



Request for Waiver of Bid Procurement

I. Program Description and Current Operations

Date: 12/14/16

Service or Goods to be Purchased: Long Term Care Insurance

Estimated Expenditure Amount: \$0.00 (premium fully paid by employees)

Vendor Name: UNUM

Department: Administration

Department Contact Person: Amy Utzig

Department Program: Benefits

Requisition Number:

- II. Chapter 25 of Dane County Ordinance codifies the County's purchasing and contracting process. Included in this chapter, 25.11(20) allows for exceptions to the competitive bidding process for a variety of reasons.

Below is a list of exceptions specified in the ordinance. Choose the one most appropriate to your request.

Emergency procurement

Only one vendor possesses the unique and singularly available ability to meet the Department's requirements

When unique and specific technical qualifications are required

When special adaptation for a special purpose is required

When a unique or opportune buying condition exists

- III. State your rationale for request for waiver. Please be specific.

On August 28, 2014 Dane County issued Request for Proposals for a Long Term Care Insurance Plan. The County received three responses to the request. All responses were evaluated and scored. The scope of the RFP required providers to meet or exceed the current level of benefits offered to county employees. None of the providers who bid met or exceeded the current level of benefits offered. None of the bids offered an unlimited maximum. One vendor did not supply adequate costing information, one vendor proposed plans that were more expensive than those offered and one offered plans that cost approximately the same as the current. As a result, no award will be made based on this RFP process.

As a result of this we contracted again with the then current carrier UNUM. As of April 1, 2017 the five year contract with UNUM will be expiring and per ordinance we will again be required to issue a request for proposals. Per the County Ordinance, the Purchasing Manager may waive the requirement of competitive bids when he/she determines that only one vendor possesses the unique singularly available ability to meet the county's requirements (25.11 (20) 1. (b)).

I am requesting a waiver of bid procurement for the Long Term Care Insurance. This request is based upon the following:

1. Prior bids through the request for proposals have not met or exceeded the current benefits as required.
2. Switching every five years to a new long term insurance vendor would require all current employees who have the Long Term Care Insurance to become direct pay with the current vendor to continue the plan they have paid for.
3. If #2 is not an option, current employees with the LTC coverage would have to cancel their plan and start over with the new carrier at a higher premium rate.
4. Section 25.11 (5) says that goods and services with an estimated cost of less than \$5,000 shall be acquired through a method of solicitation determined by the purchasing manager acting in the best interests of the public. Per this section, the Long Term Care Insurance is not a service agreement. The premium costs for the Long Term Care Insurance are paid 100% by the employee so there is no cost to the County.