

CONSULTING SERVICES FOR EMPLOYEE HEALTH and WELFARE BENEFITS FOR NEIGHBORWORKS® ORGANIZATIONS

Request for Proposals

Monday, November 10, 2008

PURPOSE OF THE RFP

NeighborWorks America is seeking health and welfare benefits expertise and consulting services to assist organizations in the NeighborWorks network to find competitive and cost-effective employee health and welfare benefits solutions. If a sufficiently-promising proposal(s) is/are received, the provider of these services (“the Consultant”) will function as a resource to NeighborWorks organizations (“NWOs”) for reliable, professional and objective advice. These services would be provided by the Consultant via a national toll-free number that staff of NeighborWorks organizations can call for a review and assessment of the structure of their current benefits package, advice for greater value and cost-efficiency, as well as advice on development, management and renewal of health plans and other benefit programs.

Background on NeighborWorks America

NeighborWorks America is a national non-profit organization created by Congress in 1978 to provide financial support, technical assistance and training for community-based revitalization efforts. It is composed of three major parts:

- NeighborWorks America, the founder of the NeighborWorks network supports and strengthens NeighborWorks organizations by providing training, technical assistance, funding and organizational assessments. NeighborWorks America was created by Congress in 1978 in order to “revitalize older urban neighborhoods by mobilizing public, private, and community resources at the neighborhood level.” Today, NeighborWorks America supports more than 240 organizations revitalizing their communities in rural and urban America.
- The NeighborWorks network is a national network of more than 240 independent, community-based nonprofit organizations working to revitalize more than 2,700 urban, suburban and rural communities through the work of thousands of residents, business people, government officials and other partners.

Go to <http://www.nw.org/network/nwdata/NeighborWorksOrganizations.asp> to see a list of our network organizations. These organizations range in size from 3 employees to almost 500 employees. The average size is 33 employees. For your convenience we have included the following table which summarizes information about staff size for our members:

Staff Size	Number of Member Organizations
Fewer than 10	93
10-25	76
26-50	29
51-100	14
101 or more	17

- NeighborWorks America secondary market—As a separate entity, Neighborhood Housing Services of America (“NHSA”) provides direct financial services to NeighborWorks network organizations by serving as a unique secondary market that brings assets to communities suffering from disinvestment and decline.

For more information about NeighborWorks America, go to the website at www.nw.org.

Background on the NeighborWorks Workforce Development Programs

Through our special efforts focused on workforce development for the community development field, NeighborWorks America seeks to offer NeighborWorks organizations and others in the community development field strategies and practices to recruit and retain a skilled and diverse workforce for the field. We do this by researching, identifying, developing and implementing strategies to effectively attract and retain qualified professionals in the field of domestic community development. These programs may include recruitment services, affordable health benefit options, internships and fellowship programs, emerging leaders programs, and leadership transition support among other things. The focus of this proposal is to help organizations better recruit and retain staff members by offering competitive and cost-effective health benefit options to their employees.

The contractor will report to NeighborWorks America's Manager of Leadership Programs, Christina Dedy.

Goals: Consulting Services for Employee Health and Welfare Benefits

The primary goals of the Consultant are to offer competitive and cost effective solutions for NeighborWorks organizations' employee benefits offerings—primarily medical but also to include dental, life, disability, Employee Assistance Programs, Flexible Spending Account Administration and other health and welfare employee benefits (i.e., the scope of this project does not include retirement benefits). The up-front work of the Consultant and NeighborWorks America to alert the NeighborWorks organizations of the importance and value of the services should lead to a high participation rate. The goal of this project is to reduce costs for the NeighborWorks organizations as much as possible. To that end, we will aim for at least 42% participation (i.e., 100 of 240 organizations) to explore options to reduce the cost and/or improve the health and welfare benefits available to their employees, though 100% participation would be ideal.

SCOPE OF SERVICES

NeighborWorks America will market the availability of these services to the more than 240 organizations in the NeighborWorks network. It is anticipated (and will be agreed upon with the Consultant) that this will be rolled out in multiple phases, starting with a small pilot group and then opening the opportunity to call the hotline to larger numbers of NWOs, in order to allow for adjustments and to monitor quality control. The NWOs can then, at their own discretion, call in to the "hotline", which will be answered by the Consultant or Consultants' designees to provide the services outlined below.

