

## AGREEMENT

THIS AGREEMENT is hereby made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2024, by and between the City of Delray Beach, a Florida municipal corporation (the “City”), whose address is 100 N.W. 1st Avenue, Delray Beach, Florida 33444, and RSC Insurance Brokerage, Inc, a Foreign Profit Corporation (the “Contractor”), whose address is 3500 Kyoto Gardens Drive, Palm Beach Gardens, Florida 33410.

WHEREAS, the City desires to retain Contractor to provide employee benefits and healthcare consulting services in accordance with the City’s Request for Proposals 2024-024 (“RFP 2024-024”) and the Contractor’s response thereto, all of which are incorporated herein by reference.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereafter set forth, the Contractor and the City agree as follows:

### ARTICLE 1. INCORPORATION OF REQUEST FOR PROPOSALS

The terms and conditions of this Agreement shall include and incorporate the terms, conditions, and specifications set forth in RFP No. 2024-024 and the Contractor’s response to RFP No. 2024-024, including all documentation required thereunder.

### ARTICLE 2. DESCRIPTION OF GOODS OR SCOPE OF SERVICES

The Contractor shall provide employee benefits and healthcare consulting services in accordance with the Scope of Services, attached hereto and incorporated herein as Exhibit “A”.

### ARTICLE 3. COMPENSATION

The City shall pay the Contractor, in compliance with the Fee Proposal attached hereto and incorporated herein as Exhibit “B”, according to the terms and specifications of RFP No. 2024-024.

### ARTICLE 4. MISCELLANEOUS PROVISIONS

a. Notice Format. All notices or other written communications required, contemplated, or permitted under this Agreement shall be in writing and shall be hand delivered, telecommunicated, or mailed by registered or certified mail (postage prepaid), return receipt requested, to the following addresses:

- i. As to the City:  
City of Delray Beach  
100 N.W. 1<sup>st</sup> Avenue  
Delray Beach, Florida 33444  
Attn: City Manager

- ii. With copy to:  
City of Delray Beach  
200 N.W. 1<sup>st</sup> Avenue  
Delray Beach, Florida 33444  
Attn: City Attorney
- iii. As to the Contractor:  
RSC Insurance Brokerage, Inc  
3500 Kyoto Gardens Drive  
Palm Beach Gardens, Florida 33410  
Attn: Kurt Gehring, Managing Director

b. Headings. The headings contained in this Agreement are for convenience of reference only and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

c. Effective Date. The effective date of this Agreement shall be November 17, 2024.

#### ARTICLE 5. E-Verify

By entering into this Agreement Contractor acknowledges its obligation to comply with the provisions of Section 448.095, Fla. Stat., "Employment Eligibility." Contractor affirms and represents it is registered with the E-Verify system, utilizing same, and will continue to utilize same as required by law. Compliance with this section includes, but is not limited to, utilization of the E-Verify System to verify the work authorization status of all newly hired employees and requiring all subcontractors to provide an affidavit attesting that the subcontractor does not employ, contract with, or subcontract with, an unauthorized alien. Failure to comply with this section will result in the termination of this Agreement, or if your subcontractor knowingly violates the statute, the subcontract must be terminated immediately. Any challenge to termination under this provision must be filed in the Circuit Court no later than 20 calendar days after the date of termination. If terminated for a violation of the statute by Contractor, the Contractor may be prohibited from conducting future business with the City or awarded a solicitation or contract for a period of 1 year after the date of termination. All costs incurred to initiate and sustain the aforementioned programs shall be the responsibility of the Contractor.

#### ARTICLE 6. COMPLIANCE WITH FLORIDA STATUTE §787.06(13)

Contractor has fully complied with Florida Statute §787.06(13), which requires all nongovernmental entities executing, renewing, or extending a contract with a governmental entity to provide an affidavit signed by an officer or representative of the nongovernmental entity under penalty of perjury that the nongovernmental entity does not use coercion for labor or services as defined in that statute and has provided an executed affidavit to the City.

#### ARTICLE 7. CONTRACT TERM

The term of this Agreement shall remain in effect for a term of three (3) years and may be renewed for two (2) additional one-year period(s), unless terminated earlier in accordance with terms set forth in RFP No. 2024-024.

(Remainder of this page is intentionally left blank)

IN WITNESS WHEREOF, the City and the Contractor executed this Agreement as of the day and year first above written.

