



Evelyn Minor-Lawrence
Director

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICES BUILDING
2051 Kaen Road | Oregon City, OR 97045

Board of County Commissioners
Clackamas County

Members of the Board:

**Approval of a Contract with Mercer Health and Benefits, LLC for the
Employee Benefits Broker**

Purpose/Outcome	Approval of a contract with Mercer Health and Benefits, LLC, to provide employee benefits broker services to the County.
Dollar Amount and Fiscal Impact	Contract total value of \$838,321.29. The full amount is paid from the benefits administration budget.
Funding Source	Department Benefit Administration fee, per employee per month. Account: 760-0119-431000
Duration	Contract signing until December 31, 2025
Previous Board Action/Review	BCC Policy Session on February 2, 2021
Strategic Plan Alignment	1. How does this item align with your department's Strategic Business Plan goals? Benefits Program Costs: County departments and employees will benefit from increased engagement, productivity and benefit/needs alignment.
Strategic Plan Alignment (continued)	2. How does this item align with the County's Performance Clackamas goals? Build public trust through good government.
Counsel Review	12/2/2020, AN
Procurement Review	Was the item processed through Procurement? Yes
Contact Person	Kristi Durham, Benefits Manager, 503-742-5470
Contract No.	#3239

Background:

The Benefits and Wellness Division conducted a search for an Employee Benefits Broker for strategic guidance, maintenance, and assessment of our employee benefits programs. Health and welfare plan work comprises broker services in the areas of developing strategy and understanding the employee benefits market, ongoing financial tracking and analysis, vendor placement, program and vendor management, and renewal activities including developing rates for a variety of self-insured and insured health, vision, dental, life, and disability insurance coverage.

Procurement Process:

This project was advertised in accordance with ORS and LCRB Rules on April 27, 2020. Proposals were opened on June 3, 2020. The County received ten (10) proposals from: Alliant Benefits, Brown & Brown, Davidson Benefits Planning, De La Torre & Associates, Gallagher, Heffernan Benefits Advisor, Mercer Health and Benefits, Propel Insurance, The Segal Group, and USI Insurance Services NW. An evaluation committee of five personnel included staff from Human Resources, and the Benefits Review Committee, which had representatives from the Sheriff's Office, Community Corrections, and Finance-Payroll. They scored Mercer's proposal and confirmed their capability of performance. Upon Contract award, the final project fees were negotiated.

Recommendation:

Staff respectfully recommends that the Board approve and execute the Contract with Mercer Health and Benefits, LLC for the Employee Benefits Broker.

Sincerely,

Evelyn Minor-Lawrence
Human Resources Director

Placed on the BCC Agenda _____ by Procurement and Contract Services



**CLACKAMAS COUNTY
PERSONAL SERVICES CONTRACT
Contract #3239**

This Personal Services Contract (this “Contract”) is entered into between **Mercer Health and Benefits, LLC** (“Contractor”), and Clackamas County, a political subdivision of the State of Oregon (“County”) on behalf of Human Resources, Benefits and Wellness Division.

ARTICLE I.

- 1. Effective Date and Duration.** This Contract shall become effective **January 1, 2021**. Unless earlier terminated or extended, this Contract shall expire on **December 31, 2025** with the option for two (2) additional two-year renewals thereafter subject to the mutual agreement of the parties. This Contract and any amendments to this Contract will not be effective until approved in writing by an authorized representative of the Board of County Commissioners of Clackamas County. This Contract supersedes and cancels any prior contracts between the parties hereto for similar services.
- 2. Scope of Work.** Contractor shall provide the following personal services: Employee Benefits Broker (“Work”), further described in **Exhibit A**.
- 3. Consideration.** The County agrees to pay Contractor, from available and authorized funds, a sum not to exceed **Eight Hundred Thirty Eight Thousand Three Hundred Twenty One Dollars and Twenty Nine Cents (\$838,321.29)**, for accomplishing the Work required by this Contract. Consideration rates are on an annual fixed fee basis in accordance with the rates and costs specified in Exhibit A. If any interim payments to Contractor are made, such payments shall be made only in accordance with the schedule and requirements in Exhibit A.
- 4. Invoices and Payments.** Unless otherwise specified, Contractor shall submit monthly invoices for Work performed. Invoices shall describe all Work performed with particularity, by whom it was performed, and shall itemize and explain all expenses for which reimbursement is claimed. The invoices shall include the total amount billed to date by Contractor prior to the current invoice. If Contractor fails to present invoices in proper form within sixty (60) calendar days after the end of the quarter in which the services were rendered, Contractor waives any rights to present such invoice thereafter and to receive payment therefor. Payments shall be made in accordance with ORS 293.462 to Contractor following the County’s review and approval of invoices submitted by Contractor. Contractor shall not submit invoices for, and the County will not be obligated to pay, any amount in excess of the maximum compensation amount set forth above. If this maximum compensation amount is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

Invoices shall reference the above Contract Number and be submitted to: Benefits and Wellness Division, attn.: Kristi Durham, kdurham@clackamas.us; Missy Breland, mbreland@clackamas.us; Tamra Dickinson; tamradic@clackamas.us.

- 5. Travel and Other Expense.** Authorized: Yes No
If travel expense reimbursement is authorized in this Contract, such expense shall only be reimbursed at the rates in the County Contractor Travel Reimbursement Policy, hereby incorporated by reference and found at: <https://www.clackamas.us/finance/terms.html>. Travel expense reimbursement is not in excess of the not to exceed consideration.
- 6. Contract Documents.** This Contract consists of the following documents, which are listed in descending order of precedence and are attached and incorporated by reference, this Contract, Exhibit A, Exhibit B, and Exhibit C.

7. Contractor and County Contacts.

Contractor	County
Administrator: Keith Storie Phone: 503-702-6815 Email: keith.storie@mercercor.com	Administrator: Kristi Durham Phone: 503-742- 5470 Email: kdurham@clackamas.us

Payment information will be reported to the Internal Revenue Service (“IRS”) under the name and taxpayer ID number submitted. (See I.R.S. 1099 for additional instructions regarding taxpayer ID numbers.) Information not matching IRS records will subject Contractor payments to backup withholding.

ARTICLE II.

- 1. ACCESS TO RECORDS.** Contractor shall maintain books, records, documents, and other evidence, in accordance with generally accepted accounting procedures and practices, sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this Contract. County and their duly authorized representatives shall have access to the books, documents, papers, and records of Contractor, which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcripts. Contractor shall maintain such books and records for a minimum of six (6) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later. Any audit or inspection shall be conducted at the County’s expense made upon reasonable prior written notice, during normal business hours and shall be subject to the execution of a confidentiality agreement reasonably satisfactory to both parties. If an audit discloses that County overpaid for fees, expenses or other charges under this Contract for readily identifiable components of Services (as examples for illustrative purposes only: such as a billing in excess of actual hours worked, miscalculation of actual supplies consumed, etc.), Contractor will refund to County the amount of that overpayment. In addition, if that audit discloses that such overpayment was for ten percent (10%) or more than the total amount actually due to Contractor in the aggregate during the period covered by the audit, Contractor will reimburse County for the reasonable out-of-pocket expenses incurred in respect of the audit, up to the amount of the overcharge, provided that Contractor was first given a reasonable opportunity to review and verify the results of such audit.
- 2. AVAILABILITY OF FUTURE FUNDS.** Any continuation or extension of this Contract after the end of the fiscal period in which it is written is contingent on a new appropriation for each succeeding fiscal period sufficient to continue to make payments under this Contract, as determined by the County in its sole administrative discretion.
- 3. CAPTIONS.** The captions or headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Contract.
- 4. COMPLIANCE WITH APPLICABLE LAW.** Contractor shall comply with all applicable federal, state and local laws, regulations, executive orders, and ordinances, as such may be amended from time to time.
- 5. COUNTERPARTS.** This Contract may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.

6. **GOVERNING LAW.** This Contract, and all rights, obligations, and disputes arising out of it, shall be governed and construed in accordance with the laws of the State of Oregon and the ordinances of Clackamas County without regard to principles of conflicts of law. Any claim, action, or suit between County and Contractor that arises out of or relates to the performance of this Contract shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Contractor, by execution of this Contract, hereby consents to the personal jurisdiction of the courts referenced in this section.

7. **RESPONSIBILITY FOR DAMAGES; INDEMNITY.** Contractor shall be responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, the negligent conduct of Work, or from any negligent act or omission, or neglect of Contractor, its subcontractors, agents, or employees. The Contractor agrees to indemnify, hold harmless and defend the County, and its officers, elected officials, agents and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of or based upon damage or injuries to persons or property caused by the errors, omissions, fault or negligence of the Contractor or the Contractor's employees, subcontractors, or agents. However, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of County or any department of County, nor purport to act as legal representative of County or any of its departments, without first receiving from the Clackamas County Counsel's Office authority to act as legal counsel for County, nor shall Contractor settle any claim on behalf of County without the approval of the Clackamas County Counsel's Office. County may, at its election and expense, assume its own defense and settlement.

