare a comparative summary of Qualifications.
- Prepare a preliminary ranking of RFQs using a quantitative method based on the criteria presented in the RFQ document and other criteria as directed by committee.
- Conduct reference checks.

- Request clarification from firms.
- Prepare a final ranking of the RFQs proposals.

The top three (3) qualifying consulting firms will be required to attend public interviews during a regular/special called Commissioner Court meeting. At the discretion of the Commissioners Court, an award of this RFQ may be made after all three (3) qualifying firms have presented to Commissioners Court or a decision to finalize RFQ may be made at a later date. **County reserves the right to select either individually or jointly, Statements of Qualifications for Property and Casualty Consultant and Employee Benefit Consultant.

14. Evaluation Team:

The following Webb County employees are involved in the selection process for this procurement:

- Mr. Leroy Medford, Executive Administrator to Commissioners Court
- Dr. Pedro Alfaro, Risk Management Director
- Mr. Ernesto Guajardo, Human Resources Director

Note: Do not contact these individuals about this active solicitation. Since the procurement process has started, these Webb County employees will not respond to questions about this procurement, all inquiries must comply with Section 10 (General Conditions).

15. Proposal Schedule

Activity	Time	Date	Responsible Party
Public Notice/Newspaper	n/a	Apr. 24 th , May 1 st	Webb Co. Purchasing Dept.
RFQ on Website	n/a	Apr. 19 th - Award	Webb Co. Purchasing Dept.
Questions Due to County	No later than 5pm	May 2 nd	Proposer/Contractor
Posting of Answers	No later than 5pm	May 3 rd	Webb Co. Purchasing Dept.
Sealed Proposals Due	10 am	May 8 th	Proposer/Contractor
Evaluation of Proposals	TBD	May 9 th – May 10 th	Webb Co. Evaluation Team
Award of Contract	TBD		Governing Body
Finalization of Contract Doc	TBD		Webb County/Contractor
Commencement of Service	TBD		Webb County/Contractor

Footnote: County reserves the right to adjust time and dates on above projected schedule if it's in the best interest for Webb County.

16. Special Accommodations:

To request special accommodations pursuant to the Americans with Disabilities Act (ADA), please notify the contact shown below, a minimum of 48 hours prior to a scheduled meeting. Mr. Juan Guerrero, Purchasing Contract Administrator at (956) 523-4125 or email at juguerrero@webbcountytx.gov

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

N/A

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

N/A
Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

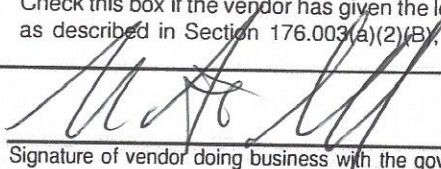
B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

N/A

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 
Signature of vendor doing business with the governmental entity

5/6/19
Date

CERTIFICATION
REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY
EXCLUSION FOR COVERED CONTRACTS

PART A.

Federal Executive Orders 12549 and 12689 require the Texas Department of Agriculture (TDA) to screen each covered potential contractor to determine whether each has a right to obtain a contract in accordance with federal regulations on debarment, suspension, ineligibility, and voluntary exclusion. Each covered contractor must also screen each of its covered subcontractors.

In this certification "contractor" refers to both contractor and subcontractor; "contract" refers to both contract and subcontract.

By signing and submitting this certification the potential contractor accepts the following terms:

1. The certification herein below is a material representation of fact upon which reliance was placed when this contract was entered into. If it is later determined that the potential contractor knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the Department of Health and Human Services, United States Department of Agriculture or other federal department or agency, or the TDA may pursue available remedies, including suspension and/or debarment.
2. The potential contractor will provide immediate written notice to the person to which this certification is submitted if at any time the potential contractor learns that the certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
3. The words "covered contract", "debarred", "suspended", "ineligible", "participant", "person", "principal", "proposal", and "voluntarily excluded", as used in this certification have meanings based upon materials in the Definitions and Coverage sections of federal rules implementing Executive Order 12549. Usage is as defined in the attachment.
4. The potential contractor agrees by submitting this certification that, should the proposed covered contract be entered into, it will not knowingly enter into any subcontract with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department of Health and Human Services, United States Department of Agriculture or other federal department or agency, and/or the TDA, as applicable.

Do you have or do you anticipate having subcontractors under this proposed contract?

Yes

No

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

CERTIFICATION REGARDING FEDERAL LOBBYING
(Certification for Contracts, Grants, Loans, and Cooperative Agreements)

PART A. PREAMBLE

Federal legislation, Section 319 of Public Law 101-121 generally prohibits entities from using federally appropriated funds to lobby the executive or legislative branches of the federal government. Section 319 specifically requires disclosure of certain lobbying activities. A federal government-wide rule, "New Restrictions on Lobbying", published in the Federal Register, February 26, 1990, requires certification and disclosure in specific instances.

PART B. CERTIFICATION

This certification applies only to the instant federal action for which the certification is being obtained and is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$100,000 for each such failure.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with these federally funded contract, subcontract, subgrant, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions. (If needed, contact the Texas Department of Agriculture to obtain a copy of Standard Form-LLL.)

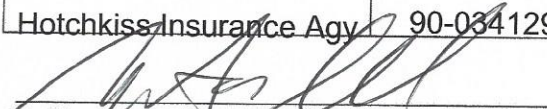
5. The potential contractor further agrees by submitting this certification that it will include this certification titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion for Covered Contracts" without modification, in all covered subcontracts and in solicitations for all covered subcontracts.
6. A contractor may rely upon a certification of a potential subcontractor that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless it knows that the certification is erroneous. A contractor must, at a minimum, obtain certifications from its covered subcontractors upon each subcontract's initiation and upon each renewal.
7. Nothing contained in all the foregoing will be construed to require establishment of a system of records in order to render in good faith the certification required by this certification document. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
8. Except for contracts authorized under paragraph 4 of these terms, if a contractor in a covered contract knowingly enters into a covered subcontract with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, Department of Health and Human Services, United States Department of Agriculture, or other federal department or agency, as applicable, and/or the TDA may pursue available remedies, including suspension and/or debarment.

