

June 13, 2008

Sales Consultant  
Blue Cross/Blue Shield  
1405 S. Creyts Road, B-109  
Lansing, MI 48917-1405

Dear \_\_\_\_\_ :

RE: Request for Proposals – Health and Medical Services

Meridian Charter Township is seeking proposals from providers and/or firms to provide health and medical services to begin September 1, 2008. Enclosed you will find a copy of the bid document containing specifications of the scope of services. Bids are due no later than **Friday, July 11, 2008, at 3:00 p.m.**

Should you have any questions in this regard, please feel free to contact me at (517) 853-4206. Thank you for your attention to this request.

Sincerely,

Paul J. Brake  
Assistant Township Manager/  
Personnel Director

Enc.

# REQUEST FOR PROPOSALS

## Health Care Coverage for Active and Retired Employees of the Charter Township of Meridian

### I. Introduction

The purpose of this Request for Proposals (RFP) is to solicit proposals from qualified organizations to provide health care benefits to employees and retirees of the Charter Township of Meridian. It is the Township's intention to provide health benefits to all employees and retirees through the plan selected pursuant to this RFP. Further, the Township will be reviewing programs that will best meet the needs of employees and retirees.

Health benefits are to be provided through the selected health plan as of September 1, 2008.

### II. Schedule for Selection of Health Plan

The Township intends to proceed with the selection of a health plan according to the following schedule:

Issuance of RFP	June 11, 2008
Submission of Proposals	July 11, 2008
Tentative Preliminary Selection of Health Plan	July 21, 2008
Tentative Final Selection of Health Plan	July 28, 2008

### III. Submission of Proposals

Sealed proposals are to be submitted no later than 3 p.m., July 11, 2008, to:

Paul J. Brake  
Meridian Charter Township  
5151 Marsh Road  
Okemos, Michigan 48864-1198

Proposals delivered after this date and time will not be considered.

Proposers should submit three (3) copies of the proposal in a sealed envelope or package clearly marked on the outside, "Health Care Coverage".

### IV. Preliminary and Final Selection of Health Plan

Following review of all proposals submitted, the Township will select one or more organizations with whom it will enter into preliminary negotiations. Following these negotiations, the Township will make a final health plan selection.

V. Contact with the Township

All questions and comments regarding the requirements, specifications or scope of services of this RFP are to be directed to: Paul J. Brake, Assistant Township Manager/Personnel Director, Meridian Charter Township, 5151 Marsh Road, Okemos, Michigan 48864-1198 or call (517) 853-4206.

VI. Plan Specifications

Specifications for the health insurance plan sought by the Township appear in Appendix A.

VII. Characteristics of Meridian Charter Township Employees and Retirees

A description of Meridian Township employees and retirees appears in Appendix B.

VIII. Nondiscrimination

The vendor who is selected as the contractor, as required by law, shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, handicap, height, weight, or marital status.

IX. Insurance Requirements

The vendor shall purchase and maintain insurance not less than the limits set forth below. All coverages shall be with insurance companies licensed and admitted to do business in the State of Michigan and with insurance carriers acceptable to Meridian Charter Township and have a minimum A.M. Best Company's Insurance Reports rating of A or A- (Excellent).

- A. Workers' Disability Compensation Insurance including Employers Liability Coverage in accordance with all applicable Statutes of the State of Michigan.
- B. Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and/or aggregate combined single limit. Coverage shall include the following: (A) contractual liability; (B) products and completed operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Endorsement or Equivalent.