8. **INDEPENDENT CONTRACTOR STATUS.** The service(s) to be rendered under this Contract are those of an independent contractor. Although the County reserves the right to determine (and modify) the delivery schedule for the Work to be performed and to evaluate the quality of the completed performance, County cannot and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the Work. Contractor is not to be considered an agent or employee of County for any purpose, including, but not limited to: (A) The Contractor will be solely responsible for payment of any Federal or State taxes required as a result of this Contract; and (B) This Contract is not intended to entitle the Contractor to any benefits generally granted to County employees, including, but not limited to, vacation, holiday and sick leave, other leaves with pay, tenure, medical and dental coverage, life and disability insurance, overtime, Social Security, Workers' Compensation, unemployment compensation, or retirement benefits.

9. **INSURANCE.** Contractor shall secure at its own expense and keep in effect during the term of the performance under this Contract the insurance required and minimum coverage indicated below. Contractor shall provide proof of said insurance and include the County as an additional insured on the Commercial General Liability and Automobile Liability policies solely with respect to its vicarious liability arising from Contractor's provision of services pursuant to this Contract. Proof of insurance should be submitted to the following address: Clackamas County Procurement Division, 2051 Kaen Road, Oregon City, OR 97045 or procurement@clackamas.us. Contractor shall endeavor to provide at least thirty (30) days prior notice to the County prior to cancellation or non-renewal of any such insurance policy upon Contractor's receipt of such notice.

Required - Workers Compensation: Contractor shall comply with the workers' compensation requirements in ORS 656.017, unless exempt under ORS 656.126.

<input checked="" type="checkbox"/> Required – Commercial General Liability: with limits of \$1,000,000 per occurrence, \$2,000,000 aggregate, including coverage for Bodily Injury and Property Damage.
<input checked="" type="checkbox"/> Required – Professional Liability: with limits of \$1,000,000 per claim, \$2,000,000 aggregate for damages caused by error, omission or negligent acts.
<input checked="" type="checkbox"/> Required – Automobile Liability: combined single limit, or the equivalent, of \$1,000,000 per occurrence for Bodily Injury and Property Damage, including coverage for owned, hired or non-owned vehicles, as applicable.
<input checked="" type="checkbox"/> Required – Cyber Liability: with limits of \$1,000,000 per claim and \$3,000,000.00 aggregate, including coverage for privacy and cyber liability covering, subject to the terms and conditions of the policy, the following: (1) systems attack, (2) denial or loss of service, (3) introduction, implantation or spread of malicious software code, (4) unauthorized access and use of computer systems and (5) privacy liability (liability arising from the loss or disclosure of confidential information in Vendor’s care, custody and control).

The Commercial General Liability and Automobile Liability policy(s) shall be primary insurance as respects to the County for claims arising solely from Vendor’s provision of services hereunder. Any insurance or self-insurance maintained by the County shall be excess and shall not contribute to it. The Commercial General Liability and Automobile Liability policies will include waivers of subrogation against the County and the Workers’ Compensation policy will include a waiver of subrogation to injuries resulting from Contractor’s performance of the Work or operations under this Contract, excluding the recklessness, negligence and willful misconduct of the County or its directors, officers or employees.

10. LIMITATION OF LIABILITIES. This Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent. Except for liability arising under or related to Article II, Section 13(A)-(D) or Section 20 neither party shall be liable for (i) any indirect, incidental, consequential or special damages under this Contract or (ii) any damages of any sort arising solely from the termination of this Contract in accordance with its terms. The aggregate liability of Contractor or its affiliates or any officer, director, or employee of Contractor’s or Contractor’s affiliates (“Contractor Party”) to County, its officers, directors or employees and any third party (including any benefit plan, its fiduciaries or any plan sponsor) for any and all Losses (defined below) arising out of or relating to the provision of any Work under this Contract by the Contractor Parties shall not exceed \$2,000,000. Contractor shall have no liability for the acts or omissions of any third party (other than its subcontractors, affiliates, or other parties acting at Contractor’s direction or under Contractor’s control). Nothing in this Section 10 limiting the liability of a party shall apply to any liability that has been finally determined by a court to have arisen from the fraud on the part of such party. As used herein, “Loss” means damages, claims, liabilities, losses, awards, judgments, penalties, third party claims, interest, costs and expenses, including reasonable attorneys’ fees, whether arising under any legal theory including, but not limited to claims sounding in tort (such as for negligence, misrepresentation or otherwise), contract (whether express or implied), by statute, or otherwise, claims seeking any kind of damages and claims seeking to apply any standard of liability such as negligence, statutory violation or otherwise. For the avoidance of doubt, multiple claims arising out of or based upon the same act, error or omission, or series or continuous, interrelated or repeated acts, errors or omissions shall be considered a single Loss. Any provisions herein which would conflict with law are deemed inoperative to that extent.

11. NOTICES. Except as otherwise provided in this Contract, any required notices between the parties shall be given in writing by personal delivery, email, or mailing the same, to the Contract Administrators identified in Article 1, Section 6 with respect to Mercer, a copy to: Legal Department, Mercer, 1166 Avenue of the Americas, New York, NY 10036. If notice is sent to County, a copy shall also be sent to: Clackamas County Procurement, 2051 Kaen Road, Oregon City, OR 97045, or

procurement@clackamas.us. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing, and immediately upon personal delivery, or within 2 hours after the email is sent during County's normal business hours (Monday – Thursday, 7:00 a.m. to 6:00 p.m.) (as recorded on the device from which the sender sent the email), unless the sender receives an automated message or other indication that the email has not been delivered.

12. OWNERSHIP OF WORK PRODUCT. All work product of Contractor created specifically and exclusively for County that results from this Contract (the “Work Product”) is the exclusive property of County. County and Contractor intend that, to the extent permitted under applicable law, such Work Product be deemed “work made for hire” of which County shall be deemed the author. If for any reason the Work Product is not deemed “work made for hire,” Contractor hereby irrevocably assigns to County all of its right, title, and interest in and to any and all of the Work Product, whether arising from copyright, patent, trademark or trade secret, or any other state or federal intellectual property law or doctrine. Contractor shall execute such further documents and instruments as County may reasonably request in order to fully vest such rights in County. Contractor forever waives any and all rights relating to the Work Product, including without limitation, any and all rights arising under 17 USC § 106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications. Notwithstanding the above, Contractor will retain all copyright, patent and other intellectual property rights in the methodologies, methods of analysis, ideas, concepts, know-how, models, tools, techniques, skills, knowledge and experience owned or possessed by Contractor before the commencement of, or developed or acquired by Contractor, during or after the performance of the Work (the “Contractor Intellectual Property”). County shall have no rights in any Contractor Intellectual Property provided to County by Contractor in the performance of this Contract except that Contractor hereby grants County a non-exclusive, non-transferable right of use such Contractor Intellectual Property solely for purposes of utilizing the Work Product for County use only and otherwise in accordance with this Contract.

Unless Contractor provides its prior written consent, County will not use, in a manner other than as mutually contemplated when Contractor was first retained by County to perform the applicable Work, or disclose to any third party, other than its attorneys, accountants or financial advisors with a need to know and who are bound by confidentiality obligations at least as restrictive as those contained in this Contract, any Work Product or Contractor Intellectual Property or other material supplied by Contractor under this Contract, and County shall be responsible for, and Contractor will have no liability with respect to, modifications made by any person other than Contractor to the Work Product, Intellectual Property or other Work provided to County by Contractor.

13. REPRESENTATIONS AND WARRANTIES. Contractor represents and warrants to County that (A) Contractor has the power and authority to enter into and perform this Contract; (B) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms; (C) Contractor shall at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work; (D) Contractor is an independent contractor as defined in ORS 670.600; and (E) the Work under this Contract shall be performed in a good and workmanlike manner and in accordance with the prevailing professional standards. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

14. SURVIVAL. All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Article II, Sections 1, 6, 7, 10, 11, 13, 14, 16, 21, and 27 and all other rights and obligations which by their context are intended to survive. However, such expiration shall not extinguish or prejudice the County's right to enforce this Contract with respect to: (a) any breach of a Contractor warranty; or (b) any default or defect in Contractor performance that has not been cured.