PART B. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION FOR COVERED CONTRACTS

Indicate in the appropriate box which statement applies to the covered potential contractor:

- The potential contractor certifies, by submission of this certification, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any federal department or agency or by the State of Texas.
- The potential contractor is unable to certify to one or more of the terms in this certification. In this instance, the potential contractor must attach an explanation for each of the above terms to which he is unable to make certification. Attach the explanation(s) to this certification.

Name of Contractor	Vendor ID No. or Social Security No.	Program No.
Hotchkiss Insurance Agency	90-0341291	


Signature of Authorized Representative

5/6/19
Date

Carey S Malek - Consultant
Printed/Typed Name and Title of
Authorized Representative

3. The undersigned shall require that the language of this certification be included in the award documents for all covered subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all covered subrecipients will certify and disclose accordingly.

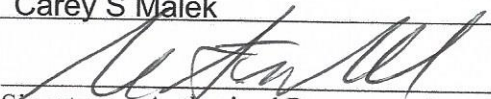
Do you have or do you anticipate having covered subawards under this transaction?

Yes

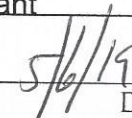
No

Name of Contractor/Potential Contractor	Vendor ID No. or Social Security No.	Program No.
Hotchkiss Insurance Agency	90-0341291	

Name of Authorized Representative	Title
Carey S Malek	Consultant



Signature - Authorized Representative



Date

**WEBB COUNTY PURCHASING DEPT.
QUALIFIED PARTICIPATING VENDOR CODE OF ETHICS
AFFIDAVIT FORM**

STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

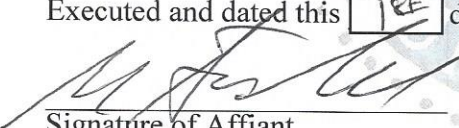
COUNTY OF WEBB *

BEFORE ME the undersigned Notary Public, appeared Carey Malek the herein-named "Affiant", who is a resident of Comal County, State of Texas and upon his/her respective oath, either individually and/or behalf of their respective company/entity, do hereby state that I have personal knowledge of the following facts, statements, matters, and/or other matters set forth herein are true and correct to the best of my knowledge.

I personally, and/or in my respective authority/capacity on behalf of my company/entity do hereby confirm that I have reviewed and agree to fully comply with all the terms, duties, ethical policy obligations and/or conditions as required to be a qualified participating vendor with Webb County, Texas as set forth in the Webb County Purchasing Code of Ethics Policy posted at the following address: <http://www.webbcountytx.gov/PurchasingAgent/PurchasingEthicsPolicy.pdf>

I personally, and/or in my respective authority/capacity on behalf of my company/entity do hereby further acknowledge, agree and understand that as a participating vendor with Webb County, Texas on any active solicitation/proposal/qualification that I and/or my company/entity failure to comply with the Code of Ethics policy may result in my and/or my company/entity disqualification, debarment or make void my contract awarded to me, my company/entity by Webb County. I agree to communicate with the Purchasing Agent or his designees should I have questions or concerns regarding this policy to ensure full compliance by contacting the Webb County Purchasing Dept. via telephone at (956) 523-4125 or e-mail to the Webb County Purchasing Agent to joel@webbcountytx.gov.

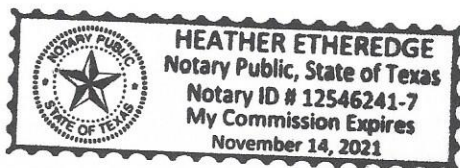
Executed and dated this 18th day of May, 2019.


Signature of Affiant

CAREY S. MALEK
Printed Name of Affiant/Company/Entity

SWORN to and subscribed before me, this 18 day May, 2019


NOTARY PUBLIC, STATE OF TEXAS



PROOF OF NO DELINQUENT TAXES OWED TO WEBB COUNTY

Name Carey Malek owes no delinquent property taxes to Webb County.

Hotchkiss Insurance Agency owes no property taxes as a business in Webb County.
(Business Name)

Doug Hotchkiss owes no property taxes as a resident of Webb County.
(Business Owner)

Carey Malek
Person who can attest to the above information

*** SIGNED NOTORIZED DOCUMENT AND PROOF OF NO DELINQUENT TAXES TO WEBB COUNTY.**

The State of Texas
County of Webb

Before me, a Notary Public, on this day personally appeared Carey Malek, know to me (or proved to me on the oath of _____) to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 18th day of May 2019.

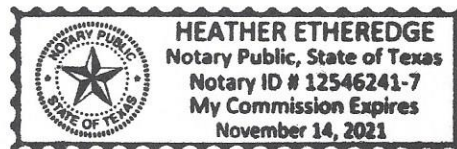
Notary Public, State of Texas



Heather Etheredge

(Print name of Notary Public here)

My commission expires the 14th day of November 2021.



CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Hotchkiss Insurance
 San Antonio, TX United States

Certificate Number:
 2019-484834

Date Filed:
 05/01/2019

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Webb County

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

RFQ 2019-006
 Group Health Insurance Consulting

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 UNSWORN DECLARATION

My name is CAREY S. MALEK, and my date of birth is 08/08/1960.

My address is 301 Oakwood Blvd, New Braunfels, TX, 78130, USA.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Comal County, State of Texas, on the 6th day of May, 2019.
(month) (year)


 Signature of authorized agent of contracting business entity
(Declarant)