



Sourcewell

**RFP #012125 for Risk Management, Employee Benefits, and Insurance
Consulting Services**

Alliant Employee Benefits and P&C
Pricing and Scope of Services
January 21, 2025, by 4:30 p.m. C.T.

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Cover Letter

January 21, 2025

Sourcewell
202 12th St NE.
Staples, Minnesota 56479

Re: RFP #012125 for Risk Management, Employee Benefits, and Insurance Consulting Services

Hello Sourcewell Procurement Team,

We are excited about the prospect of working with Sourcewell in the capacity of Risk Management, Employee Benefits, and Insurance Consulting Services and believe that our depth of resources will provide your staff with a level of support that goes well beyond the traditional Consultant's role. We are honored to be included for your consideration and pleased to present our response to RFP #012125 for Risk Management, Employee Benefits, and Insurance Consulting Services for all four regions outlined in the RFP.

- **Public Entity Expertise:** Alliant has the largest base of public entity clients across the country, which includes over 10,000 public entity clients in 48 states. We specifically work with thousands of cities and counties across the country along with states, towns, healthcare districts, special districts, schools, non-profit organizations, airports, and pools.
- **Proprietary Programs:** There are many firms that can design a benefit plan, underwrite a risk, and set contributions. But when it comes to unique solutions and proprietary programs to manage claims trend and long-term costs, Alliant is years ahead of the competition. Sourcewell participating entities will gain exclusive access to new insurance options with direct access to our public entity insurance programs. These proprietary insurance programs are utilized by thousands of public agencies nationwide (some of the largest cities and counties in the country) and are proven to reduce insurance costs while providing broad coverage to protect important municipal resources. You will see how an Alliant proprietary program provides additional leverage in the commercial insurance market, further reducing costs and ability to negotiate on your behalf.

- **Dedicated Service Team:** Sourcewell participating entities will have an experienced dedicated service team with decades of collective experience to execute on both strategic and tactical deliverables. Your Alliant team will manage your program from plan design, financial modeling, holistic well-being, risk, and regulatory compliance.

Our 98%+ client retention ratio is a testimonial to our client-centric service model. We also operate on a pledge of full transparency. Our clients are our best evidence of excellence. We encourage you to reach out to our clients to learn first-hand about their satisfaction with Alliant.

Performance Guarantee: We believe our combination of consulting talent, tactical resources, and proprietary programs will meet your benefit and risk needs. We are confident that we can deliver on every aspect of your program.

We appreciate the opportunity to respond to this RFP and are confident we will exceed your expectations and requirements. If you have any questions, please contact us at the address below.

Sincerely,



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Section I – Employee Benefits

Employee Benefits Pricing

The specific scope of services we provide and the compensation resulting from those services will depend on several factors including the size of the group, the benefit program, and the scope of services that the Participating Entity is requesting. Alliant will thoroughly review each participating entity's request for services and then provide an outline of our proposed scope of services and commensurate compensation.

Our goal is to create a compensation structure that will allow us to provide the level of service that will keep your benefits program cost-effective and competitive in the marketplace. For a Participating Entity of Sourcewell, Alliant can provide a fee approach which is 5-10% below standard retail pricing. The annual fee can be payable in monthly installments via Alliant invoice, or through carrier/vendor commissions or a combination of both. The discounted fee applies to new clients of Alliant who are participating entities of Sourcewell.

Services Not Otherwise Listed

In our experience, no list of services included or excluded can anticipate all the possible needs of our clients. Our intention to offer as much service as possible within the proposed/agreed upon commission/fee quoted across the full spectrum of employee benefits consulting and compliance work. We seldom encounter a client need that we cannot accommodate with our internal resources. Should that situation arise, we would collaborate with the Client to reach a mutually acceptable determination of how such a service should be provided and at whose expense.