- 15. SEVERABILITY.** If any term, word, phrase, clause, sentence or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, such term, word, phrase, clause or sentence shall be modified or deleted in such a manner so as to afford the party for whose benefit it was intended the fullest benefit commensurate with making this Contract as modified, enforceable and the validity of the remaining terms and provisions shall not be affected, and the balance being construed as severable and independent.
- 16. SUBCONTRACTS AND ASSIGNMENTS.** Contractor shall not enter into any subcontracts for any of the Work required by this Contract, or assign or transfer any of its interest in this Contract by operation of law or otherwise, without obtaining prior written approval from the County, which shall be granted or denied in the County's sole discretion. In addition to any provisions the County may require, Contractor shall require its permitted subcontractors under this Contract a requirement that the subcontractor be bound by this Article II, Sections 1, 7, 8, 13, 16 and 27 as if the subcontractor were the Contractor. County's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract. Contractor may also use its affiliates, from time to time, to assist in the performance of the Work.
- 17. SUCCESSORS IN INTEREST.** The provisions of this Contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.
- 18. TAX COMPLIANCE CERTIFICATION.** The Contractor shall comply with all federal, state and local laws, regulation, executive orders and ordinances applicable to this Contract. Contractor represents and warrants that it has complied, and will continue to comply throughout the duration of this Contract and any extensions, with all tax laws of this state or any political subdivision of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318. Any violation of this section shall constitute a material breach of this Contract and shall entitle County to terminate this Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Contract, and to pursue any or all of the remedies available under this Contract or applicable law.
- 19. TERMINATIONS.** This Contract may be terminated for the following reasons: (A) by mutual agreement of the parties or by the County (i) for convenience upon thirty (30) days written notice to the other party, or (ii) at any time the County fails to receive funding, appropriations, or other expenditure authority as solely determined by the County; or (B) if a party breaches any Contract provision or is declared insolvent, the other party may terminate after thirty (30) days written notice with an opportunity to cure.
- Upon receipt of written notice of termination from the County, Contractor shall immediately stop performance of the Work. Upon termination of this Contract, Contractor shall deliver to County all documents, Work Product, information, works-in-progress and other property that are or would be deliverables had the Contract Work been completed and for which payment has been received. Upon County's request, Contractor shall surrender to anyone County designates, all documents, research, objects or other tangible things needed to complete the Work for which payment has been received. Any work in progress or unfinished deliverables shall be delivered on an "AS IS basis" without any warranties of any nature whatsoever.
- 20. REMEDIES.** If terminated by the County due to a breach by the Contractor of its obligations under Section 28, then the County shall have any remedy available to it in law or equity. If this Contract is terminated for any other reason, Contractor's sole remedy is payment for the goods and services delivered and accepted by the County, less any setoff to which the County is entitled.
- 21. NO THIRD PARTY BENEFICIARIES.** County and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to

give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.

- 22. TIME IS OF THE ESSENCE.** Contractor agrees that time is of the essence in the performance this Contract.
- 23. FOREIGN CONTRACTOR.** If the Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State, Corporate Division, all information required by those agencies relative to this Contract. The Contractor shall demonstrate its legal capacity to perform these services in the State of Oregon prior to entering into this Contract.
- 24. FORCE MAJEURE.** Neither County nor Contractor shall be held responsible for delay or default caused by events outside the County or Contractor's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, Contractor shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.
- 25. WAIVER.** The failure of County to enforce any provision of this Contract shall not constitute a waiver by County of that or any other provision.
- 26. PUBLIC CONTRACTING REQUIREMENTS.** Pursuant to the public contracting requirements contained in Oregon Revised Statutes ("ORS") Chapter 279B.220 through 279B.235, Contractor shall:
- a. Make payments promptly, as due, to all persons supplying to Contractor labor or materials for the prosecution of the work provided for in the Contract.
 - b. Pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of the Contract.
 - c. Not permit any lien or claim to be filed or prosecuted against County on account of any labor or material furnished.
 - d. Pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.
 - e. As applicable, the Contractor shall pay employees for work in accordance with ORS 279B.235, which is incorporated herein by this reference. The Contractor shall comply with the prohibitions set forth in ORS 652.220, compliance of which is a material element of this Contract, and failure to comply is a breach entitling County to terminate this Contract for cause.
 - f. If the Work involves lawn and landscape maintenance, Contractor shall salvage, recycle, compost, or mulch yard waste material at an approved site, if feasible and cost effective.
- 27. NO ATTORNEY FEES.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Contract, each party shall be responsible for its own attorneys' fees and expenses.
- 28. CONFIDENTIALITY.** Each party acknowledges that it and its employees and agents may, in the course of performing their obligations under this Contract, be exposed to or acquire information that the other party desires or is required to maintain as confidential. Any and all information of any form obtained by such party or its employees or agents in the performance of this Contract (the "Receiving Party") that is marked or designated as confidential or proprietary at or prior to disclosure or which would appear to a reasonably prudent person to be confidential and/or proprietary in nature, including but not limited to Personal Information (as "Personal Information" is defined in ORS 646A.602(11), of the other party (the "Disclosing Party") shall be deemed to be confidential information of the

Disclosing Party (“Confidential Information”). Any reports or other documents or items (including software) which result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information.

The Receiving Party agrees to hold Confidential Information in strict confidence, using at least the same degree of care that the Receiving Party uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever (other than in the performance of this Contract), and to advise each of its employees and agents of their obligations to keep Confidential Information confidential. The foregoing restrictions shall not apply to information (i) that is publicly available (not as a result of a breach by the Receiving Party); (ii) already known to the Receiving Party; (iii) disclosed by a third party with a right to disclose; (iv) independently developed by the Receiving Party without reference to the other party’s confidential information; or (v) required by law or court order. The Receiving Party will, unless prohibited by law, give prompt notice to the Disclosing Party of any disclosure required by law so that the disclosing party may seek a protective order.

The Receiving Party agrees that, except as directed by the County, the Disclosing Party will not at any time during or after the term of this Contract, disclose, directly or indirectly, any Confidential Information to any person, and that upon termination or expiration of this Contract or the Disclosing Party’s request, the Receiving Party will turn over to the Disclosing Party all documents, papers, records and other materials in the Receiving Party’s possession which embody Confidential Information. The Receiving Party acknowledges that breach of this Contract, including disclosure of any Confidential Information, or disclosure of other information that, at law or in good conscience or equity, ought to remain confidential, will give rise to irreparable injury to the Disclosing Party that cannot adequately be compensated in damages. Accordingly, the Disclosing Party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Receiving Party acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of the County and are reasonable in scope and content.

Contractor agrees to comply with all reasonable requests by the County to ensure the confidentiality and nondisclosure of the Confidential Information, including if requested and without limitation obtaining nondisclosure agreements from each of Contractor’s employees and agents who are performing services.

Notwithstanding anything to the contrary in this Contract, but subject to the confidentiality terms and conditions hereof, Contractor may (i) retain copies of Confidential Information that is required to be retained by law or regulation, (ii) retain copies of its work product that contain Confidential Information for archival purposes or to defend its work product, and (iii) in accordance with legal, disaster recovery and records retention requirements, store such copies and derivative works in an archival format (e.g. tape backups) which may not be returned or destroyed upon County’s request. Contractor may retain County’s information in paper or imaged format and Contractor may destroy paper copies if Contractor retains digital images thereof.

Each party agrees that it and its affiliates have complied with and will continue to comply with their respective obligations arising from data protection and privacy laws in force from time to time to the extent applicable to this Contract and the services (including any obligation of County to obtain any required consent(s) in respect of the transfer of Personal Information by County or any third party to Contractor, the creation or collection of additional Personal Information by Contractor, and the use, disclosure and transfer by Contractor of Personal Information as necessary to perform the Work hereunder or as expressly permitted under this section. The parties acknowledge that any use or processing by Contractor of Personal Information supplied by or on behalf of County in connection

with the Services shall be done solely on behalf of County and for the County's purposes and Contractor shall deal with such Personal Information only in accordance with such reasonable instructions as County may from time to time provide or as reasonably necessary for the purpose of providing the Work. Contractor also confirms that it has taken appropriate technical and organizational measures against unauthorized or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data in accordance with applicable law.

Contractor shall report, either orally or in writing, to the County any use or disclosure of Personal Information not authorized by this Contract or in writing by the County, including any reasonable belief that an unauthorized individual has accessed Personal Information. Contractor shall make the report to the County immediately upon discovery of the unauthorized disclosure, but in no event more than two (2) business days after Contractor reasonably believes there has been such unauthorized use or disclosure. Contractor's report shall identify, to the extent known: (i) the nature of the unauthorized use or disclosure, (ii) the Personal Information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. Contractor shall provide such other information, including a written report, as reasonably requested by the County.

Notwithstanding any other provision in this Contract, Contractor will be responsible for all damages, fines and corrective action (including one year of credit monitoring services) arising from disclosure of such Personal Information caused by a breach of its data security or the confidentiality provisions hereunder.

The provisions in this Section shall operate in addition to, and not as limitation of, the confidentiality and similar requirements set forth in the rest of the Contract, as it may otherwise be amended. Contractor's obligations under this Contract shall survive the expiration or termination of the Contract, as amended, and shall be perpetual.

29. PUBLIC RECORDS. Notwithstanding anything to the contrary in this Contract, both parties expressly acknowledge and agree that County's obligations under this Agreement are subject to the Oregon Public Records Law, Oregon Revised Statutes ("ORS") Chapter 192 et. seq., and any other applicable state or federal law. While County will make good faith efforts to perform under this Agreement, County's disclosure of Confidential Information, in whole or in part, will not be a breach of this Contract if such disclosure was pursuant to a request under the Oregon Public Records Law, or any other state or federal law, or if such disclosure was compelled by deposition, interrogatory, request for documents, subpoena, civil investigative demand, or similar processes. If County is subject to such a disclosure order or receives from a third party any public records request for the disclosure of Confidential Information, County shall notify Contractor within a reasonable period of time of the request. Contractor is exclusively responsible for defending Contractor's position concerning the confidentiality of the requested information. County is not required to assist Contractor in opposing disclosure of Confidential Information.