ATTEST:

CITY OF DELRAY BEACH

\_\_\_\_\_  
Alexis Givings, Interim City Clerk

By: \_\_\_\_\_  
Thomas F. Carney, Jr., Mayor

Approved as to form and legal sufficiency:

\_\_\_\_\_  
Lynn Gelin, City Attorney

RSC INSURANCE BROKERAGE, INC.

By: Kurt N. Gehring

Print Name: Kurt N. Gehring

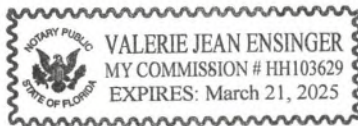
Title: Managing Director

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 14th day of October, 2024 by \_\_\_\_\_  
Kurt N. Gehring (name of person), as Managing Director (type of authority) for RSC Insurance Brokerage, Inc. (name of party on behalf of whom instrument was executed).

Personally known x OR Produced Identification \_\_\_\_\_  
Type of Identification Produced \_\_\_\_\_



Valerie Jean Ensinger  
Notary Public - State of Florida  
Valerie Jean Ensinger

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**EXHIBIT A**

**SECTION 3  
SCOPE OF SERVICES**

**3.1 GENERAL INFORMATION AND BACKGROUND**

The Consultant/Broker will be required to provide services related to specific tasks for annual on-going service and for as needed services based on whether the City opts to renew their existing health, dental and/or vision insurance contracts or to use the services of the consultant to assist in the development and review of new solicitations for proposals for group health and other benefit plans.

Proposers will be required to meet the timetables of the City, which may require expedited services to meet renewal dates and/or plan year effective date of October 1st. October 1st is typically the effective date of the City's group health plan year (ending September 30th) with open enrollment occurring during the month of August. Benefit plans must be renewed each year by October 1st.

**3.2 EVALUATION OF CURRENT PLANS AND REVIEW AND EVALUATION OF RFPS**

The city's group insurance plans are current and do have renewal options available. The goal of the City of Delray Beach is to improve the long-term health of employees and create cost containment on insurance programs while analyzing all options available.

**At a minimum, the consultant is required to provide the tasks detailed below. Additional reporting or analysis the consultant deems necessary and will benefit the City in making a sound financial decision regarding their plan programs may also be proposed. Consultant/Broker is understood to mean a licensed Group Health, Medical, Dental, Life, and Vision Broker.**

1. Consultant/Broker shall perform an evaluation of the City's current group health and welfare plans to become familiar with the history of the City and claim trends. This core benefit analysis includes group health, vision, dental, long-term disability, and life insurance.
2. Consultant/Broker shall review each existing insurance Summary Plan Description (SPD), binder, certificate or other insuring document and all endorsement effecting coverage and/or price to ensure they are complete, correct and in compliance with all applicable laws and regulations.
3. Consultant/Broker shall assist Human Resources in developing the benefits and cost factors analysis to evaluate a self-funded health insurance plan. Consultant/Broker shall assign team members that have the knowledge and ability to evaluate and recommend Third Party Administrative services.
4. Consultant/Broker shall assist the city in the development of the final agreement with the insurance carrier(s) or Third-Party Administrator(s) being recommended for award by the City and act as a liaison between the insurance carrier(s), Third Party Administrator(s), and City during the negotiations process.



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5. Consultant/Broker shall assist Human Resources with the implementation of such final agreements. The Consultant/Broker shall review each insurance policy, binder, certificate or other insuring document and all endorsement affecting coverage and/or price to ensure they are complete, correct and in compliance with all applicable laws and regulations.
6. Consultant/Broker shall make recommendations for the City's Wellness Program and shall assist with the marketing strategy and implementation planning.
7. Consultant/Broker shall provide extensive actuarial services including support with the City's annual GASB filing. Please expand on how pricing will be handled.

### 3.3 ONLINE EMPLOYEE ENROLLMENT SOFTWARE/SERVICES

Consultant to provide a web-based benefits open enrolment system and provide consulting and dedicated technical support team to assist with the implementation. The online benefit enrollment system should include paperless open enrollment, online employee benefit resource center, online benefits guide, user friendly, secure, accessible 24/7, HIPAA compliant and can interface with the City's group health carriers for electronic carrier eligibility updates. The implementation of the online enrollment system must be completed no later than thirty (30) days prior to the renewal date of October 1st.

The City desires, at a minimum, to utilize the online enrolment system during its open enrollment to facilitate the enrollment of all eligible employees, retirees, COBRA participants and eligible dependents. Open enrollment is annual planned for mid-August. The City will utilize the system throughout the year to process new hires, terminations, retirements, and individual benefit plan changes and its monthly benefit billing.