Employee Benefits Disclosures

Potential Indirect Compensation

As is standard in the industry, and for the services as outlined, the various insurance carriers that a Participating Entity may ultimately choose to insure the medical, dental, vision, and stop loss risk on its group health plan pay commissions to Alliant based on a certain percent of the premium. In addition, certain vendors providing services to employee benefit plans

may pay Alliant compensation on a per-employee per-month basis. Alliant uses this contingent and supplemental compensation to help staff and resource proprietary programs specifically designed to maximize the performance of the benefit plan and provide the highest quality experience employees and their dependents, including programs that offer high quality care, facilitate key employee and participant engagement, and offer key cost savings for the Plan. These programs include pharmacy programs, stop loss programs, a level-funded plan design, and potentially other key partnerships, depending on Participating Entity's plan design including *wellness vendors, fertility vendors, RBP partnerships, Alliant Medicare Solutions and other future programs that Alliant implements.*

Contingent Commission Opt-Out

As set forth above, Alliant may receive income because of contingent commission agreements with certain insurance carriers. Participating Entity may opt-out of having its plan premiums included in the calculation of these contingent commissions by accessing the "opt-out" form from the link on Alliant's website: <http://www.alliant.com/Legal-Notices/Pages/Disclosure-Policy.aspx>. The parties acknowledge that these commissions, if any, are determined by insurance carriers, and if the Participating Entity does not opt out, it remains the carriers' exclusive decision to include or exclude certain premiums in any calculation. The availability of information related to the carriers' decision-making process on the payment of these contingent commissions is solely within the discretion of each insurance carrier. Note that if your organization has opted out of contingent or override commissions, Alliant returns those commissions to the carrier per the opt-out request, if received.

Non-cash Compensation

Alliant may, as is standard in the industry, receive certain non-cash compensation from Plan insurance carriers, vendors, and service providers that is not connected to any employer plan or Alliant client. Provision of non-cash compensation is solely within the discretion of the entity providing Alliant the non-cash compensation. This compensation can include gifts valued at less than \$100 annually, an occasional dinner, or ticket to a sporting event, or other entertainment, or reimbursements in connection with educational meetings or training events, client workshops or events, or marketing or advertising initiatives. Plan vendors,

insurance carriers, and service providers may also occasionally pay or reimburse Alliant for the costs associated with, education or training events that certain Alliant team members attend, and for Alliant-sponsored conferences and events.

Changes in Compensation

For those participating entities subject to ERISA 408(b)(2), Alliant will provide updated disclosures for any changes in the compensation set forth above.

Changes in Services

If group requests a change in services or if changes in the group's size, operations, or organization require a change in the scope and/or nature of the Services and/or Plans, the compensation described in this Section will be adjusted accordingly.

Disclosure by Other Plan Service Providers

Any other plan service provider that is subject to the 408(b)(2) disclosure requirements is required to make its own independent 408(b)(2) disclosure and any such disclosure is not included in this Agreement.

SAMPLE - PROPOSED SCOPE OF SERVICES – EMPLOYEE BENEFITS

*Scope may vary based on size and type of client

Service	Included	Frequency / Limits
Strategic Planning		
Prepare pre-renewal analysis to develop/refresh goals and objectives to inform renewal strategy	x	Annually
Evaluate market trends, competitive environment and culture	x	Annually
Evaluate funding and risk retention strategies	x	As Needed
Develop Annual Workplan and Milestone Calendar	x	Annually
Develop/refresh multiyear strategic glide path and financial plan to support goals and objectives	x	Annually
Templated benchmark plan designs, costs and contributions	x	Annually
Plan renewal and marketing activities		
Initiate renewals with vendors, negotiate annual rates and terms and conditions	x	Annually
Prepare request for proposals (RFP) - evaluate potential vendors and develop bid specifications	x	As Needed
Conduct detailed bid analysis – compare financial and quality responses, review plan designs, evaluate alternative cost and funding alternatives, negotiate performance guarantees	x	As Needed
Stop Loss Marketing and Modeling [self-funded plans]	x	Annually
Review Captive Solutions	x	As Needed
Voluntary Benefits Consulting & Placement	x	Annually
Negotiate transition, communication, wellness and/or technology credits	x	Annually
Conduct network disruption analysis [if provider information is available]	x	As Needed
Price plan design alternatives	x	Annually
Model employee contributions and migration analysis	x	Annually