30. KEY PERSONS. Contractor acknowledges and agrees that a significant reason the County is entering into this Contract is because of the special qualifications of certain Key Persons set forth in the contract. Under this Contract, the County is engaging the expertise, experience, judgment, and personal attention of such Key Persons. Neither Contractor nor any of the Key Persons shall delegate performance of the management powers and responsibilities each such Key Person is required to provide under this Contract to any other employee or agent of the Contractor unless the County provides prior written consent to such delegation. Contractor shall not reassign or transfer a Key Person to other duties or positions such that the Key Person is no longer available to provide the

County with such Key Person's services unless the County provides prior written consent to such reassignment or transfer, such consent not to be unreasonably withheld, conditioned or delayed.

- 31. PROVISION OF INFORMATION AND ASSISTANCE:** County will provide all necessary and reasonably requested information, direction and cooperation to enable Contractor to provide the Services, and any direction (whether verbal or written) shall be effective if contained expressly in Exhibit A or if received (whether verbally or in writing) from a person known to Contractor or reasonably believed by Contractor to be authorized to act on the County's behalf. Contractor shall be permitted to use all information and data supplied by or on behalf of the County without having independently verified the accuracy or completeness of it except to the extent required by generally accepted professional standards and practices. If any documentation or information supplied to Contractor at any time is incomplete, inaccurate or not up-to-date, or its provision is unreasonably delayed, then Contractor shall not be responsible for any delays or liability arising therefrom. In the event that it is necessary or appropriate to perform any additional work as a result, Contractor will obtain the County's prior approval before commencing such additional work; provided that if the County does not provide such prior approval, Contractor shall not be obligated to perform such additional work and Contractor shall have no liability for the Services to the extent any loss arises from or is related to the failure to perform such additional work.
- 32. DISPUTE RESOLUTION.** Before commencing any action or proceeding with respect to any dispute between the parties arising out of or relating to any Work, the parties shall first attempt to settle the dispute through consultation and negotiation in good faith and in a spirit of mutual cooperation. If the dispute is not resolved within five (5) business days, either party may elect to escalate the resolution of such dispute by submitting the dispute in writing to senior executives from each party who will promptly meet and confer in an effort to resolve the dispute. Each party will identify such senior executive by notice to the other party and each party may change its senior executive at any time thereafter by notice. All communications and discussions in furtherance of this paragraph shall be treated as confidential settlement negotiations that are not subject to disclosure to any third party except as permitted under applicable law. In the event the senior executives are unable to resolve any dispute within thirty (30) days after submission to them, then the dispute may then be submitted to a court of competent jurisdiction in accordance with the provisions of Section 6. Nothing in this Section 32 will prevent either party from resorting to judicial proceedings at any time if interim relief from a court is necessary to prevent serious and irreparable injury to that party or to others.
- 33. WAIVER OF JURY TRIAL:** EACH PARTY, ON BEHALF OF ITSELF AND ITS AFFILIATES, TO THE FULLEST EXTENT PERMITTED BY LAW, KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS CONTRACT OR ANY SERVICES PROVIDED BY CONTRACTOR OR ITS AFFILIATES. THE WAIVER APPLIES TO ANY ACTION OR LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. EACH PARTY AGREES NOT TO INCLUDE ANY EMPLOYEE, OFFICER, DIRECTOR OR TRUSTEE OF THE OTHER AS A PARTY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM RELATING TO SUCH DISPUTE.
- 34. MERGER.** THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER REFERENCED THEREIN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. NO AMENDMENT, CONSENT, OR WAIVER OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY ALL PARTIES. ANY SUCH AMENDMENT, CONSENT, OR WAIVER SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND

FOR THE SPECIFIC PURPOSE GIVEN. CONTRACTOR, BY THE SIGNATURE HERETO OF ITS AUTHORIZED REPRESENTATIVE, IS AN INDEPENDENT CONTRACTOR, ACKNOWLEDGES HAVING READ AND UNDERSTOOD THIS CONTRACT, AND CONTRACTOR AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

By their signatures below, the parties to this Contract agree to the terms, conditions, and content expressed herein.

Mercer Health and Benefits, LLC

Clackamas County



1/4/2021

Chair

Date

Authorized Signature

Date

Recording Secretary

Keith Storie / Principal

Approved as to Form:

Name / Title (Printed)

244586-97

Oregon Business Registry #



County Counsel

01/06/2021

Date

FLLC/Delaware

Entity Type / State of Formation

**EXHIBIT A
PERSONAL SERVICES CONTRACT
SCOPE OF WORK**

SCOPE OF WORK

Contractor shall complete Work as outlined in Request for Proposal #2020-38 Employee Benefits Broker, issued April 27, 2020, hereby included as Exhibit B to the Contract, and the Vendor’s Response hereby included as Exhibit C to the Contract.

FEE SCHEDULE

For performing the Work, the County has agreed to pay Contractor pursuant to the table below. County will pay the annual fixed fee in monthly increments of 1/12 (one-twelfth) of the annual amount.

Effective Date	Contract Year	Fixed Annual Fee
1/1/2021	1	\$155,135.00
1/1/2022	2	\$163,300.00
1/1/2023	3	\$169,199.00
1/1/2024	4	The fixed annual fee for Year 4 will be a percentage fee increase of the fixed annual fee for Year 3. The increase will be the percentage change in the US Consumer Price Index, CPI-W: West Urban Annual Average, as reported by the U.S. Department of Labor (the “Index”), from the prior year. In no event shall the increase be greater than 3% or less than 1%.
1/1/2025	5	The fixed annual fee for Year 5 will be a percentage fee increase of the fixed annual fee for Year 4. The increase will be the percentage change in the Index from the prior year. In no event shall the increase be greater than 3% or less than 1%.

For any extension after Year 5, fees will continue to increase at a minimum of 1% and a maximum of 3% based on the US Consumer Price Index, CPI-W: West Urban Annual Average, as reported by the U.S. Department of Labor from the prior Contract year.

EXHIBIT B
RFP# 2020-38
EMPLOYEE BENEFITS BROKER
Issued April 27, 2020



REQUEST FOR PROPOSALS #2020-38

FOR

Employee Benefits Broker

BOARD OF COUNTY COMMISSIONERS

JIM BERNARD, Chair

SONYA FISCHER, Commissioner

KEN HUMBERSTON, Commissioner

PAUL SAVAS, Commissioner

MARTHA SCHRADER, Commissioner

**Gary Schmidt
County Administrator**

**George Marlton
Chief Procurement Officer**

**Tralee Whitley
Analyst**

PROPOSAL CLOSING DATE, TIME AND LOCATION

DATE: June 3rd, 2020

TIME: 2:00 PM, Pacific Time

**PLACE: Clackamas County Procurement Division
Clackamas County Public Services Building
2051 Kaen Road, Oregon City, OR 97045**

SCHEDULE

Request for Proposals Issued..... April 27, 2020

Protest of Specifications Deadline.....May 4, 2020, 5:00 PM, Pacific Time

Deadline to Submit Clarifying Questions.....May 26, 2020, 5:00 PM, Pacific Time

Request for Proposals Closing Date and Time.....June 3, 2020, 2020, 2:00 PM, Pacific Time

Deadline to Submit Protest of Award.....Seven (7) days from the Intent to Award

Anticipated Contract Start Date.....January 2021

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SECTION 1
NOTICE OF REQUEST FOR PROPOSALS

Notice is hereby given that Clackamas County through its Board of County Commissioners will receive sealed Proposals per specifications until **2:00 PM, June 3, 2020** (“Closing”), to provide Employee Benefits Broker. No Proposals will be received or considered after that time.

The resulting contract from this RFP require the consultant to begin work in **January 1, 2021**.

RFP Documents can be downloaded from ORPIN at the following address:

<http://orpin.oregon.gov/open.dll/welcome>, Document No. C01010-2020-38-20.

Prospective Proposers will need to sign in to download the information and that information will be accumulated for a Plan Holder's List. Prospective Proposers are responsible for obtaining any Addenda, clarifying questions, and Notices of Award from ORPIN. Sealed Proposals are to be sent to Clackamas County Procurement Services – Attention George Marlton, Chief Procurement Officer at 2051 Kaen Road, Oregon City, Oregon, 97045 or may be emailed to procurement@clackamas.us.

Contact Information

Procurement Process and Technical Questions: Tralee Whitley at 503-742-5453 or via email TWhitley@clackamas.us

The Board of County Commissioners reserves the right to reject any and all Proposals not in compliance with all prescribed public bidding procedures and requirements, and may reject for good cause any and all Proposals upon the finding that it is in the public interest to do so and to waive any and all informalities in the public interest. In the award of the contract, the Board of County Commissioners will consider the element of time, will accept the Proposal or Proposals which in their estimation will best serve the interests of Clackamas County and will reserve the right to award the contract to the contractor whose Proposal shall be best for the public good.

Clackamas County encourages proposals from Minority, Women, and Emerging Small Businesses.