- C. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage, with limits of liability of not less than \$1,000,000 per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.
- D. Additional Insured – Commercial General Liability Insurance, as described above, shall include an endorsement stating the following shall be “Additional Insureds”. Meridian Charter Township, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof.
- E. Cancellation Notice – All insurance described above shall include an endorsement stating the following: “It is understood and agreed that thirty (30) days advanced written notice of cancellation, non-renewal, reduction and/or material change shall be sent to: Paul J. Brake, Assistant Manager/Personnel Director, Meridian Charter Township, 5151 Marsh Road, Okemos, Michigan 48864-1198.
- F. Proof of Insurance – The vendor shall provide to the Charter Township of Meridian at the time the contracts are returned by it for execution, one (1) copy of Certificates of Insurance for each of the policies mentioned above. If so requested, certified copies of all policies will be furnished.

X. Indemnification and Hold Harmless

The vendor who is selected as the contractor shall, at its own expense, protect, defend, indemnify, save and hold harmless the Charter Township of Meridian and its elected and appointed officers, employees, servants and agents from all claims, damages, lawsuits, costs and expenses including, but not limited to, all costs from administrative proceedings, court costs and attorney fees that the Charter Township of Meridian and its elected and appointed officers, employees, servants and agents may incur as a result of the acts, omissions or negligence of the contractor or its employees, servants, agents or subcontractors that may arise out of the agreement.

The contractor’s indemnification responsibility under this section shall include the sum of damages, costs and expenses which are in excess of the sum of damages, costs and expenses which are paid out in behalf of or reimbursed to the Township, its officers, employees, servants and agents by the insurance coverage obtained and/or maintained by the contractor.

XI. Right of Rejection

Meridian Charter Township reserves the right to reject any or all proposals, to waive any informalities or minor irregularities in proposals, and/or to negotiate separately the terms and

conditions of all or any part of the proposals as determined to be in the Township's best interests in its sole discretion.

Covered Service	Subcategory	In-Network	Out of Network
<b>Physician Services</b>	Office Visits	All charges over \$10 per visit	80% of R & C Charges, \$10 visit
	Routine Preventive Well Child Care	All charges over \$10 per visit	N/C
	Annual Gynecological Exam	All charges over \$10 per visit	80% of R & C Charges, \$10 visit
	Periodic Physical Exams	All charges over \$10 per visit	N/C
<b>Inpatient Hospital</b> (Includes: unlimited days in a semi-private room or ICU, ancillary hospital services, physician services, surgery and related services, maternity care and obstetrical and rehabilitation services)		Covered	80% after deductible
<b>Outpatient Hospital</b>	Lab tests and X-rays	Covered	80% of R & C Charges
	Outpatient surgery	Covered	80% of R & C Charges
	Physical therapy	Covered	80% of R & C Charges
	Radiation and Chemotherapy	Covered	80% of R & C Charges
	Hemodialysis	Covered	80% of R & C Charges
<b>Mental Health and Substance Abuse</b>	Inpatient MH	45 days/year	80% of R & C Charges
	Outpatient MH	Covered, state dollar amount	80% of R & C Charges
	Inpatient SA	45 days/year	80% of R & C Charges
	Outpatient SA	Covered, state dollar amount	80% of R & C Charges
<b>Drugs</b>		\$10 generic \$20 name brand	80% of charges after \$5/\$10 co-pay
<b>Home Health Care</b> (Including Private Duty Nursing)		Covered	80% after deductible
<b>Extended/Convalescent Care/Skilled Nursing Facilities</b>		Coverage up to 120 days/year	80% after deductible (up to 120 days/year)
<b>Hospice</b>		Covered, subject to dollar max	80% of R & C Charges - limits
<b>Durable Medical Equipment</b>		Covered	80% of R & C Charges
<b>Ambulance Services</b>		Covered, must be an emergency	Covered, must be an emergency
<b>Vision Exam</b>		\$5 co-pay	N/C
<b>Emergency Care</b>		\$25 co-pay	80% of R & C Charges
<b>Urgent Care</b>		\$10 co-pay	80% of R & C Charges
<b>Major Medical</b>		N/C	
<b>Deductible</b>		None	\$100/\$200
<b>Stop Loss</b>		None	\$2,000
<b>Lifetime Maximum</b>		None	\$1,000,000