

Supplement B
Department Of Budget And Management
ACTION AGENDA
November 14, 2018



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1-S. DEPARTMENT OF BUDGET & MANAGEMENT
Office of Personnel Services and Benefits/Employee Benefits Division

Contract ID: Consulting and Actuarial Services for the Maryland State Employee and Retiree Health and Welfare Benefits Program; ADPICS # F10B7400031

Contract Description: Provide Consulting and Actuarial Services to support the administration of the Maryland State Employee and Retiree Health and Welfare Benefits Program.

Award: The Segal Company (Eastern States), Inc.
Washington, DC

Term: 1/1/2019 – 12/31/2023

Amount: \$7,882,500 (5 Years)

Procurement Method: Competitive Sealed Proposals

Proposals:

Offerors	Technical Ranking	Total Evaluated Price / Financial Ranking	Overall Ranking*
The Segal Company (Eastern States), Inc. Washington, DC	1	\$7,882,500 (2)	1
Bolton Partners, Inc. Baltimore, MD	2	\$5,919,500 (1)	2

*Note: *Technical and financial factors had equal weight in the overall award determination.*

MBE Participation: 13% (see Requesting Agency Remarks)

Performance Security: None

Incumbent: Same

Requesting Agency Remarks: A notice of the availability of the Request for Proposals (RFP) was advertised on *eMaryland Marketplace* and the DBM website. Copies of the solicitation notice were sent directly to 33 prospective vendors, 20 of which are Maryland firms, and included seven MBEs.

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1-S. DEPARTMENT OF BUDGET & MANAGEMENT (cont'd)

Two proposals were received in response to the RFP; both were determined to be reasonably susceptible of being selected for award. The Segal Company (Eastern States), Inc. was ranked overall #1 with the higher ranked technical offer and the higher price. Technical factors and financial factors had equal weight in the overall award determination; however, it was determined that the technical differences between these two offerors greatly outweighed the difference in price. Therefore, award is recommended to The Segal Company (Eastern States), Inc. as having the most advantageous offer to the State.

The purpose of this contract is to provide consultant and actuarial services to the State Employee and Retiree Health and Welfare Benefits Program for State employees, retirees, and eligible dependents. These services include: assistance with annual health plan rate setting; annual Other Post-Employment Benefits valuation, Retiree Drug Subsidy, technical assistance and support in connection with the re-procurement of various State health plan contracts; and assistance with compliance and regulatory changes, in addition to trend analysis of healthcare legislation.

The Program includes self-funded and fully insured medical plans, a self-funded prescription plan with an Employer Group Waiver Plan, flexible spending accounts, fully and self-insured dental plans, and group insurance plans for life, dependent life, and accidental death and dismemberment. The State subsidizes the premiums for certain plans, but the member pays the entire premium for other plans.

A 13% MBE participation goal and a 1% VSBE participation goal were established on the consulting services portion of the contract based upon the limited subcontracting opportunities.

Bolton Partners, Inc. filed a protest on October 27, 2017. The Department denied the protest on January 12, 2018. No appeal was filed with the Maryland State Board of Contract Appeals. Accordingly, the Department is moving forward with its recommendation of award to The Segal Company (Eastern States), Inc.

<i>Fund Source:</i>	100% Reimbursable
<i>Appropriation Code:</i>	F10A02.02
<i>Resident Business:</i>	No
<i>MD Tax Clearance:</i>	18-2722-0111

BOARD OF PUBLIC WORKS ACTION – THIS ITEM WAS:

APPROVED	DISAPPROVED	DEFERRED	WITHDRAWN
WITH DISCUSSION		WITHOUT DISCUSSION	