SECTION 2 INSTRUCTIONS TO PROPOSERS

Clackamas County (“County”) reserves the right to reject any and all Proposals received as a result of this RFP. County Local Contract Review Board Rules (“LCRB”) govern the procurement process for the County.

2.1 Modification or Withdrawal of Proposal: Any Proposal may be modified or withdrawn at any time prior to the Closing deadline, provided that a written request is received by the County Procurement Division Director, prior to the Closing. The withdrawal of a Proposal will not prejudice the right of a Proposer to submit a new Proposal.

2.2 Requests for Clarification and Requests for Change: Proposers may submit questions regarding the specifications of the RFP. Questions must be received in writing on or before 5:00 p.m. (Pacific Time), on the date indicated in the Schedule, at the Procurement Division address as listed in Section 1 of this RFP. Requests for changes must include the reason for the change and any proposed changes to the requirements. The purpose of this requirement is to permit County to correct, prior to the opening of Proposals, RFP terms or technical requirements that may be unlawful, improvident or which unjustifiably restrict competition. County will consider all requested changes and, if appropriate, amend the RFP. No oral or written instructions or information concerning this RFP from County managers, employees or agents to prospective Proposers shall bind County unless included in an Addendum to the RFP.

2.3 Protests of the RFP/Specifications: Protests must be in accordance with LCRB C-047-0730. Protests of Specifications must be received in writing on or before 5:00 p.m. (Pacific Time), on the date indicated in the Schedule, or within three (3) business days of issuance of any addendum, at the Procurement Division address listed in Section 1 of this RFP. Protests may not be faxed. Protests of the RFP specifications must include the reason for the protest and any proposed changes to the requirements.

2.4 Addenda: If any part of this RFP is changed, an addendum will be provided to Proposers that have provided an address to the Procurement Division for this procurement. It shall be Proposers responsibility to regularly check ORPIN for any notices, published addenda, or response to clarifying questions.

2.5 Submission of Proposals: Proposals must be submitted in accordance with Section 5. All Proposals shall be legibly written in ink or typed and comply in all regards with the requirements of this RFP. Proposals that include orders or qualifications may be rejected as irregular. All Proposals must include a signature that affirms the Proposer’s intent to be bound by the Proposal (may be on cover letter, on the Proposal, or the Proposal Certification Form) shall be signed. If a Proposal is submitted by a firm or partnership, the name and address of the firm or partnership shall be shown, together with the names and addresses of the members. If the Proposal is submitted by a corporation, it shall be signed in the name of such corporation by an official who is authorized to bind the contractor. The Proposals will be considered by the County to be submitted in confidence and are not subject to public disclosure until the notice of intent to award has been issued.

No late Proposals will be accepted. Proposals submitted after the Closing will be considered late and will be returned unopened. Proposals may not be submitted by telephone or fax.

2.6 Post-Selection Review and Protest of Award: County will name the apparent successful Proposer in a Notice of Intent to Award published on ORPIN. Identification of the apparent successful Proposer is procedural only and creates no right of the named Proposer to award of the contract. Competing Proposers shall be given seven (7) calendar days from the date on the Notice of Intent to Award to review the file at the Procurement Division office and file a written protest of award, pursuant to LCRB C-047-0740. Any award protest must be in writing and must be delivered by hand-delivery or mail to the address for the Procurement Division as listed in Section 1 of this RFP.

Only actual Proposers may protest if they believe they have been adversely affected because the Proposer would be eligible to be awarded the contract in the event the protest is successful. The basis of the written protest must

be in accordance with ORS 279B.410 and shall specify the grounds upon which the protest is based. In order to be an adversely affected Proposer with a right to submit a written protest, a Proposer must be next in line for award, i.e. the protester must claim that all higher rated Proposers are ineligible for award because they are non-responsive or non-responsible.

County will consider any protests received and:

- a. reject all protests and proceed with final evaluation of, and any allowed contract language negotiation with, the apparent successful Proposer and, pending the satisfactory outcome of this final evaluation and negotiation, enter into a contract with the named Proposer; OR
- b. sustain a meritorious protest(s) and reject the apparent successful Proposer as nonresponsive, if such Proposer is unable to demonstrate that its Proposal complied with all material requirements of the solicitation and Oregon public procurement law; thereafter, County may name a new apparent successful Proposer; OR
- c. reject all Proposals and cancel the procurement.

2.7 Acceptance of Contractual Requirements: Failure of the selected Proposer to execute a contract and deliver required insurance certificates within ten (10) calendar days after notification of an award may result in cancellation of the award. This time period may be extended at the option of County.

2.8 Public Records: Proposals are deemed confidential until the “Notice of Intent to Award” letter is issued. This RFP and one copy of each original Proposal received in response to it, together with copies of all documents pertaining to the award of a contract, will be kept and made a part of a file or record which will be open to public inspection. If a Proposal contains any information that is considered a **TRADE SECRET** under ORS 192.345(2), **SUCH INFORMATION MUST BE LISTED ON A SEPARATE SHEET CAPABLE OF SEPARATION FROM THE REMAINING PROPOSAL AND MUST BE CLEARLY MARKED WITH THE FOLLOWING LEGEND:**

“This information constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

The Oregon Public Records Law exempts from disclosure only bona fide trade secrets, and the exemption from disclosure applies only “unless the public interest requires disclosure in the particular instance” (ORS 192.345). Therefore, non-disclosure of documents, or any portion of a document submitted as part of a Proposal, may depend upon official or judicial determinations made pursuant to the Public Records Law.

2.9 Investigation of References: County reserves the right to investigate all references in addition to those supplied references and investigate past performance of any Proposer with respect to its successful performance of similar services, its compliance with specifications and contractual obligations, its completion or delivery of a project on schedule, its lawful payment of subcontractors and workers, and any other factor relevant to this RFP. County may postpone the award or the execution of the contract after the announcement of the apparent successful Proposer in order to complete its investigation.

2.10 RFP Proposal Preparation Costs and Other Costs: Proposer costs of developing the Proposal, cost of attendance at an interview (if requested by County), or any other costs are entirely the responsibility of the Proposer, and will not be reimbursed in any manner by County.

2.11 Clarification and Clarity: County reserves the right to seek clarification of each Proposal, or to make an award without further discussion of Proposals received. Therefore, it is important that each Proposal be submitted initially in the most complete, clear, and favorable manner possible.

2.12 Right to Reject Proposals: County reserves the right to reject any or all Proposals or to withdraw any item from the award, if such rejection or withdrawal would be in the public interest, as determined by County.

2.13 Cancellation: County reserves the right to cancel or postpone this RFP at any time or to award no contract.

2.14 Proposal Terms: All Proposals, including any price quotations, will be valid and firm through a period of one hundred and eighty (180) calendar days following the Closing date. County may require an extension of this firm offer period. Proposers will be required to agree to the longer time frame in order to be further considered in the procurement process.

2.15 Oral Presentations: At County's sole option, Proposers may be required to give an oral presentation of their Proposals to County, a process which would provide an opportunity for the Proposer to clarify or elaborate on the Proposal but will in no material way change Proposer's original Proposal. If the evaluating committee requests presentations, the Procurement Division will schedule the time and location for said presentation. Any costs of participating in such presentations will be borne solely by Proposer and will not be reimbursed by County. **Note:** Oral presentations are at the discretion of the evaluating committee and may not be conducted; therefore, **written Proposals should be complete.**

2.16 Usage: It is the intention of County to utilize the services of the successful Proposer(s) to provide services as outlined in the below Scope of Work.

2.17 Review for Responsiveness: Upon receipt of all Proposals, the Procurement Division or designee will determine the responsiveness of all Proposals before submitting them to the evaluation committee. If a Proposal is incomplete or non-responsive in significant part or in whole, it will be rejected and will not be submitted to the evaluation committee. County reserves the right to determine if an inadvertent error is solely clerical or is a minor informality which may be waived, and then to determine if an error is grounds for disqualifying a Proposal. The Proposer's contact person identified on the Proposal will be notified, identifying the reason(s) the Proposal is non-responsive. One copy of the Proposal will be archived and all others discarded.

2.18 RFP Incorporated into Contract: This RFP will become part of the Contract between County and the selected contractor(s). The contractor(s) will be bound to perform according to the terms of this RFP, their Proposal(s), and the terms of the Sample Contract.

2.19 Communication Blackout Period: Except as called for in this RFP, Proposers may not communicate with members of the Evaluation Committee or other County employees or representatives about the RFP during the procurement process until the apparent successful Proposer is selected, and all protests, if any, have been resolved. Communication in violation of this restriction may result in rejection of a Proposer.

2.20 Prohibition on Commissions and Subcontractors: County will contract directly with persons/entities capable of performing the requirements of this RFP. Contractors must be represented directly. Participation by brokers or commissioned agents will not be allowed during the Proposal process. Contractor shall not use subcontractors to perform the Work unless specifically pre-authorized in writing to do so by the County. Contractor represents that any employees assigned to perform the Work, and any authorized subcontractors performing the Work, are fully qualified to perform the tasks assigned to them, and shall perform the Work in a competent and professional manner. Contractor shall not be permitted to add on any fee or charge for subcontractor Work. Contractor shall provide, if requested, any documents relating to subcontractor's qualifications to perform required Work.

