



April 9, 2018

Teresa Fleming, Buyer
State Purchasing Bureau
1526 K, Suite 130
Lincoln, NE 68508

RE: Second Best and Final Offer Letter
RFP Number 5719 Z1

Dear Ms. Fleming:

This is in response to the Second Best and Final Offer (BAFO) Letter that you emailed to us last Thursday, April 5, 2018.

As requested, enclosed you will find our completed Second BAFO Cost Proposal form. The annual lump sum fees we propose continue to be fully inclusive of the requirements indicated in this RFP, and remains unchanged from our original proposal in that we saw nothing in the Second BAFO letter to suggest there was any change in the scope of the services being requested in the State's RFP.

Please know it has been our company's long-standing practice to carefully review any RFP we receive and to present our best and most appropriate offer at the very outset, subject to change of course if the requirement and expectations of the RFP should change. We followed that same approach here, presenting from the very beginning a proposal to the State representing a reduction in fees from what is provided for in our current claims services agreement, while still agreeing to provide that hands on service we pride ourselves on by the very same experienced, Nebraska-based claims adjusters who have effectively and professionally handled the State's claims activity under this contract for the past 10-12 years. That claims experience generates some claims handling efficiencies which benefits we can share with the State and our other clients, and while that experience comes at an increasing cost to NRMA, it is an investment we are willing to continue to make to retain and attract quality claims and other staff.

Please contact me if you have any questions or need any additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Craig L. Nelson".

Craig L. Nelson
Executive Director

CLN:n

Enclosure

StateofNebraskaFleming040918

**NEBRASKA RISK
MANAGEMENT
ASSOCIATION, INC.**

100 N. 12TH ST., SUITE 200
P.O. BOX 80498
LINCOLN, NE 68501-0498

402.742.9220 • 800.424.7076 • 402.742.9230 FAX

SECOND Best and Final Offer (BAFO) dated 4/5/2018 Request for Proposal Number 5719 Z1

Bidder Name: Nebraska Risk Management Association, Inc. (NIRMA)

The proposed RFP is for a fixed-priced contract and costs must be inclusive of all of the requirements listed in the RFP.

Bidder should propose an annual lump sum amount based upon the requirements indicated in this RFP including the four (4) Risk Management user licenses. The Risk Management user licenses will have the ability to track all submitted claims via the Contractor's portal and the capability to view claims for any and all end users at any and all agencies. Payments shall be quarterly based on the requirements of this RFP.

Bidder should utilize the historical claims data provided by the State of Nebraska and base the proposed fixed price on such data and allow for fewer or more claims than the historical average in the fixed price.

Costs submitted must be inclusive of all of the RFP requirements (e.g. Central Index Bureau, MMSEA, etc.).

All prices, costs, and terms and conditions submitted in the proposal shall remain fixed and valid commencing on the opening date of the proposal until an award is made or the RFP is cancelled.

Prices submitted on the second BAFO I form, once accepted by the State, shall remain fixed for the initial term of the contract. Any request for a price increase subsequent to the initial term of the contract shall not exceed two (2%) of the price bid for the period. Increases shall not be cumulative and will only apply to that period of the contract. The request for a price increase must be submitted in writing to the State Purchasing Bureau a minimum of 120 days prior to the end of the current contract period. Documentation may be required by the State to support the price 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

Responses are to include pricing only. All costs must be indicated on the second BAFO. The State will not add costs that are included within the following responses.

- a. Identify any programming or conversion costs associated with the move. Costs for such things as data mapping, conversion, testing, validation, report building, etc.

Transition Period (one-time payment)
NONE - \$0.00

Initial Contract Period			Renewal 1		Renewal 2	
Year 1	Year 2	Year 3	Year 1	Year 2	Year 1	Year 2
\$232,144	\$232,144	\$232,144	\$232,144	\$232,144	\$236,750	\$236,750

User Licenses

The State of Nebraska intends to allow any and all Agencies access to file claims electronically on the TPA's portal. Ideally, Agencies will have access to a report-only function with State required data fields and the capability of receiving attachments for upload. Upon submission, the claim and all supporting documentation will be forwarded to the TPA for investigation. This report-only function shall have no other access to the portal. Again, it is the State's intent that claims will only be submitted on the Contractor's portal.

The State is considering two options to complete this task, single sign-on (one login for the entire State) or by allowing each agency to have its own individual sign-on to access the report-only function. Depending on costs and feasibility, the State may have up to 200 users.

Option 1 – Single sign-on

The single sign-on will only have the capability to submit the initial claim.

User Licenses	Annual Cost
Single sign-on	\$5,000.00

Option 2 – Agency specific sign-on

The Agency specific sign-on will be utilized by end user(s) to submit claims and run reports.

User Licenses	Cost per user
0-10	\$105.00
11-20	\$105.00
21-30	\$105.00
31-40	\$105.00
41-50	\$105.00
51-100	\$955.00
101-150	\$95.00
151-200	\$95.00
200+	\$75.00