- The Consultant will conduct **an initial interview** with the NeighborWorks organization. The initial interview will:
 - gather general information about the organization's current employee health benefits offerings;
 - identify the organizations' primary goals as it relates to their health and welfare benefits and their anticipated outcomes of their call to the "hotline".
 - The Consultant will provide an estimate to the NWO of the time it will take to conduct the necessary assessment and to provide additional services.
- The Consultant will conduct the necessary analysis of the organization's current offerings, focusing on the goals the NWO hopes to achieve. The Consultant will offer a competitive market analysis of available options (based upon geographic location, staff size, individual organizational goals, budget, and underwriting criteria), review current employer/employee cost sharing structures and other elements of the current plan and other analysis as necessary.
- The Consultant will then recommend to the NWO, in writing, immediate and long-term strategy development and planning initiatives to reduce cost. Examples of such recommendations may be

to request bids for a more competitive plan, to begin offering a wellness program or safety programs in the office, etc.

- The NWO will then have time to review the Consultants' recommendations and may then, at their own discretion, decide to follow up via the "hotline" to request assistance in requesting bids.
 - In this case, the Consultant would then prepare the request for bids and receive proposals from service providers that offer employee health and welfare benefits that are cost-efficient and meet the specific needs of the NeighborWorks organizations. The Consultant would then review the proposals and make recommendations, in writing, to the NWO.
- Additionally, the Consultant would maintain and provide a **monthly status report** to NeighborWorks America on the NeighborWorks organizations who utilize the service and the type of benefits obtained. These reports will include information about which NWOs called the "hotline", what services were provided to that NWO (or if no services were provided), and the results of that interaction. Examples of "results of the interaction" may include that no follow-up was conducted, the details of any follow-up services that were provided, what changes were made to the NWOs' plans and what cost savings and/or benefit improvements were achieved because of the interaction. All reports will be provided to Manager of Leadership Programs.

All of these services will be provided to the NWO and to NeighborWorks America within reasonable periods of time to be agreed upon from the outset between the Consultant and NeighborWorks America. In addition, all of these services will be provided with "good" to "excellent" customer service. NeighborWorks America will conduct follow-up with each group in each phase to determine their satisfaction with the "hotline" interaction and resulting feedback will be shared with the Consultant throughout the life of the project.

COST ESTIMATES

Please provide estimates of costs for key tasks with for each section of the work to be completed for the project, and identify all potential sources of compensation for your organization.

PROJECT IMPLEMENTATION and TIMELINES

The Consultant will establish a framework and evaluation plan, along with a project management schedule or similar system for identifying, assigning, tracking and reporting on the tasks necessary to ensure that the service is moving toward achieving its goals. This timeline and tasks will be mutually agreed upon with NeighborWorks America staff.

The results of this service will provide NeighborWorks America with data and information that will reveal how organizations that participated were able to find competitive and cost-effective solutions for their current employee benefits offerings. In order to effectively and efficiently accomplish these goals, the project will be consists of three phases:

Phase I:

1. Become familiar with NeighborWorks America, the NeighborWorks organizations, and the goals of this project via conversations with appropriate NeighborWorks America staff (e.g., the Manager of Leadership Programs and Workforce Development Programs Manager) and review of written material (website, publications) provided by NeighborWorks America on the NWOs, the project goals, etc.
2. Establish a national toll-free number.
3. Formalize the engagement process and create tracking and reporting systems.

4. NeighborWorks America, with assistance from the selected consultant, will initially invite fifteen (15) NeighborWorks organizations to participate in the initial pilot phase of the project beginning in February 2009. The Consultant will receive and respond to as many calls as come in, conduct initial interviews and follow-up as appropriate. It is anticipated that this initial phase will run February-March 6, 2009.
5. Based on the framework created by the Consultant in consultation with NeighborWorks America, the Consultant will provide an initial report of results to NeighborWorks America for a collaborative conversation on any adjustments that may be necessary for the project. It is anticipated that this initial report will be due by Friday, March 13, 2009 and a meeting will take place between the Consultant and NeighborWorks America the following week.
6. Make any and all changes as discussed by March 31, 2009.

Phase II:

1. NeighborWorks America, with assistance from the selected consultant, will invite an additional sixty (60) NWOs to participate in the program and the Consultant will be able to accept the calls and provide necessary follow-up through Friday, May 29, 2009.
2. The Consultant will provide the Manager of Leadership Programs with monthly updates on the program progress and, by Friday, June 12, 2009, will provide a report of results on these additional 50 plus any follow-up on the original ten participants in the program.
3. Make any additional adjustments to the program as agreed upon between the Consultant and NeighborWorks America by Monday, June 30, 2009.

Phase III:

1. NeighborWorks America will invite the remainder of NWOs (approximately an additional one hundred seventy (170) NWOs) to participate in the program and the Consultant will be able to accept the calls and provide necessary follow-up through Friday, August 14, 2009.
2. The Consultant will provide the Manager of Leadership Programs with monthly updates on the program progress and a final report which will include (but not be limited to) a detailed, accurate and complete representation of the impact of having competitive and cost effective solutions for the current employee benefits offerings for NeighborWorks organizations. This final report will be provided by Friday, August 28, 2009.