2.21 Ownership of Proposals: All Proposals in response to this RFP are the sole property of County, and subject to the provisions of ORS 192.410-192.505 (Public Records Act).

2.22 Clerical Errors in Awards: County reserves the right to correct inaccurate awards resulting from its clerical errors.

2.23 Rejection of Qualified Proposals: Proposals may be rejected in whole or in part if they attempt to limit or modify any of the terms, conditions, or specifications of the RFP or the Sample Contract.

2.24 Collusion: By responding, the Proposer states that the Proposal is not made in connection with any competing Proposer submitting a separate response to the RFP, and is in all aspects fair and without collusion or fraud. Proposer also certifies that no officer, agent, elected official, or employee of County has a pecuniary interest in this Proposal.

2.25 Evaluation Committee: Proposals will be evaluated by a committee consisting of representatives from County and potentially external representatives. County reserves the right to modify the Evaluation Committee make-up in its sole discretion.

2.26 Commencement of Work: The contractor shall commence no work until all insurance requirements have been met, the Protest of Awards deadline has been passed, any protest have been decided, a contract has been fully executed, and a Notice to Proceed has been issued by County.

2.27 Nondiscrimination: The successful Proposer agrees that, in performing the work called for by this RFP and in securing and supplying materials, contractor will not discriminate against any person on the basis of race, color, religious creed, political ideas, sex, age, marital status, sexual orientation, gender identity, veteran status, physical or mental handicap, national origin or ancestry, or any other class protected by applicable law.

SECTION 3 SCOPE OF WORK

3.1. INTRODUCTION

Clackamas County is seeking Proposals from vendors to provide an Employee Benefits Broker for strategic guidance, maintenance, and assessment of our employee benefits program. Health and welfare plan work comprises broker services in the areas of developing strategy and understanding the employee benefits market, ongoing financial tracking and analysis, vendor placement, program and vendor management, and renewal activities including developing rates for a variety of self-insured and insured health, vision, dental, life, and disability insurance coverage.

Please direct all Technical/Specifications or Procurement Process Questions to the indicated representative referenced in the Notice of Request for Proposals and note the communication restriction outlined in Section 2.19.

3.2 BACKGROUND

Clackamas County is a local government in the Portland, Oregon metropolitan area. It has a population of about 400,000 citizens.

Clackamas County employs 2048 regular benefit-eligible employees, and has about 5700 covered lives. There are 8 unions, and plan renewal is conducted by a labor-management group, the Benefits Review Committee (BRC). Oregon law allows public employer retirees to stay on the group plan and pay the full cost of coverage. About 360 retirees choose coverage.

Clackamas County offers a full range of benefits. Eligible employees receive:

- Medical insurance choices include two vendors, and a variety of plans. Employees pay a percentage. One vendor's plans are self-insured.
- Dental insurance choices include two vendors and a variety of plans. One vendor's plans are self-insured.
- Vision
- Disability is self-insured for the first 180 days, and then insured after 180 days. Employees may buy-up.
- Employee Assistance Program
- Life insurance
- Retiree medical fund trust for members of Peace Officers Association (POA) and Command Staff who meet eligibility.

Voluntary Benefits

- Additional life insurance coverage for employee, spouse/domestic partner, and dependents
- Flexible Spending Account, Healthcare and Daycare
- Accidental Death & Dismemberment (AD&D)
- Long Term Care
- Accident and Illness insurance
- Prepaid legal

Vendors, coverage, rates, eligibility, groups, and details of our medical, dental, vision, insurance, and other benefits can be found at the following website: <https://www.clackamas.us/benefits-with-clackamas-county>

Our groups include General County, Peace Officers Association (POA), retirees, and COBRA which may have different plans and benefits to meet unique needs of each group.

3.3. SCOPE OF WORK

3.3.1. Scope:

Statement of Work: Clackamas County Human Resources Department, Benefits and Wellness Division is seeking an Employee Benefits Broker.

Project Description: Health and Welfare Plan Services for Clackamas County employee benefits will include:

1. Developing Strategy and Understanding the Market
 - Annual Strategy meeting(s)
 - Service Plan
 - Healthcare market trends, changes, and news
 - Assess options for benefits administration
2. Ongoing Financial Tracking and Analysis
 - Quarterly Experience Reports
 - Benchmarking, with comparisons including public sector employers
 - Analysis on use of Rx, Stop Loss, population insights
 - Analyze factors driving plan costs
 - Claims reports including paid claims, reimbursements, premiums/funding, and enrollment summaries for medical, dental, vision, life and disability
 - Cost projections
3. Vendor Placement
 - Analyze incumbents and coverages
 - Identify alternatives and costs
 - Recommend vendors
 - Negotiations
 - Review contracts
 - Stop-loss services, including strategy, negotiation, renewal, reporting
4. Renewal
 - Strategy
 - Meetings with Benefits Review Committee
 - Projections
 - Plan Design Options
 - Pharmacy and Stop Loss Management
 - Contract review
 - Vendor communication review for accuracy
 - Stop Loss Coverage
5. Program and Vendor Management
 - Liaison between client and vendor
 - Timely issuance of contracts
 - Contract interpretation

- Review contracts, summary plan descriptions (SPD), information, coverage summaries
- Client questions and open items communication
- Escalated claims
- Guidance for compliance and required notices
- Provide updates, education and best practices

Deliverables: Contractor will deliver to the County the following deliverables on an annual benefits renewal cycle:

1. Facilitate annual and long term employee benefits strategy planning with plan sponsor in January, and renewal strategy in May.
2. Review vendor performance, and negotiate rates for renewals.
3. Monitor experience throughout the year, and provide quarterly experience reports for both the General County plans and the POA plans.
4. Identify, compare, and negotiate for new vendor or replacement services as needed.
5. Present at Benefit Review Committee (BRC) meetings occurring February through August, and occasionally into September. Provide strategy, agenda guidance, and handouts.
6. Illuminate basic benefits concepts, claims expenses, and pricing for a volunteer decision-making group of non-benefits professionals.
7. Coordinate vendor utilization presentations to BRC for medical, dental and vision plans in April and May.
8. Develop and present preliminary funding rates for self-insured medical and dental plans and Long Term Disability (LTD) underwriting by mid-July, so that final renewal rates are available to present the first week of August.
9. Provide information and explanations about plan design and cost by July, in coordination with group, facilitator, and benefits manager.
10. Facilitate research on updated costs for plan design changes to inform BRC proposals.
11. Provide employer and employee rate breakdown, including rates for all plans, domestic partner imputed income and Medicare low-income subsidy (LIS) credit information in September.
12. Work with vendors to obtain annual plan summaries, summary of benefits and coverage (SBCs), summary plan documents (SPDs), and Medicare plan changes by October 3.
13. Develop and deliver a hard copy comprehensive annual renewal report with plan details and rate structures by December.
14. Provide on-going consultative services for plan sponsor.
15. Notify plan sponsor of compliance requirements, including annual required notice templates.
16. Analyze factors driving plan costs, including use of pharmacy, stop loss, population insights, and benchmarking comparable organizations.
17. Review annual contract documentation for accuracy. This occurs in November for medical, dental, vision and other renewals beginning January 1, and in May for contracts renewing for new fiscal year July 1.
18. Review for accuracy summary plan documents (SPDs) and administrative services agreements (ASA) by January 1 of each year.

19. Provide updates and benefits education on relevant topics throughout the year.
20. Provide updates and recommendations on new legislation impacting benefits.

3.3.2. Term of Contract:

The term of the contract shall be from the effective date through **December 31, 2025**, with the option for two (2) additional two (2) year renewals thereafter subject to the mutual agreement of the parties.

3.3.3 Sample Contract: Submission of a Proposal in response to this RFP indicates Proposer's willingness to enter into a contract containing substantially the same terms (including insurance requirements) of the sample contract identified below. No action or response to the sample contract is required under this RFP. Any objections to the sample contract terms should be raised in accordance with Paragraphs 2.2 or 2.3 of this RFP, pertaining to requests for clarification or change or protest of the RFP/specifications, and as otherwise provided for in this RFP. This RFP and all supplemental information in response to this RFP will be a binding part of the final contract.

The applicable Sample Personal Services Contract for this RFP can be found at <https://www.clackamas.us/finance/terms.html>.

Personal Services Contract (unless checked, item does not apply)

The following paragraphs of the Professional Services Contract will be applicable:

- Article I, Paragraph 5 – Travel and Other Expense is Authorized
- Article II, Paragraph 27 – Confidentiality
- Article II, Paragraph 28 – Criminal Background Check Requirements
- Article II, Paragraph 29 – Key Persons
- Exhibit A – On-Call Provision

The following insurance requirements will be applicable:

- Commercial General Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for Bodily Injury and Property Damage.
- Professional Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for damages caused by error, omission or negligent acts.
- Automobile Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage.

