

### 1.1 Introduction

The purpose of this Request for Proposals (RFP) is to solicit proposals from qualified group life insurance providers that possess the resources and expertise to insure and administer the Wisconsin Public Employers (WPE) Group Life Insurance Program.

### 1.2 Scope

The WPE Group Life Insurance Program offers group life insurance to current and retired employees of state government and participating local public employers. All public employers in the state are eligible to participate.

The WPE life insurance plan for State of Wisconsin employees began in 1958; the group life insurance plan for local government employees began in 1960. The State, with 43 separate agencies, and 630 local employers currently participate. The plan insures approximately 54,000 State employees and 82,000 local government employees. The plan also insures approximately 30,000 retirees and there are about 59,500 employees who have elected spouse and dependent coverage.

The plan is currently insured through a policy issued by Minnesota Life Insurance Company to the State of Wisconsin Group Insurance Board (GIB). Administration of the plan is jointly shared between the Department of Employee Trust Funds (Department) and the Insurer.

### 1.3 Procuring and Contracting Agency

This RFP is issued by the Department of Employee Trust Funds (Department) on behalf of the GIB. The Department has retained the actuarial and benefits consulting services of Deloitte & Touche to assist with this RFP Process. Deloitte & Touche is the sole contact for the State during the selection process. Your contact person for this proposal is:

Jill Korsh  
Deloitte & Touche  
400 One Financial Plaza  
120 South Sixth Street  
Minneapolis, MN 55402-1844  
Phone – (612) 397-4336  
Fax – (612) 692-4336  
Email – jkorsh@deloitte.com

### 1.4 Definitions

The following definitions are used throughout the RFP.

Department/ETF means the Wisconsin Department of Employee Trust Funds.

Proposer/Bidder/Vendor/Insurer means a firm submitting a bid in response to this RFP.

GIB means the State of Wisconsin Group Insurance Board.

State means the State of Wisconsin.

WPE means Wisconsin Public Employers Group Life Insurance Program.

WRS means the Wisconsin Retirement System.

**1.5 Minimum Requirements of Proposing Insurers**

To be considered as a qualified provider of insurance services, vendors must meet certain minimum requirements:

- a. Respondents must meet or exceed at least two of ratings assigned by the following rating companies:

Company	Minimum Rating
A. M. Best	A-
Standard & Poor's	AA-
Moody's	Aa3
Fitch	AA-

- b. Respondents must receive a financial size category rating from A. M. Best of X or greater.
- c. Respondents must have group life insurance premium of \$250,000,000 or more during 2002.
- d. Insurers domiciled outside the United States will not be included for consideration in this procurement process. Only companies with a home office in the United States will be considered.
- e. Insurers must be licensed in the State of Wisconsin.

**1.6 Clarification of the Specifications and Requirements**

Any questions concerning this RFP must be submitted **via email** by **4:00 CDT, March 17, 2003** to the RFP contact, Jill Korsh of Deloitte & Touche, as identified in Section 1.3.

Vendors are expected to raise any questions they have concerning the RFP at this point in the RFP process. If a vendor discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the vendor should immediately notify the above named individual of such error and request modification or clarification of this RFP document.

**1.7 Calendar of Events**

Listed below are important dates and times by which actions related to this RFP must be completed. In the event that the Department finds it necessary to change any of these dates and times, it will do so by issuing a supplement to this RFP.

<b>DATE</b>	<b>EVENT</b>
02/24/2003	RFP Issued
03/17/2003	Vendor's Questions Due
Week of 03/24/2003	Vendor's Conference (if needed)
Week of 03/24/2003	Responses to Questions
04/07/2003	Proposals Due, 4:00 p.m. CDT
Week of 06/02/2003	Interviews (if needed)
Week of 06/02/2003	Notice of Award
06/2003 – 12/2003	Implementation
01/01/04	Contract Begins

**1.8 Contract Term**

The contract will be for a five-year term with a beginning date of January 1, 2004. The GIB retains the option of renewing the contract on a year-to-year basis for a maximum of two additional years, without rebidding, after the contract term.

## 2.0 Preparing and Submitting a Proposal

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### 2.1 General Instructions

The evaluation and selection of a vendor will be based on the information submitted in the proposal, references, and written clarifications. Failure to respond to each requirement in this RFP may be the basis for rejecting a response.

### 2.2 Incurring Costs

The Department or the State of Wisconsin is not liable for any cost incurred by bidders in replying to this RFP.

### 2.3 Submitting the Proposal

Two printed copies of the entire proposal (including Section 6.0, Cost Proposal) as well as the electronic version of the cost proposal must be submitted to:

Ms. Jill Korsh  
Deloitte & Touche  
400 One Financial Plaza  
120 South Sixth Street  
Minneapolis, MN 55402-1844  
Email – jkorsh@deloitte.com

The original and eight (8) printed copies of all parts of the proposal except Section 6.0, Cost Proposal, are to be sent to:

Department of Employee Trust Funds  
801 West Badger Road  
Madison, WI 53702-0001

The proposal will be considered only if all sections of the proposal are received by Deloitte & Touche on or before the proposal deadline stated in Section 1.6. Proposals received after the deadline will be returned unopened. The Department will not open any proposal packages prior to notification of official receipt by Deloitte & Touche. Proposal packages will be received by the Department after the deadline, but will be rejected if not received by Deloitte & Touche on or before the stated deadline.

