

# CITY OF TOLEDO



## DEPARTMENT OF HUMAN RESOURCES

August 17, 2018

### **Request for Proposal for Third Party Administrator and Preferred Provider Organization**

- On March 9, 2018, a request for proposal (RFP) was posted by the Division of Purchasing & Supplies seeking vendors to provide Third Party Administrator Services (TPA) and to provide a Preferred Provider Organization (PPO).
- On April 24, 2018, the city received eight (8) responses to the RFPs.
- HR staff reviewed the proposals and prepared comparison (services, network, costs, etc.) data on each.
- Comparison data was presented to the Healthcare Cost Containment Committee (HCCC). It was recommended that three (3) vendors (HealthSCOPE Benefits with FrontPath Health Coalition, Paramount, and Medical Mutual) be offered the opportunity to present before the HCCC, the HR Benefits team, Finance Department and Deputy Chief of Staff Poore.
- On June 6, 2018, the selected vendors presented before the interview team and responded to questions.
- The interview team recommended that HealthSCOPE Benefits and FrontPath Health Coalition be awarded the contracts.

### **Summary**

- It is important to note that as part of the bid process for the PPO, a re-pricing exercise was included which required bidders to analyze one year of claims to determine what their pricing was for each procedure or service identified. The results of the re-pricing exercise, in addition to other noted discounts, were taken into consideration.
- In review of the administrative fees and results of the re-pricing exercise, it was determined that the joint venture presentation by HealthSCOPE Benefits and FrontPath Health Coalition presented as the lowest and best offer.
- While Medical Mutual presented as the lowest in terms of monthly administrative fees, the joint venture between HealthSCOPE Benefits and FrontPath Health Coalition presented the best overall package when considering claims management.

**Department of Human Resources**

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## **External Review**

On or about June 25, 2018, at the behest of the Administration, an independent consultant was hired to analyze the proposals submitted by HealthSCOPE Benefits with FrontPath Health Coalition and Medical Mutual. H&B Consulting Associates, LLC, from Mayfield Village, Ohio performed the detailed analysis of the proposals and the summary is attached.

In summary, H&B Consulting Associates, LLC concurred with the City's recommendation in awarding the TPA/PPO contracts to HealthSCOPE Benefits and FrontPath Health Coalition.

Respectfully Submitted,  
Calvin W. Brown