**SECTION 4
EVALUATION PROCEDURE**

4.1 An evaluation committee will review all Proposals that are initially deemed responsive and they shall rank the Proposals in accordance with the below criteria. The evaluation committee may recommend an award based solely on the written responses or may request Proposal interviews/presentations. Interviews/presentations, if deemed beneficial by the evaluation committee, will consist of the highest scoring Proposers. The invited Proposers will be notified of the time, place, and format of the interview/presentation. Based on the interview/presentation, the evaluation committee may revise their scoring.

Written Proposals must be complete and no additions, deletions, or substitutions will be permitted during the interview/presentation (if any). The evaluation committee will recommend award of a contract to the final County decision maker based on the highest scoring Proposal. The County decision maker reserves the right to accept the recommendation, award to a different Proposer, or reject all Proposals and cancel the RFP.

Proposers are not permitted to directly communicate with any member of the evaluation committee during the evaluation process. All communication will be facilitated through the Procurement representative.

4.2 Evaluation Criteria

<u>Category</u>	<u>Points available:</u>
Proposer’s General Background and Qualifications	0-30
Scope of Work	0-45
Fees	0-25
Available points	0-100

4.3 Once a selection has been made, the County will enter into contract negotiations. During negotiation, the County may require any additional information it deems necessary to clarify the approach and understanding of the requested services. Any changes agreed upon during contract negotiations will become part of the final contract. The negotiations will identify a level of work and associated fee that best represents the efforts required. If the County is unable to come to terms with the highest scoring Proposer, discussions shall be terminated and negotiations will begin with the next highest scoring Proposer. If the resulting contract contemplates multiple phases and the County deems it is in its interest to not authorize any particular phase, it reserves the right to return to this solicitation and commence negotiations with the next highest ranked Proposer to complete the remaining phases.

SECTION 5 PROPOSAL CONTENTS

5.1. Vendors must observe submission instructions and be advised as follows:

5.1.1. Complete Proposals may be mailed to the below address or emailed to Procurement@clackamas.us. The subject line of the email must identify the RFP title. Proposers are encouraged to contact Procurement to confirm receipt of the Proposal. If the Proposal is mailed, an original copy and an electronic copy (on compact disk or jump drive) must be included. The Proposal (hardcopy or email) must be received by the Closing Date and time indicated in Section 1 of the RFP.

5.1.2. Mailing address including Hand Delivery, UPS and FEDEX:

Clackamas County Procurement Division – Attention George Marlton, Chief Procurement Officer
Clackamas County Public Services Building
2051 Kaen Road
Oregon City, OR 97045

5.1.3. County reserves the right to solicit additional information or Proposal clarification from the vendors, or any one vendor, should the County deem such information necessary.

5.1.4. Proposal may not exceed a total of **25 pages** (single-sided), inclusive of all exhibits, attachments or other information.

Provide the following information in the order in which it appears below:

5.2. Proposer's General Background and Qualifications (30 Points):

1. Describe the company and the company's ownership structure.
 - Provide a simple chart showing the structure of your organization, including where and how the benefits broker business fits within your company model.
 - State whether the firm is a local, national, or international firm and include a brief description of the size of the firm.
 - Provide information on your organization and how long you have been in business.
 - Describe any significant changes to structure or leadership, specifically within the benefits broker business, in the past three years, or any anticipated changes in the foreseeable future.
 - Disclose any current and pending litigation, sanctions or administrative actions against your firm, including any affiliate companies, in the past five years.

2. Please include the biographies, credentials, and experience levels of the team that will serve us.
 - Predict the long term ability of the team to build long-term relationships with the plan sponsor, and disclose upcoming changes such as retirements or mergers.
 - How is the performance of each account team member evaluated?
 - How does their performance impact compensation?
 - Does the sponsor have any input in the process?
 - What distinguishes you from other firms providing similar services?

3. In the past 5 years, what benefits broker services have you provided to similar public entities (county, city, regional, or special district governments with about 2000 employees and 5500 covered lives?) Include examples of successes with other clients in union environments, and specific ways that health plan costs were managed.

5.3. Scope of Work (45 Points):

1. Specifically describe how you would meet the requirements in section 3, Scope of Work.
2. What are the services the brokerage firm provides to the plan sponsor to shape strategy and manage an employee benefits program? Please provide a sample of the materials and/or report summary sheets that you use as a part of your regular reviews.
3. What tools, resources and strategy would you give to Clackamas County to stay compliant with legislation at a local, state and federal level?
4. What knowledge, experience, tools, services and/or methods do you have for improving health outcomes and cost containment strategies?
5. What tools or methods do you use to determine whether Clackamas County's benefits renewal proposals are competitive with similar organizations?
6. Describe the technology tools you use and any you make available to your clients and if there are plans in place to enhance your current technology/tools.
7. Do you provide premium rates for Retirees and imputed income calculations? Do you provide an annual summary report of updated rates for all plans? If so, please provide a sample page of rates.

5.4. Fees (25 Points):

Proposals shall be on an annual flat fee for the benefits broker services described. Include a fee schedule. Fees should have a not to exceed fee basis.

Describe what your proposed policy would be on receiving commissions or other sources of income you may receive in connection with services provided to Clackamas County and how it would be disclosed.

Describe whether you provide a Performance Guarantee and if so, provide a sample copy.

List, describe, and include the additional cost of additional related services not included in the Scope of Services that you anticipate might be used by or add value to Clackamas County Benefits.

5.5. References

Provide at least three (3) references from clients your firm has served similar to the County in the past three (3) years, including one client that has newly engaged the firm in the past thirty-six (36) months and one (1) long-term client. Provide the name, address, email, and phone number of the references. Please note the required three references may not be from County staff, but additional references may be supplied.

5.6. Completed Proposal Certification (see the below form)

PROPOSAL CERTIFICATION
#2020-38 Employee Benefits Broker

Submitted by: _____
(Must be entity's full legal name, and State of Formation)

The undersigned, through the formal submittal of this Proposal response, declares that he/she has examined all related documents and read the instruction and conditions, and hereby proposes to provide the services as specified in accordance with the RFP, for the price set forth in the Proposal documents.

Proposer, by signature below, hereby represents as follows:

- (a) That no County elected official, officer, agent or employee of the County is personally interested directly or indirectly in this contract or the compensation to be paid hereunder, and that no representation, statement or statements, oral or in writing, of the County, its elected officials, officers, agents, or employees had induced it to enter into this contract and the papers made a part hereof by its terms;
- (b) The Proposer, and each person signing on behalf of any Proposer certifies, in the case of a joint Proposal, each party thereto, certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief:
 - 1. The prices in the Proposal have been arrived at independently, without collusion, consultation, communication, or agreement for the purpose of restraining competition as to any matter relating to such prices with any other Proposer or with any competitor;
 - 2. Unless otherwise required by law, the prices which have been quoted in the Proposal have not been knowingly disclosed by the Proposer prior to the Proposal deadline, either directly or indirectly, to any other Proposer or competitor;
 - 3. No attempt has been made nor will be made by the Proposer to induce any other person, partnership or corporation to submit or not to submit a Proposal for the purpose of restraining trade;
- (c) The Proposer fully understands and submits its Proposal with the specific knowledge that:
 - 1. The selected Proposal must be approved by the Board of Commissioners.
 - 2. This offer to provide services will remain in effect at the prices proposed for a period of not less than ninety (90) calendar days from the date that Proposals are due, and that this offer may not be withdrawn or modified during that time.
- (d) That this Proposal is made without connection with any person, firm or corporation making a bid for the same material, and is in all respects, fair and without collusion or fraud.
- (e) That the Proposer shall use recyclable products to the maximum extent economically feasible in the performance of the contract work set forth in this document.
- (f) That the Proposer accepts all terms and conditions contained in this RFP and that the RFP and the Proposal, and any modifications, will be made part of the contract documents. It is understood that all Proposals will become part of the public file on this matter. The County reserves the right to reject any or all Proposals.
- (g) That the Proposer holds current licenses that businesses or services professionals operating in this state must hold in order to undertake or perform the work specified in these contract documents.
- (h) That the Proposer is covered by liability insurance and other insurance in the amount(s) required by the solicitation and in addition that the Proposer qualifies as a carrier insured employer or a self-insured employer under ORS 656.407 or has elected coverage under ORS 656.128.
- (i) That the Proposer is legally qualified to contract with the County.
- (j) That the Proposer has not and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation, gender identity, national origin, or any other protected class. Nor has Proposer or will Proposer discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.

(k) The Proposer agrees to accept as full payment for the services specified herein, the amount as shown in the Proposal.

Resident Bidder, as defined in ORS 279A.120

Non-Resident Proposer, Resident State _____
Oregon Business Registry Number _____

Contractor's Authorized Representative:

Signature: _____ Date: _____

Name: _____ Title: _____

Firm: _____

Address: _____

City/State/Zip: _____ Phone: () _____

e-mail: _____ Fax: _____

Contract Manager:

Name _____ Title: _____

Phone number: _____

Email Address: _____

**EXHIBIT C
VENDOR'S RESPONSE**



Taking Benefits to **New Heights**

June 3, 2020

Clackamas County

Request for Proposal (RFP) #2020-38
Employee Benefits Broker Proposal

welcome to brighter

Proposal policy

Mercer Health & Benefits LLC (Mercer) is delighted to respond to the Request for Proposal (RFP) for Employee Benefits Broker Services for Clackamas County (“the County”).

