



SRMC

...Your Assurance of Objectivity, Independence and Integrity.

*(SAMPLE)*

**REQUEST FOR PROPOSAL**

**FOR**

**PROPERTY AND LIABILITY  
RISK MANAGEMENT  
AND INSURANCE  
CONSULTING SERVICES**

# ***(SAMPLE)***

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## **Section I: General Specifications**

### 1.1 Introduction and Background

Incorporate here the following information about the RFP requestor:

- A brief description of the organization including subsidiaries and affiliates;
- The basic purpose(s) for engaging a consultant ("Consultant");
- A listing of exhibits which provide the basic background and technical information for consultants to prepare proposals (i.e. financial statement or annual report, 10-K statement, annual budget, insurance policy schedule, the addresses of premises along with the occupancy of each, a statement of replacement cost values per site, a risk management policy statement, the functions performed by the Risk Management Department, etc.); and
- Request for Proposal (RFP) conditions, rules and regulations.

### 1.2 Additional Information

If additional information is necessary to clarify the intent of the RFP, contact:

*Insert name, title, address, time and date.*

### 1.3 Response Deadline

All proposals must be received by and no later than:

*Insert name, title, address, time and date.*

### 1.4 Independence

The Consultant must be independent. The Consultant must not be engaged in brokerage or sales of insurance, third party administration, claims, safety or loss prevention, or any related services. The Consultant must not be an employee of, a subsidiary of or be managed or controlled by any insurer, agency, brokerage firm or third party administrator. The Consultant must not receive any compensation or remuneration in any form from such firms.

The Consultant must not have any material or influential interests in any company which provides services, supplies, or equipment which it may recommend.

### 1.5 Response to RFP

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The Consultant's response to the RFP shall include:

- A brief history and description of the firm, including a statement of the firm's qualifications to perform the requested services;
- A list of the specific responsibilities and a resume for each individual who will be assigned to this project;
- A minimum of three (3) client references; and
- A statement of the scope of services to be provided with a proposed work plan and a schedule for completion.

## 1.6 Selection Criteria

Selection of the Consultant will be based on the following criteria:

- Responsiveness to the purpose and scope of the project;
- Adherence to the conditions, rules, regulations and requirements of the RFP;
- Experience and reputation of the Consultant;
- Professional qualifications of the specific individuals assigned to complete the project;
- The work plan and schedule for completion of the project; and
- Cost of the services

## 1.7 Cost of Services

The Consultant shall describe its fee basis, indicating how charges are made and when billings are issued and due. State hourly rates/fees for professional time and time of others, including any minimum, maximum or flat fees, and which types of expenses are charged (long distance telephone calls, postage, printing, travel, lodging, meals, etc.). Indicate if there is a charge for travel time, and the basis for such.

## 1.8 Fixed Price Period

All prices, costs and charges outlined in the proposal shall remain fixed and valid for acceptance for a sixty (60) day period commencing on the due date of proposals.

## 1.9 Expenses

The Consultant shall bear all expenses incurred in responding to this RFP.

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## 1.10 Insurance

The Consultant shall be responsible for maintaining during the life of the contract the following types of insurance with minimum acceptable limits as set forth below:

<i>TYPE</i>	<i>LIMITS OF LIABILITY</i>
Workers Compensation	Statutory
Employers Liability	\$100,000 Each Accident, Bodily Injury \$100,000 Each Employee, Disease \$500,000 Policy Limit, Disease
Commercial General Liability (Occurrence-based only)	\$1,000,000 Each Occurrence Limit \$1,000,000 General Aggregate Limit
Business Auto Liability	\$1,000,000 Each Accident
Professional Liability (E&O)	\$1,000,000 Per Claim Limit

The insurance carriers providing the required coverages shall (a) be licensed in the state where the Consultant is headquartered, (b) rated no lower than “A-” by the most recent Best’s Key Rating Guide, and (c) have a Best’s Financial Size Category of not less than VIII, unless otherwise agreed to by the RFP Requester.

For any liability policy maintained on a claims-made basis (including renewals or replacements thereof), the retroactive date (if any) must not be set later than the effective date of this Agreement and shall not be advanced throughout the term of this Agreement or renewal thereof. Any claims-made coverage must be maintained without material change or interruption of coverage (a) throughout the term of this Agreement, and any subsequent renewal thereof and, (b) for a period of not less than three years after termination of the this Agreement without advancement of the retroactive date, material change in or interruption of the claims-made coverage (the extended term of protection). In the event of any advancement of an applicable retroactive date, material change in or interruption of the claims-made coverage during this period of time, Consultant hereby agrees to take all necessary steps at his/her sole expense to eliminate any potential gap(s) in the claims-made coverage, including the purchase of an extended reporting period endorsement (“tail” coverage) at the sole expense of the Consultant. It is understood that the length of this extended reporting period endorsement may be reduced to coincide with any time remaining in the extended term of protection.