Based upon participation in the early phases, the number of NWOs invited to participate in each phase and other aspects of the plan may be adjusted as agreed upon by the Consultant and NeighborWorks America.

Project Term

It is expected that the Consultant will be selected by January 16, 2009. It is expected that the Consultant will meet with NeighborWorks America personnel in late January to review the actual plan of action, sign the contract for services, etc. A draft framework for action will be agreed upon as quickly as possible so that early phone calls can be received by mid-February at the latest. The final report for the project should be completed and submitted by no later than the middle of September 2009.

HOW TO SUBMIT A PROPOSAL

Proposals must be received by NeighborWorks America by or before **5:00 p.m. (Eastern), Friday, December 12, 2008**. Please submit your proposal **via e-mail** to Christina Deady, Manager of Leadership Programs, at CDeady@nw.org. **In addition**, please provide **five hard copies** of your proposal via mail to the address listed below.

Proposals become the property of NeighborWorks America and will be subject to disclosure as requested upon completion of the selection process. Proprietary information that you wish to remain confidential should not be included in your response materials. Below are the required documents:

1. **Cover Letter.** Your cover letter must identify one contact person by name, address, e-mail, telephone number and fax, if applicable. It should **briefly** describe your qualifications and why you and/or your firm are a good match for the project.
2. **Proposal.** The proposal describes your approach to providing the services in a clear, concise, *objective* and compelling way. Please be as specific as possible regarding the experience of your organization in providing these or similar services to member organizations such as NeighborWorks America, including your experience in maintaining help desks such as that contemplated by this RFP. We should stress that NeighborWorks America is interested in exploring any alternatives that will support the general objectives expressed in “Goals: Consulting Services for Employee Health and Welfare Benefits” above, so you should feel free to describe any additional alternatives or models that your organization can make available that you think would help achieve those goals.
3. **Cost and Schedule.** Using the Scope of Services and Project Implementation and Guidelines information as your guide, please provide details on the proposed costs of these services, and any other services or potential expenses related to the project, identifying all sources of potential compensation for your company.

Note: We realize that professional services of this sort are often categorized, communicated and delivered in different ways by different contractors. If your approach is different from the framework in the Scope of Services, please do your best to provide costs and schedule details that we can correlate to the Scope of Services. Our objective is to clearly understand and be able to fairly compare both the costs and the schedule for delivering the services, and your qualifications as an organization to provide these services.

4. **Key Personnel.** Name and list the qualifications of the key consultants that will be involved in this project.
5. **Other Relevant Information.** We are also interested in your Equal Employment Opportunity information, client and reference lists, awards and other information that would help us make a decision. Please provide a minimum of three client references whom we may contact in our evaluation of your proposal.

All inquiries and written submittals should be directed to:

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Christina Deady
Manager, Leadership Programs
NeighborWorks America

1325 G Street NW, Suite 800
Washington, DC 20005
Phone: 202-220-2432
Fax: 202-376-2168
CDeady@nw.org

Proposal Evaluation and Selection Process

The initial decision to accept and proceed on any proposals is at the discretion of NeighborWorks America (i.e., if no sufficient proposals are received then this contract will not be awarded to any parties) and, if selected, progression onto the next step will be contingent upon quality services being provided at each step of the project, as agreed to initially by the Consultant and NeighborWorks America.

The selected consultant will present evidence of both technical and project management skills, will have demonstrated the ability to provide quality services appropriate to this project, will have a proven track record in providing the type of services required and will offer solutions effective enough that NeighborWorks America deems them worthy of further pursuit.

In our review and evaluation of proposals, NeighborWorks America will be assisted by the following principals of PRM Consulting Group:

Thomas O. S. Rand
Managing Director, Benefits
PRM Consulting Group
7316 Wisconsin Avenue
Suite 400
Bethesda, MD 20817
Tel: (301) 347-4788

Robert L. Northrop
Principal
3032 River Reach
Williamsburg, VA 23185-7544
Tel: (757) 564-1981

The written proposal submitted will be the basis for contract negotiations. Bidders may be contacted for additional information.

Key dates:

Deadline for submission of proposals	<u>5pm EST, Friday, December 12, 2008</u>
Internal Review of Proposals	<u>December 12, 2008 – January 15, 2009</u>
Notification of selected Consultant	<u>On or before Friday, January 16, 2008</u>

Qualified bidders will be alerted to schedule changes.