### 3.4 ANNUAL ON-GOING SERVICES

Ongoing services will occur each year. The Consultant will provide the following tasks. At the start of each contract term the city will provide a schedule for those tasks that have known deadlines. Tasks are as follows:

1. Consultant/Broker shall assist Human Resources in reviewing its group health and welfare program and costs to include the preparation of routine group health and welfare program management reporting detailing the performance of the plans, identify and prepare a critical factors analysis to identify cost drivers; monitor the sufficiency of rates; review of group health and welfare plan design to determine the propriety of plan wording and areas whereby the plan design might be adjusted to enhance the economy and efficiency of the program, and determine future strategies to control costs and maintain plan effectiveness and market competitiveness.
2. Consultant/Broker shall prepare a medical and pharmacy plan design analysis that identifies the potential cost savings of increased deductibles, co-payments, co-insurance, out of pocket maximums and other structural changes.
3. Consultant/Broker must present an executive summary of program expenses, comparison of current cost shall with the third-party administrator to obtain and

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present an annual financial reconciliation report on the results of the completed plan year. This task will be completed within sixty (60) days from the end of the plan year. Consultant/Broker must present an executive summary of the program expenses, comparison of current costs to renewal costs, future cost projections and dollars saved by contract negotiation. Consultant/Broker must also provide percent of benefit dollars paid by the employees and retirees.

4. Consultant/Broker shall inform the city of current issues in the area of benefits law and administration including advice regarding HIPAA, COBRA, Medicare, the Affordable Care Act and other similar state and federal laws that govern group health insurance programs. The successful proposer shall have access to qualified staff or outside employee benefits legal counsel at no cost to the City. The Consultant/Broker must have a licensed actuary on staff with at least experience in governmental plans. Consultant/Broker must also be a licensed broker in the State of Florida.
5. **Consultant/broker shall assist the Human Resources Department with calculating, preparing, and /or filing the annual 1094/1095's, PCORI fee on form 720, CAA Gag Clause Prohibition, and any other forms required by law for self-funded health insurance plans.**
6. Consultant/Broker shall keep the City abreast of changes in statutory and regulatory changes affecting their health insurance and other benefits. The Consultant/Broker shall review pending legislation and trends in health insurance and other benefits and report to the City an impact to the existing or future benefits plans to include bearing the cost and expense for the reproduction of any copyrighted materials necessary for such performance.
7. Consultant/Broker shall inform the City of any future legislation in health insurance and other benefits and assist the city in required procedures to achieve compliance with any future legislation. Consultant/Broker must have experience in the field of group insurance, namely health, life, disability, dental, vision, Employee Assistance Programs, flexible spending Medicare Supplemental programs and all other types of plans that may become available for governmental benefit programs.
8. Consultant/Broker shall act as a liaison between the City and benefit providers. Consultant/Broker must have a vast knowledge of the industry and have access to many carriers, especially the major carriers.
9. Consultant/Broker shall provide responsive customer service in answering questions about coverage, assisting with securing coverage and completion of paperwork required by the City's Human Resources Department and the employees, retirees, COBRA participants and their insured dependents. It is expected that when contacted by the City the Consultant/Broker makes the contact via email or telephone the same day or as soon as possible within twenty-four (24) hours of the call or email. to acknowledge receipt and schedule time to discuss or handle the question/issue at hand. Consultant/Broker shall achieve resolution of the issue/question within five (5) business days from the time of the City's first contact. The expectation is that this would be on an as needed basis.
10. Consultant/Broker shall assist the City's Human Resources Department with the dispute, change and/or reconciliation of insurance vendor billing invoices.

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3.5 SERVICES FOR RENEWAL OF ANNUAL POLICY (GROUP HEALTH PLANS)

At a minimum, the consultant is required to provide the tasks detailed below. Additional reporting or analysis that the consultant deems necessary and will benefit the City in making a sound financial decision regarding the plan programs may also be proposed.

1. Consultant/Broker shall meet with the City and insurance company to discuss renewal.
2. Consultant/Broker shall provide an analysis of the renewal of the current plan, reviewing past performance.
3. Consultant/Broker shall provide an analysis of all renewal alternative proposals from the current carrier.
4. Consultant/Broker shall review additional available cost savings plan alternative and creative funding options.
5. Consultant/Broker shall make a presentation of renewal alternative to the City representatives along with a recommendation and rationale.
6. Consultant/Broker shall assist with budget preparation, budget projections on the future costs of benefit programs including the determination of contribution structures for the City for active employee, retirees, and COBRA participants. Assist with plan and claim projections, forecast all health and wellness related costs and plan, and develop or create cost savings measures or recommendations necessary for future plan performance.
7. Consultant/Broker shall assist with the planning and implementation of selected changes for the renewal proposal.
8. Consultant/Broker shall proactively suggest products and services that would better serve the needs of the City and its employees; retirees, and COBRA participants, including the development and assistance in any decision to implement new insurance plans and employee benefit programs.