RFP Requester shall be included as an Additional Insured under the required Commercial General Liability policy.

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Consultant will be obligated to e-mail or fax to the RFP Requester a copy of any cancellation or non-renewal notice received from the insurer for any policy affording the coverages required herein within five (5) days of Consultant's receipt of same. Consultant further agrees to provide RFP Requester with 30 days advance written notice of cancellation, non-renewal or material reduction in coverage initiated by the Consultant with respect to any of the required insurance coverages. For the purpose of this provision, material reduction in coverage shall mean any change or reduction in the scope of insurance coverage that adversely affects the protection that would otherwise be available to the RFP Requester.

The Consultant shall supply a certificate of insurance evidencing such required insurance coverage prior to commencement of the contract.

### 1.11 Confidentiality

As part of its proposal, the Consultant shall certify that all information it may receive in the course of conducting its work shall be treated as confidential and proprietary. Such information and data may not be disseminated to others without the written approval of:

*Insert name, title, address.*

### 1.12 Records Retention

The Consultant shall maintain records applicable to the contract. All such records are to be retained for three (3) years after final payment is made.

### 1.13 Executed Contract to Include RFP

The contents of this RFP (including all attachments, revisions, addendums, and additions) shall become part of the consultant services contract.

The Consultant's standard consultant services contract shall be included in the proposal.

### 1.14 Subcontractors

The Consultant will be responsible for contract performance whether or not subcontractors are utilized. Subcontractors are required to conform to Section 1.10, Insurance.

All subcontractors to be used by the Consultant in providing the contracted services must be disclosed in the proposal. All subcontractors must comply with Section 1.5, Response to RFP.

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## **Section II: Technical Specifications Audit of Property and Liability Risk Management and Insurance Program**

### 2.1 Scope of Work and Objectives

The intent of this RFP is to identify and engage an independent and qualified Consultant to conduct an audit of the current property and liability risk management and insurance program and provide a written report which specifies recommendations for improvement.

The objectives of the work include the following:

- (A) Identification and analysis of exposures to fortuitous losses arising from all operations and activities;
- (B) Development of appropriate risk control and risk financing techniques including specific recommendations for implementation;
- (C) Analysis of the administration of the risk management function including organization, staffing, policies, procedures and record keeping and the development of specific recommendations for implementation; and
- (D) A detailed review of all current insurance policies

### 2.2 Specific Tasks

The Consultant shall Identify, review, evaluate and report upon the following:

- (A) Exposures to fortuitous loss;
- (B) Consideration of these exposures in terms of probable loss frequency and severity;
- (C) Financial ratings of insurers;
- (D) Insurance limits;
- (E) Deductibles and retentions;
- (F) Scope of insurance coverage including deficiencies and overlaps;

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- (G) The cost of risk (insurance premiums, retained losses and administrative expenses);
- (H) Alternative risk financing options;
- (I) Current quality and levels of services provided by insurers, agents/brokers and third party administrators; and
- (J) Administration of the risk management function including organization, staffing, policies, procedures and record keeping.

### 2.3 Work Plan

A description of the work plan to be used by the Consultant to complete the outlined objectives and tasks shall be incorporated into the written proposal. Such plan shall include the following:

- (A) A listing of the functional areas or persons to be interviewed, along with the estimated time involvement by such areas or persons;
- (B) A listing of the specific locations which will be visited or surveyed;
- (C) A listing of documents which will be required in order to perform the tasks; and
- (D) The work schedule and completion date of the project.

### 2.4 Report

The final written report shall include, but not necessarily be limited to, the following features:

- (A) An executive summary section; and
- (B) A listing of recommendations for changes including where practical, an estimate of additional expense or savings (if any) and an action plan for implementation.



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## **Section III: Technical Specifications Competitive Insurance Quotation Process**

### 4.1 Scope of Work and Objectives

The Intent of this RFP is to identify and engage an independent and qualified Consultant to prepare a property and liability insurance RFP, supervise the competitive quotation process, review proposals received and provide recommendations for the placement of coverage.

The objectives of the work include the following:

- (A) Identification and analysis of exposures to fortuitous losses arising from all operations and activities;
- (B) Preparation of a property and liability insurance RFP;
- (C) Supervision of the competitive quotation procedure; and
- (D) The submission of specific recommendations regarding the placement of property and liability insurance.