All proposals must be packaged, sealed, and show the following information on the outside of the package:

- Vendor's Name and Address
- Wisconsin Public Employers Group Life Insurance Program Proposal
- Request for Proposal: #ETC0011
- Proposal Due Date: April 7, 2003

## 2.0 Preparing and Submitting a Proposal

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### 2.4 Proposal Organization and Format

Proposal should be typed and submitted on 8.5 by 11-inch paper and bound securely. Bidders should display each question immediately preceding the response for Tab 3 and complete the Cost Proposal tables in the format provided. Electronic copies of these sections are provided to facilitate your proposal response.

Vendors responding to this RFP must comply with the following format requirements:

- (a) **PROPOSAL CHECKLISTS:** Complete the proposal checklists provided as Attachment 1 to this RFP and include with your proposals sent to the Department and Deloitte & Touche.
- (b) **Tab 1 - COVER LETTER:** Include a cover letter with the proposal and those certifications required for submittal of a proposal. Proposals submitted in response to this RFP must be signed by the person in the vendor's organization who is responsible for the decision as to the prices being offered in the proposal or by a person who has been authorized in writing to act as agent for the person responsible for the decision on prices. Each proposal shall stipulate that it is predicated upon the terms and conditions of this RFP and any subsequent supplements or revisions.

By submitting a signed proposal, the vendor's signatories certify that in connection with this procurement: (a) the vendor's organization or an agent of the vendor's organization has arrived at the prices in its proposal without consultation, communication or agreement with any other respondent or with any competitor for the purpose of restricting competition, (b) the prices quoted in the proposal have not been knowingly disclosed by the vendor's organization or by any agent of the vendor's organization and will not be knowingly disclosed by same, directly or indirectly, to any other respondent or to any competitor, and (c) no attempt has been made or will be made by the vendor's organization or by any agent of the vendor's organization to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

- (c) **Tab 2 - SIGNED STATE AGREEMENTS:** Include here the signed copy of Attachment 2 - Designation of Confidential and Proprietary Information, Attachment 3 - Vendor Information and Reference Sheets; Attachment 5 – Confidentiality Form
- (d) **Tab 3 - RESPONSE TO SECTION 4.0 PROPOSAL QUESTIONS:** Provide a point-by-point response to each and every proposal question specified in this RFP. Responses to questions must restate the question and be in the same sequence and numbered as they appear in this RFP. Provide a succinct explanation of how each requirement is addressed.
- (e) **Separate Sealed Envelope - COST PROPOSAL:** Provide cost information as requested in the Cost Proposal Section 6.0. Please complete the electronic version of the tables and provide as your Cost Proposal response. Provide a point-by-point response to each and every Cost Proposal question specified in this section. Responses to questions must restate the question and be in the same sequence and numbered as they appear in this RFP.

## 3.0 Proposal Selection and Award Process

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### 3.1 Proposal Review

The proposals will first be reviewed to determine if minimum requirements identified in Section 1.5 of this RFP are met. Failure to meet minimum requirements may result in the proposal being rejected.

### 3.2 Evaluation of Proposals

All proposals submitted in accordance with the terms of the RFP will be evaluated for fulfillment of the specifications and requirements for this RFP. Evaluation and selection of the Insurer, as well as subsequent negotiations, will be based on information submitted in the proposals, references, and any required oral presentations.

The contract will be awarded to the Insurer who best meets the needs of the GIB. The successful proposal will not necessarily be that with the lowest cost. A uniform selection process will be used by an evaluation committee to evaluate all proposals. The evaluation outcome, the results of reference checks and any Committee recommendations will be brought to the GIB for their consideration. The GIB will make the final decision on the selection of the Insurer.

Proposals will be evaluated by an evaluation committee designated by the Department. Proposals will be evaluated based upon the following criteria and weight:

<b>Criteria</b>	<b>Section</b>	<b>Points</b>
Quality of Services Proposed	4.2	400
Capabilities of Proposer	4.1	150
Cost	6.0	250
Interest Credits and Charges	6.0	200
<b>Total</b>		<b>1,000</b>

### 3.3 Award

The contract will be awarded to the Insurer who best meets the needs of the GIB. The successful proposal will not necessarily be that with the lowest cost.

### 3.4 Right to Reject Proposals and Negotiate Contract Terms

The Department reserves the right to reject any and all proposals and to negotiate the terms of the contract, including the award amount, with the Insurer prior to entering into a contract.

### 3.5 Notice of Award

Any vendors who respond to this RFP will be notified in writing of the Department's Notice of Award.

## 3.0 Proposal Selection and Award Process

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### 3.6 Appeals Process

Notices of intent to protest and protests must be made in writing. Protestors should make their protests as specific as possible and should identify statutes and Wisconsin Administrative Code provisions that are alleged to have been violated.

The written notice of intent to protest the Notice of Award of a contract must be filed with:

State of Wisconsin Group Insurance Board  
C/o Department of Employee Trust Funds  
801 W. Badger Rd  
P.O. Box 7931  
Madison, WI 53707-7931

Notice must be received in this office no later than five (5) working days after the Notice of Award is issued. Fax documents will not be accepted. The written protest must be received within ten (10) working days after the Notice of Award is issued.