

Issue Analysis Form



Date: April 9, 2019
Item: Café 125
Lead Department(s): Recommendation
Human
Contact Person(s): Resources/Finance
Corrie Hurt & Betsy
Drewry

Description and Current Status

A request for proposal was written for cafeteria 125 administration. The RFP was publicized for four weeks. The county received five responses and held interviews with the top four. After the first round of interviews, it was narrowed down to the two top choices for final interviews.

The administration of the County's Flexible Spending Accounts is provided at no cost to the County as long as the administrator is allowed to offer supplemental insurance products to the County employees.

Staff recommends that the County contract with Mark III to provide this service. The county has reviewed the products and prices and feels that the employees would receive the best choice of benefits and pricing from this company. This may result in some level of disruption with the employees as we are currently using Aflac as the administrator of supplemental insurance products. Employees will be allowed to keep their current Aflac products on payroll deduction even after the transition.

The Human Resources department is fully prepared to work with employees during the enrollment period and assist in making this a smooth transition.

Government Path

- | | | |
|--|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If so, before what date? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Fiscal Impact Statement

None.

County Impact

Ultimately, staff believes that the overall customer service levels will improve by changing to Mark III. There has been a lack of action from AFLA (our current provider) with required non-discrimination testing and there have been few outreaches from them to discuss current offerings and how to improve them. Mark III currently provides the County with health and dental insurance consulting services and that will lend itself to a holistic approach to determine how voluntary products can best be used to supplement any "gaps" in our health insurance. Additionally, Mark III provided more competitive group product pricing in their proposal.

There may be some disruption to the employees as we have used Aflac for 14+ years and will be moving to a different administrator for our supplemental insurance products and flexible spending. Employees will NOT be forced to abandon their current plans and they will be able to keep them on payroll deduction.

Notes

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 9th day of April, 2019:

Present:

Vote:

Donald R. Hunter, Chairman
Floyd M. Brown, Jr., Vice-Chairman
Alan R. Carmichael, Jr.
Marlene J. Waymack
T. J. Webb

A-3

On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

RESOLUTION; AUTHORITY TO EXECUTE CONTRACT FOR
ADMINISTRATION OF FLEXIBLE BENEFIT & CAFETERIA 125
PLAN

WHEREAS, An RFP was issued for administration of the County's Flexible Benefit and Cafeteria 125 Plan on January 11, 2019 and closed on February 12, 2019 with five responses; and

WHEREAS, Interviews of the top four firms were held on March 13 and 14 and final interviews were held with the top two firms on March 29. The recommended company from the ranking process is Mark III; and

WHEREAS, Mark III will be contracted to administer the County's Flexible Spending and Cafeteria 125 Plan. These services will be provided at no cost to the County and this contract will allow Mark III to offer approved supplemental insurance products to County employees. Employees will be allowed to continue their current supplemental Aflac products through payroll deduction to minimize disruption. This contract will be effective July 1, 2019 through June 30, 2020 with potential to renew for four annual periods.

NOW, THEREFORE BE IT RESOLVED That the Board of Supervisors of the County of Prince George this 9th day of April, 2018, does hereby authorize the County Administrator to execute a contract with Mark III for Flexible Spending and Cafeteria 125 Plan administration.

A Copy Teste:

Percy C. Ashcraft
County Administrator

**RFP 19-0111-1 Flex Benefits Plan - Cafetria 125 Plan
Final Interview - Evaluation Sheet**

Date March 29, 2019

Aflac

Final Interview	Betsy	Corrie	Keith	Mike	Average
1	1	3	3	3	2.5
2	2	2	2	2	2.25
3	3	2	2	2	2.25
4	3	3	3	2	2.75
5	3	3	3	3	3
6	2	2	4	3	2.75
7	2	2	3	2	2.25
8	3	3	3	3	3
9	3	2	3	3	2.75
10	1	1	3	2	1.75
11	3	1	3	3	2.5
12	2	2	2	2	2
					29.75 Total Score

Mark III Employee Benefits

Final Interview	Betsy	Corrie	Keith	Mike	Average
1	4	4	4	3	3.75
2	3	3	4	4	3.5
3	3	3	4	4	3.5
4	4	3	4	3	3.5
5	4	4	4	4	4
6	4	4	4	3	3.75
7	4	3	4	3	3.5
8	3	3	3	3	3
9	3	4	3	3	3.25
10	4	4	4	4	4
11	4	4	4	4	4
12	4	3	3	3	3.25
					43 Total Score