### 4.2 Specific Tasks

As part of this overall process, the Consultant shall conduct the following activities:

- (A) Identify, review and evaluate the exposures to fortuitous loss;
- (B) Develop an action plan for the competitive quotation procedure to be completed in a timely manner;
- (C) Prepare a written property and liability insurance RFP, describing all required coverages;
- (D) Provide assistance in the development of necessary underwriting data;
- (E) Provide assistance in the evaluation and selection of qualified agents and/or brokers;
- (F) Recommend an equitable allocation of insurers to competing proposers;

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- (G) Answer questions and inquiries from agents, brokers and insurers throughout the process;
- (H) Review the property and liability insurance proposals received in detail;
- (I) Prepare a spreadsheet comparing salient features of proposals received;
- (J) Answer questions and make recommendations regarding the placement of property and liability insurance;
- (K) Assist in any transition to the new insurance program; and
- (L) Review all policies when received to assure they conform to proposals.

### 3.3 Work Plan

A description of the work plan to be used by the Consultant to complete the outlined objectives and tasks shall be incorporated into the written proposal. Such plan shall include the following:

- (A) A listing of the functional areas or persons to be interviewed, along with the estimated time involvement by such areas or persons;
- (B) A listing of the specific locations which will be visited or surveyed;
- (C) A listing of the documents and underwriting data which will be required to perform the tasks; and
- (D) The work schedule and completion date of the project.

# ***(SAMPLE)***

## **Section IV: Technical Specifications Competitive TPA or Other Services Proposal Process**

### **4.1 Scope of Work and Objectives**

The Intent of this RFP is to identify and engage an Independent and qualified Consultant to prepare an RFP for Third Party Administration (TPA) services, supervise and manage the competitive quotation process, review proposals received, assist decision makers in evaluating proposals received, and answer questions and offer recommendations for the award.

The objectives of the work include the following:

- (A) Obtain and analyze information for proposers;
- (B) Preparation of an RFP;
- (C) Supervision of the competitive quotation procedure; and
- (D) Evaluation of proposals received and recommendations regarding award of the engagement.

### **4.2 Specific Tasks**

As part of this overall process, the Consultant shall conduct the following activities:

- (A) Obtain, review and evaluate historical claims information;
- (B) Review clients own internal controls and management resources devoted to claims management;
- (C) Develop an action plan for the competitive quotation procedure to be completed in a timely manner;
- (D) Prepare a written third party claims administration or other services RFP;
- (E) Provide assistance in the development of necessary underwriting data;
- (F) Provide assistance in the evaluation and selection of qualified proposers;
- (G) Answer questions and inquiries from prospective proposers;

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- (H) Review proposals received in detail;
- (I) Prepare a spreadsheet comparing salient features of proposals received;
- (J) Answer questions and make recommendations to decision makers for finalists for further consideration;
- (K) Prepare follow up questions for finalists. Arrange, and attend, finalist interviews;
- (L) Meet with decision makers to review options;
- (M) (If required) Assist in transition to new TPA/service vendor.

### 4.3 Work Plan

A description of the work plan to be used by the Consultant to complete the outlined objectives and tasks shall be incorporated into the written proposal. Such plan shall include the following:

- (A) A listing of the functional areas or persons to be interviewed, along with the estimated time involvement by such areas or persons;
- (B) A listing of the documents and data which will be required to perform the tasks;
- (C) An outline of key areas to be reviewed as part of the RFP process, and
- (D) The work schedule and completion date of the project.

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## **Section V: Technical Specifications Continuous Consulting**

### 5.1 Scope of Work and Objectives

The intent of this RFP is to identify and engage an independent and qualified Consultant to provide ongoing property and liability risk management and insurance consulting services.

The objectives of the work include the following:

- (A) Identification and analysis of exposures to fortuitous losses arising from all operations and activities, and provision of consultation and advice;
- (B) Analysis of the administration of the risk management function including organization, staffing, procedures and record keeping, and provision of consultation and advice;
- (C) Completion of special projects related to the property and liability risk management and insurance program;
- (D) Assistance with securing and reviewing property and liability insurance proposals and renewals and submission of specific recommendations regarding the placement of property and liability insurance;
- (E) Review of property and liability insurance policies and binders and submission of recommendations for necessary corrections or improvements;
- (F) Analysis of the effect of changes in properties and operations on the property and liability risk management and insurance program;
- (G) Notification of favorable or unfavorable changes in insurance coverages, rules and rates, or of the insurers' financial ratings;
- (H) Cooperation with attorneys and others in preparing and analyzing agreements, contracts and leases;
- (I) Developing and managing an effective non insurance risk transfer program (certificates of insurance);
- (J) Advice/assistance with claims that may occur under policies held; and

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- (K) Additional services as requested/required. Any additional services are to be provided only upon the specific request of:

*Insert name, title, address.*