Facilitate finalist meetings; negotiate best and final rates	x	As Needed
Implementation support: facilitate project plan management, review administrative agreements and contract terms and conditions	x	As Needed
Underwriting / Actuarial Services		
Provide underwriting challenge on fully-insured clients with available claims experience	x	As Needed
Conduct self-insured / experience-rated / self-funding feasibility underwriting analysis	x	As Needed
Develop premium equivalent rates and calculate COBRA rates [self-funded plans]	x	As Needed
Provider payment/network change analysis [self-funded plans]	x	As Needed
Confidence modeling with Claim Fluctuation Reserve forecasting [self-funded plans]	x	As Needed
Calculate annual reserve (IBNR) estimates [self-funded plans]	x	Annually (monthly or quarterly available on exception basis)
Estimate PCORI fees [self-funded plans]	x	Annually
Financial / Claims Experience Reporting		
Deliver financial claim experience reports (summary)	x	Quarterly (monthly available on exception basis)
Alliant Analytics Reporting [self-funded plans]	x	Annually
Vendor Management - Ongoing Support & Service		
Provided day-to-day support (tracking open items, support escalated claims and/or billing issues)	x	As Needed
Manage and regularly evaluate insurance carrier and service provider relationships	x	As Needed
Coordinate utilization review meetings [if information is available]	x	Annually

Review plan document changes (contracts, policies, benefit summaries, SBCs)	x	As Needed
Monitor Vendor Performance Guarantees	x	As Needed
Compliance		
Provide Annual Compliance Calendar	x	Annually
Offer ongoing education through webcasts, podcasts, white papers, and legislative alerts	x	-
Provide Compliance Reminders & Refreshers - "Friday Fast Facts"	x	As Needed
Provided ongoing Q&A support by designated Alliant compliance consultant on client's group health plan compliance questions, e.g., ERISA, COBRA, HIPAA, ACA, Section 125, Mental Health Parity, Nondiscrimination, M&A, etc.	x	As Needed
Prepare 5500s and SARs through Third Party Vendor	x	Annually
Facilitate Non-Discrimination Testing through Third Party Vendor	x	Annually
Provide CampaignBuilder templated annual notices package that includes the main Federal requirements including Medical Part D, HIPAA privacy, Women's Healthcare Rights Act, CHIPRA, etc.). Package includes Digital FlippingBook link.	x	Annually
Provide templated documents for ERISA compliance including wrap plan documents, SPD's, Summary Material Modifications through Third Party Vendor	x	As Needed
Coordinate required Cafeteria Plan Documents	x	As Needed
Provide reminders for annual CMS Disclosure	x	Annually
CAA Broker Transparency Disclosure	x	Annually
HIPAA Toolkit [self-funded plans]	x	As Needed
ERISA Fiduciary Toolkit	x	As Needed
Access to Human Resources Support Services, e.g., HR Workplace or similar service	x	As Needed
Health, Well-Being and Productivity		
Provide access to standard communication toolkit including monthly newsletter (<i>Strive</i>), annual communications calendar, health	x	As Needed

educational flyers, infographics, clinical opinion guides, and health condition campaigns.		
Provide templates for employee and employer surveys and assessments	x	As Needed
Core Benefits Communications		
Strategic Communications Consulting (Includes Annual Communications Plan)	x	Annually
Provide Alliant CampaignBuilder Templated Booklet including Digital FlippingBook Link	x	3 rounds of edits then fee may apply
Provide Alliant CampaignBuilder Templated PowerPoint Presentation Slides	x	3 rounds of edits then fee may apply
Provide Alliant CampaignBuilder Templated Required Annual Notices Package (includes Medical Part D, HIPAA privacy, Women's Healthcare Rights Act, CHIPRA, etc.) Package includes Digital FlippingBook Link.	x	Annually
Provide Recorded Digital Brainshark Presentation Link Utilizing PowerPoint Presentation Slides (noted above)	x	Annually
Provide Alliant CampaignBuilder Templated Benefits-at-a-Glance	x	3 rounds of edits then fee may apply
Develop Alliant CampaignBuilder Templated Open Enrollment Emails (up to 4)	x - Provide templates only; no customization.	Annually
Provide Alliant CampaignBuilder Templated Open Enrollment Kickoff Video	x	Annually
Provide access to library of licensed educational videos (English and Spanish available)	x	Annually
Provide Alliant CampaignBuilder Templated Spanish Materials	x	Annually