3.6 OPEN ENROLLMENT PROGRAM SERVICES

Consultant/Broker shall coordinate with the City's annual open enrolment following finalization of negotiations (new agreements and/or renewals) to include assisting the Human Resources Department with employee education, communicating benefit changes and the electronic open enrollment processes. Consultant/Broker will be responsible for drafting and publishing the Annual Employee Open Enrollment Benefit highlight booklet with review and comment by Human Resources. Consultant/Broker will provide Human Resources an electronic copy of the Annual Employee Open Enrollment benefit highlight booklet for publishing on the City's intranet and 1,000 color paper copies for distribution, as necessary. Additionally, the Annual Employee Open Enrollment benefit highlight booklet will be edited and both electronic and paper copies provided for Commissioners, Retiree, and the City's Special Dependent District.



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### 3.7 RFP FOR BENEFITS AND IMPLEMENTATION

At a minimum, the consultant is required to provide the tasks detailed below. Additional reporting or analysis the consultant deems necessary, and which will benefit the City in developing their RFP may also be proposed.

1. Consultant/Broker shall assist the Human Resources Department by providing technical expertise in the RFP preparation and data collection used to publish the RFP. The Consultant/Broker will be responsible for the RFP and will incorporate data and information felt necessary. The Consultant/Broker is to recommend the key elements for the proposal evaluation and the language used to describe the plan options for the proposers (carriers) to respond to.
2. Consultant/Broker shall review proposers' responses and make a recommendation to the City regarding the cost saving plan alternatives and creative funding options submitted.
3. Consultant/Broker shall provide a minimum of three (3) staff, committee, or City Commission meetings during the RFP and negotiation process. Additional meetings may be necessary.
4. Consultant/Broker shall assist the City in the development of the final agreement with the insurance carrier(s) being recommended for award and act as a liaison between the insurance carrier(s) and the City during the negotiation process.
5. Consultant/Broker to review each existing insurance policy binder, certificate or other insuring document and all endorsement affecting coverage and/or pricing to ensure they are complete, correct and in compliance with all applicable laws and regulations. Consultant/Broker will assist with planning and implementation of the selected proposal.

### 3.8 OPTIONAL SERVICES

The City maintains an onsite clinic for those employees, retirees, COBRA participants enrolled in one of the City's medical plans. Enrolled dependents are also provided access to the onsite clinic. The onsite clinic operates as a primary care office and also provides the City some occupational health care, i.e., drug testing, employment physicals and annual first responder physicals. At a minimum, the consultant is required to provide the tasks detailed below. Additional reporting or analysis that the consultant deems necessary and will benefit the City in making a sound financial decision regarding the onsite clinic may also be proposed. The goal of the City is to improve the long-term health of its employees, retirees, and dependents and create cost containment on insurance programs.

1. Consultant/Broker to evaluate the onsite clinic and assist with the RFP process as needed including review of the proposer's responses and make a recommendation to the City regarding the cost saving and creative funding options submitted.
2. Consultant/Broker to evaluate and participate in the quarterly and annual review with the onsite management firm making recommendations in the programs, as necessary.

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3. Consultant/Broker to provide additional reporting or analysis as the Consultant/Broker and/or City deem necessary and beneficial to the City in making a sound and financial decision regarding the onsite clinic and its function.

END OF SECTION 3

## EXHIBIT B

## Tab 6:

## Fee Proposal

Pricing is to be all inclusive of the costs of servicing these accounts; no further charges will be accepted for postage, data transfer, or any other costs associated with this contract.

The Proposer's monthly fee for employee benefits and healthcare consultant services shall remain firm for the term of the Agreement. The option for renewal shall be exercised upon mutual agreement between Contractor and City, by written agreement with all original terms and conditions adhered to with no deviations.

ITEM	QTY	UNIT OF MEASURE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1.	12	MONTHS	Fixed, flat fee for Benefits	<u>\$11,333.33</u>	<u>\$136,000.00</u>
<b>NOTES:</b> (1) Fee proposal includes a 2% escalator in years 4 and 5. (2) Bentek system included in Cost Proposal					
<b>TOTAL ANNUAL FEE (Years 1 – 3)</b>					<b>\$136,000.00</b>