



# PROFESSIONAL HEALTH AND WELFARE CONSULTING SERVICES

## Cost Proposal

RFP# 5297Z1

May 25, 2016 2:00 p.m.

Segal Consulting  
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Atlanta, Georgia 30339  
678-306-3100

**ORIGINAL**

 Segal Consulting

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# Cost Proposal

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*This section describes the requirements to be addressed by bidders in preparing the Cost Proposal. The bidder must submit the Cost Proposal in a section of the proposal that is a separate section or is packaged separately as specified in this RFP from the Technical Proposal section.*

*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.*

We work hard to be efficient and use those efficiencies to offer the best fee for each client. When selecting a consulting firm, we hope that fees never keep us from being hired. If you find that our fee is not in the range of your budget, please reach out to us. It may be that we proposed more services than are necessary in an effort to address your longer-term needs, or that there is a misinterpretation regarding possible add-on costs. Whatever the case may be, we are happy to discuss pricing with you.

Unlike many of our competitors, The Segal Company is entirely employee-owned and has no ties or commission arrangements with any financial, insurance, or investment entities. This means we have no stake in providing answers tied to products or pre-packaged solutions.

Our independent, objective consulting is based only on your needs and is drawn from our years of experience in providing effective solutions to the challenges you face. We pride ourselves on our close and longstanding relationships with our clients. We have never followed a “one size fits all” philosophy.

## **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.*

Segal agrees with the terms stipulated above.

## **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*

We have included the State's **Attachment A** – Cost Proposal and **Attachment B** – Fixed Hourly Rates on the following pages.

# Attachment A

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## Cost Proposal

### Request for Proposal Number 5297Z1

**Bidder: The Segal Company (Southeast), Inc.**

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	\$230,000	\$230,000	\$230,000

### 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	\$80,000	\$60,000	\$30,000	\$20,000

# Attachment B

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## Fixed Hourly Rates

### Request for Proposal Number 5297Z1

**Bidder: The Segal Company (Southeast), Inc.**

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)	\$325
Actuary	\$325
Underwriter	\$325
Subject Matter Expert – Executive/Manager	\$325
Subject Matter Expert – Staff Consultant	\$325
Office Staff	\$0