Offer MyBenefits.Life, Alliant template mobile application/web portal for employee benefits communication	x	Annually
Supplemental Materials (Posters, Postcards, HDHP Easy Guide, Mental Health Toolkit, etc.) - Choose templated CampaignBuilder educational materials.	Quantity: 1	Annually
Open Enrollment Support		
Request and coordinate digital vendor materials and supplies to support open enrollment	x	Annually
Facilitate carrier/vendor attendance for open enrollment meetings/events	x	Annually
In person attendance - Open Enrollment	x	Annually
Facilitate Health Fair Vendor Procurement	x	As Needed
ADDITIONAL ALLIANT PRACTICES - MAY REQUIRE SEPARATE SCOPE & FEE		
Alliant Individual Health Solutions (AIHS)	x	x
Alliant Medicare Solutions including provision of educational materials and decision support for employees eligible for Medicare via employer-specific toll-free number	x	AMS Complimentary - Free Additional cost for AMS Premier
Pharmacy Consulting	Fees may apply	
Alliant Mergers and Acquisition Diligence	Fees may apply	
Alliant Benefit Advocates (Tier 1 - Standard, 2 - w/System Access View or 3 - w/Ability to Edit System)	Fees may apply	
Alliant HR Tech and Outsourcing	Fees may apply	
Alliant Billing and Reconciliation Services	Fees may apply	

LifeBalance Program (Employee Perks Program)	Fees may apply	
Alliant Retirement Services	Fees may apply	
Alliant Global Benefits	Fees may apply	
Compensation Consulting (FutureSense)	Fees may apply	
Alliant Leave Advantage (subscription-based solution)	Fees may apply	
Alliant Strategic Leave Consulting	Fees may apply	
Alliant Clinical Consulting (Alliant Physicians/RNs)	Fees may apply	

Section II: P&C

P&C Pricing

The specific scope of services we provide and the compensation resulting from those services will depend on several factors including the type of coverage needed by your participants. Typically, our division works on commission, however we can also consider a fee base. Fees would be based on the types of coverage we are servicing along with the size of the account. Alliant will thoroughly review each participating entity's request for coverage services and then provide an outline of our proposed scope of services and commensurate compensation.

Our goal is to create a compensation structure that will allow us to provide the level of service that will keep their property and casualty insurance program cost-effective and competitive in the marketplace. The annual fee can be payable in monthly installments via Alliant invoice, or through carrier/vendor commissions or a combination of both.

Alliant will provide a 5% discount on commissions or fees; the discount applies to new clients of Alliant who are participating entities of Sourcewell.

P&C DISCLOSURES

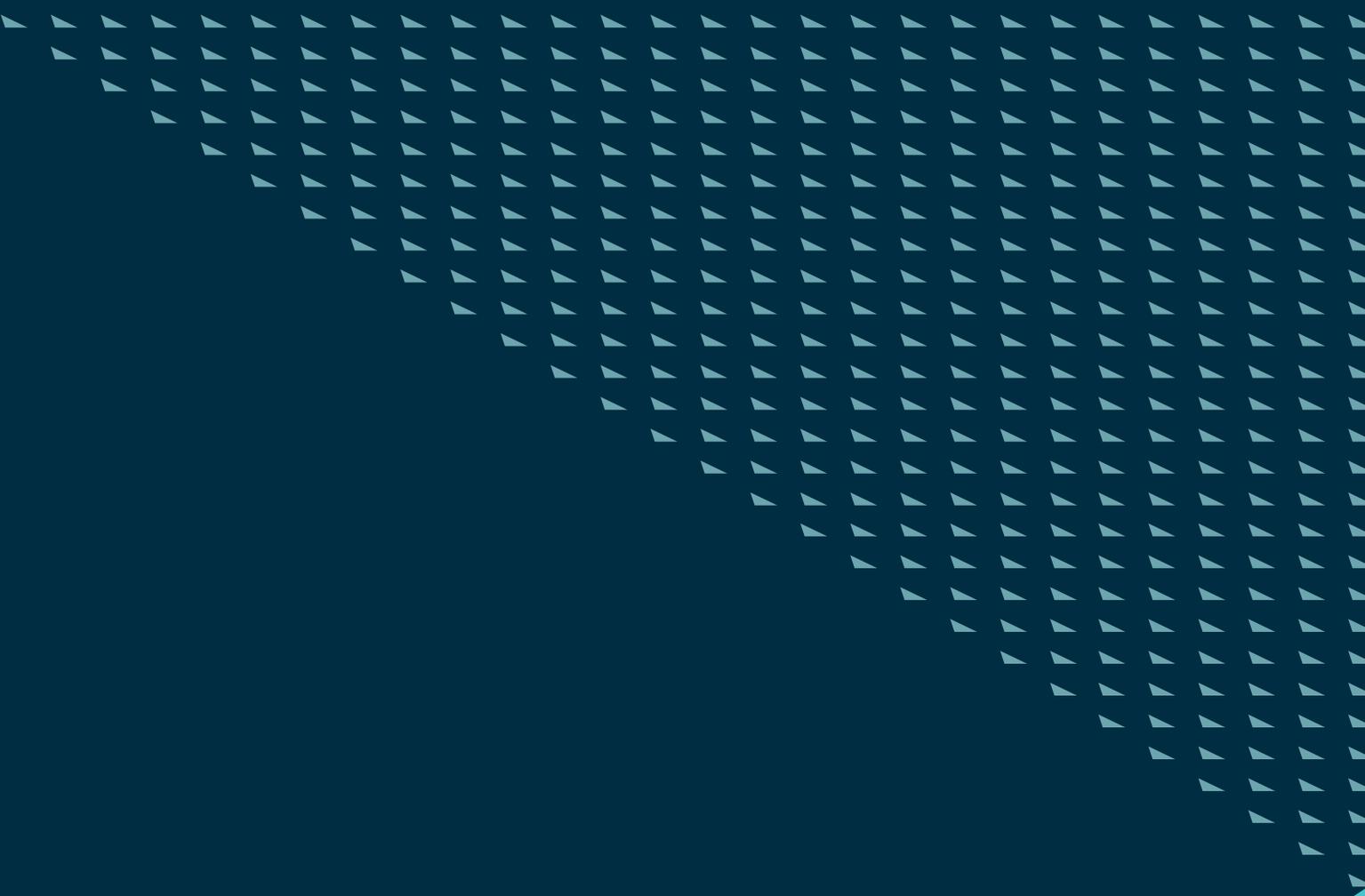
Surplus Lines Fees and Taxes. In certain circumstances, placement of insurance services made by Alliant Insurance Services, Inc. ("Alliant") on behalf of a client, with the prior approval of that client, may require the payment of surplus lines assessments, taxes, and/or fees to state regulators, boards, and associations. Such assessments, taxes, and/or fees will be charged to the client and identified separately on invoices covering these placements. The client shall be responsible for all such assessments, taxes, and fees, whether separately invoiced. Alliant shall not be responsible for the payment of any such fees, taxes, or assessments, except to the extent such fees, taxes or assessments have already been collected from the client.

