



# THE STATE OF NEBRASKA

**COST PROPOSAL**

**RFP# 5297Z1**

**OPENING DATE: MAY 25, 2016**

## B. COST PROPOSAL

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**The component costs of the fixed price proposal for providing the services set forth in the Request for Proposal must be provided by submitting forms substantially equivalent to those described below.**

### 1. PRICING SUMMARY

**This summary shall present the total fixed price to perform all of the requirements of the Request for Proposal. The bidder must include details in the Cost Proposal supporting any and all costs. These details must include, at a minimum, detailed descriptions and/or specifications of the goods and/or services to be provided, quantities, and timing and unit costs, if applicable.**

**The State reserves the right to review all aspects of the Cost Proposal for reasonableness and to request clarification of any proposal where the cost component shows significant and unsupported deviation from industry standards or in areas where detailed pricing is required.**

As your advisor, we can best serve as an extension of the State of Nebraska's HR/Benefits team by removing any financial barriers from accessing our consulting team. Holmes Murphy is able to provide employee benefit consulting services for the State of Nebraska on a pre-agreed, flat fee basis, based on a full scope of benefit consulting services outlined in this proposal.

In the spirit of operating as an extension of the State of Nebraska's HR and Benefits department, we cannot envision fees that that might fall outside of the scope of services proposed, with the exception of the following:

- Printing costs associated with employee communication materials and fulfillment. (Note: We try and do the hard part by designing the materials customized to the State of Nebraska and then furnish the digital file for you to print in-house or through your own print provider.)
- Clinical data warehouse and analytics file feeds charges. (These nominal charges are often one-time or as a pass-through charge associated when changing the State of Nebraska's medical/pharmacy carriers.) These incidental charges enable a carrier's EDI file feed to interface with your longitudinal data warehouse and analytics platform.

You have our commitment that in the event there are services needed that fall outside of our agreement, Holmes Murphy will never invoice you without first obtaining consent based upon an agreed upon fee. In this way, we avoid having any surprises that are not pre-approved.

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## 2. PRICES

Prices quoted shall be net, including transportation and delivery charges fully prepaid by the bidder, F.O.B. destination named in the Request for Proposal. No additional charges will be allowed for packing, packages, or partial delivery costs. When an arithmetic error has been made in the extended total, the unit price will govern.

Confirmed.

## C. PAYMENT SCHEDULE

Monthly invoices may be submitted by the Contractor on specific dates based on the completion and acceptance of related deliverables. No invoice will be approved unless the associated deliverables have been approved.

For additional services not included in the monthly contract fee, no invoices will be approved unless the associated deliverables have been completed and approved

Confirmed.

**Attachment A**

**Cost Proposal**

**Request for Proposal Number 5297Z1**

**Bidder: Holmes Murphy & Associates**

A contract resulting from this Request for Proposal will be issued approximately for a period of three (3) years effective the date of award. The contract has the option to be renewed for four (4) additional one (1) year periods as mutually agreed upon by all parties.

Prices quoted below shall remain fixed for the initial contract period which is three (3) years. Any request for a price increase subsequent to the initial contract period shall not exceed four percent (4%) of the previous Contract period and must be submitted in writing to the State Purchasing Bureau a minimum of 120 days prior to the end of the current contract period, and be accompanied by documentation justifying the price increase. Further documentation may be required by the State to justify the increase. The State reserves the right to deny any requested price increase. No price increases are to be billed to any State Agencies prior to written amendment of the contract by the parties.

Pricing to include all expenses including all travel expenses to Lincoln, NE.

The Annual rate will be paid by the State in 12 equal installments to the contractor.

	Initial Contract Period		
	Year 1	Year 2	Year 3
Annual Rate	\$180,000*	\$180,000*	\$180,000*

\*\$180,000 annually or \$15,000 monthly

**HEALTH PLAN RFP CONSULTING FEES**

When the State issues the RFP for the health insurance plan, additional resources and time will be expected from the contractor. To compensate for this additional time and resources, provide a lump sum cost per milestone. Implementation Claims Audit will be conducted 30 – 60 days prior to implementation and payment will be made upon completion and approval of the audit by the State.

Milestone	Posting of the RFP	Posting of the Intent to Award	Contractor Start Date	Implementation Claims Audit
Lump sum	\$10,000	\$10,000	\$10,000	\$25,000



**Attachment B**

**Fixed Hourly Rates**

**Request for Proposal Number 5297Z1**

**Bidder:** **HOLMES MURPHY & ASSOCIATES**

There may arise from time to time a need for work not originally specifically delineated in this RFP but considered within the scope of work. This additional work may stem from legislative mandates, emerging trends, and regulatory changes unknown at the time of the RFP.

The State may request the contractor, subject to mutual agreement by both parties, to engage in short onetime special consulting projects, related to State benefit plans.

The bidder should provide the hourly rate for each Staff position used to complete onetime special consulting projects in the following table. Please identify any additional Staff titles and their appropriate rates, which bidder believes may be used to complete said projects.

All special consulting project costs must be based upon the hourly rates provided below.

	<b>Hourly Rate</b>
Account Executive Manager (AEM)	\$475
Actuary	\$200
Underwriter	\$200
Subject Matter Expert – Executive/Manager	\$300
Subject Matter Expert – Staff Consultant	\$300
Office Staff	\$70