Third Party Brokers. Alliant may determine from time to time that it is necessary or appropriate to utilize the services of third-party brokers (such as surplus lines brokers, underwriting managers, London market brokers, and reinsurance brokers) to assist in marketing the insurance programs of a client. These third-party brokers may be affiliates of Alliant (e.g., other companies of Alliant that provide services other than those included within the scope of services covered in this proposal) or may be unrelated third-party brokers. Compensation to such third-party brokers will not be part of Alliant's fee.

Indirect Income. "INDIRECT INCOME" means insurance carrier contingency arrangements. Alliant will accept these compensation incentives from insurers, if any, including contingent commissions, market service agreements (MSA), volume-based commission incentives and

rebates on business placed on behalf of a client. Alliant producers who solicit, negotiate, or place insurance products, or services for clients, do not negotiate indirect income agreements with the carriers, nor do they receive any portion of the indirect income paid to Alliant. Nonetheless, the client may opt-out of having its premiums included in the calculation of indirect income by accessing the "opt-out" form from the link on Alliant's website: <http://alliantinsurance.com/Legal-Notices/Pages/Disclosure-Policy.aspx>. The "opt out" provision applies only to those accounts served directly by Alliant as a retail agent or broker. It does not apply to account placements for which Alliant's role is that of a wholesaler, MGA, or program administrator working with non-Alliant brokers who represent the client. Indirect Income, if any, is determined by insurance carriers, and if the client does not opt-out, it remains the carriers' exclusive decision to include or exclude certain premiums in any calculation. The availability of information regarding the make-up of any indirect income payment is at the carrier's discretion.

Alliant Specialty Insurance Services (ASIS). In addition to the compensation that Alliant receives for providing services to a client, its related entity, Alliant Specialty Insurance Services (ASIS) and its underwriting operations, Alliant Underwriting Services (AUS), may receive compensation from Alliant and/or carriers for providing underwriting services. The fiscal impact of the compensation received by ASIS is a cost included in the premium. Compensation received by ASIS will be disclosed in writing to a client. Alliant and ASIS maintain an arm's length relationship. While Alliant represents a client as an individual entity, ASIS independently administers its program as a whole and not on behalf of any member.



 **Alliant**