Our principal aim is to demonstrate throughout our response that we understand your requirements and that Mercer is best placed to deliver the services required. We have structured our response using the format described within your RFP. All supporting material has been included in the Appendices.

We trust that we have provided all the information you require at this stage. We would be happy to answer any questions or provide any further information you may require. We also look forward to meeting with you to discuss our proposal in more detail during the finalist presentation. All questions regarding this submission can be directed to Keith Storie.

This proposal, submitted by Mercer in response to the RFP for Employee Benefits Broker issued by the County on April 27, 2020, contains confidential, trade secret and proprietary information to Mercer. By accepting this proposal and any attachments and supplements, the County agrees that:

- **This proposal is subject to contract and valid for 90 days from submission.**
- **The information herein is considered confidential information of Mercer and shall be used solely to facilitate the County’s evaluation of this proposal, and for no other purpose without Mercer’s written consent.**
- **The information shall be disclosed only to those the County employees who have a need to know due to their involvement in the evaluation of this proposal.**
- **The information shall not be disclosed to any third party, unless that party has been retained by the County explicitly to evaluate responses to this RFP, has an obligation to the County to maintain the confidentiality of such materials, and then, solely for such evaluation purposes.**
- **The information shall not be altered or modified in any way by the County.**

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Executive summary

Mercer is pleased to have the opportunity to be retained as Clackamas County's Employee Benefits Broker. Mercer has partnered with the County for over 30 years and has consistently worked hard to deliver on all expectations. We hope our commitment to you and your employees shows in our delivery of services.

Our Team

Included in the proposal is a partial list of accomplishments that your Mercer team has helped to deliver. We are proud of the work we've done on your behalf.

In the last two years Mercer further diversified our Clackamas County team to bring fresh ideas and energy to our longstanding relationship. The team remains invested in the County interests and stays abreast of what is happening within the County. We receive the Clackamas County email newsletter and attend State of the County forum events.

Our Experience in the Public Sector

As the consultant of choice to 190 public sector clients nationwide, including over 12 public sector clients in Oregon, the Mercer team is well versed in public entity challenges, culture, workforce, competitive landscape, and proven solutions. Public sector references are included in the proposal.

Our Resources

As the largest benefits consulting firm in the U.S. and Oregon, with an office located in Portland, we bring significant local market knowledge, leverage and expertise as well as access to Mercer consultants across the country. This access keeps our clients informed about the latest trends in benefits, as well as unique approaches to health care cost management being utilized by public employers nationwide. With health care reform and continued efforts by state legislators to change the structure of benefits delivery for public entities, it is more important than ever to remain aligned with a firm that understands both the national and regional implications of federal and state legislation.

COVID-19

COVID-19 has been a catalyst for significant change in the way we work. Agility will dominate the discussion as organizations like the County begin to take steps to simultaneously rebound and drive reinvention. Maintaining this momentum for change, inadvertently caused by COVID-19, is an opportunity to focus on the ways we can bounce back stronger, together.

Mercer remains at the forefront of COVID-19 advice and support, assisting our clients and working with our vendor partners. We have provided the County with timely news and analysis related to the pandemic, including frequent webinars and weekly COVID-19 updates. We developed resources on topics such as access to virtual health when it's not possible to visit the doctor in person; workforce education about coronavirus; advice on flexible working, maintaining productivity, and returning to the workplace; and a series of spot surveys of clients on coronavirus which is shared with our weekly updates.

An example of how our COVID-19 experience specifically benefited the County is when we provided empirical evidence to Providence clinicians to reverse their initial stance against covering radiologic diagnostic testing for the virus. We also worked with Kaiser and Providence to classify the County's 911 operators as first responders to gain access to diagnostic testing through the health plans.

Our Pricing

Our proposed compensation is based on our experience working with other public sector clients and our understanding of Clackamas County's expectations for an experienced, broad, and highly capable team. Our compensation is based on the specific work, level of practitioner, and volume of activities based on historical patterns as well as assumptions about work required in the future. We would be happy to revisit both scope and fees with the County.

The Future Starts Now

We strive to continue our partnership with the County and help you:

- Evaluate your opportunities within the changing healthcare marketplace and chart a clear strategy for moving forward.
- Use game-changing tools to guide your decision-making and identify innovative, yet implementable, new approaches.
- Manage rising costs and looming deadlines and balance the varying needs of your multigenerational workforce.
- Navigate the new delivery options, unprecedented market consolidation and explosion of innovation within the benefits marketplace.

With a focus on quality and compliance, we will help you achieve your cost targets while delivering a high-quality benefits program your employees will value today and well into the future.

1 Proposer’s general background and qualifications

Describe the company and the company’s ownership structure.

[Mercer](#) believes in building brighter futures by redefining the world of work, reshaping retirement and investment outcomes, and unlocking real health and well-being. Mercer’s more than 25,000 employees are based in 44 countries and the firm operates in more than 130 countries. Mercer is a business of Marsh & McLennan (NYSE: MMC), the world’s leading professional services firm in the areas of risk, strategy and people, with 76,000 colleagues and annual revenue of \$17 billion. Through its market-leading businesses including [Marsh](#), [Guy Carpenter](#) and [Oliver Wyman](#), Marsh & McLennan helps clients navigate an increasingly dynamic and complex environment. For more information, visit www.mercer.com. Follow Mercer on Twitter [@Mercer](#).

While Mercer serves clients around the world, we are also right next door. In the US, we are licensed to do business in all 50 states and provide services from more than 60 offices including Portland. We take pride in our ability to offer the County local delivery through a local team that understands the needs of you and your organization.

Provide a simple chart showing the structure of your organization, including where and how the benefits broker business fits within your company model.

At Mercer, we operate through an organizational structure with three components: businesses, regions and functions. Our structure enables our people to work together in the most effective way — combining global and local points of view and solutions bringing consistency to our services and operations across the world and achieving efficiencies and innovation in our operations.



Our market leadership teams represent the full scope of our capabilities and support our consultants in providing integrated, unified solutions.

Our Health & Benefits Consulting business is one of the industry’s largest groups of experts helping employers and employees with their benefits needs. To our knowledge, we are the only business to house a complete set of advisory and transactional services for every segment of the marketplace.

We can seamlessly deliver a broad range of services in a cost-efficient manner, addressing different needs for various types of clients and situations and eliminating the need to manage multiple firms. We have

resources not only in all conventional areas of health and benefits plan brokerage and consulting, but also specialty consulting practices that focus on the details of complex areas such as health and productivity management, global benefits, vendor performance, wellness program development, actuarial support and pharmacy management.

State whether the firm is a local, national, or international firm and include a brief description of the size of the firm.

Mercer is an international firm, but our local office is located in downtown Portland, approximately 17 miles from the County. The Portland Mercer office has 45 employees, including generalists, actuaries and specialists in Compliance, Pharmacy, Health Management, Absence & Disability Management, Innovation, Data Analytics, Retirement Plans, Compensation and Rewards and Communications.

Provide information on your organization and how long you have been in business.

Mercer has been providing brokerage and consulting services for more than 70 years. The Portland office has been providing services for close to 50 years in the local marketplace. The average tenure of the consultants in the Portland office is approximately 15 years.

Describe any significant changes to structure or leadership, specifically within the benefits broker business, in the past three years, or any anticipated changes in the foreseeable future.

At Mercer and at our parent company, Marsh & McLennan Companies, changes in leadership and management occur from time to time. These changes, however, do not detract from our mission to help our clients optimize the value of their human and financial resources and enhance the health, wealth and quality of the global workforce. There has been consistency and stability at the very top of our organization with the President and CEO of Marsh & McLennan Companies, Dan Glaser leading the way since 2007 (13 years).

For additional information, please see the [Marsh & McLennan Companies Annual Report](#).

Disclose any current and pending litigation, sanctions or administrative actions against your firm, including any affiliate companies, in the past five years.

In the ordinary course of business, Mercer is involved with litigation and other legal proceedings, investigations and inquiries, some of which are conducted on an industry-wide basis. Details regarding certain outstanding legal proceedings pertaining to Mercer and its affiliates are disclosed in the public [Securities and Exchange Commission filings of Marsh & McLennan Companies](#), Mercer's ultimate parent company.

Please include the biographies, credentials, and experience levels of the team that will serve us.

Just as they do today, your Mercer team members will continue to help ensure the County's success in a rapidly changing healthcare environment. These team members have more than **100** combined years of benefits expertise and deep knowledge of technical expertise and tactical management skills to help you meet your goals and organizational requirements. Resources in our Portland office will be available to respond swiftly to your day-to-day needs and meet with you in person as needed. As your Relationship Manager, Keith Storie will continue to ensure your full satisfaction with our services and will be a central, overarching point of contact. **Keith will work closely with our core team members, including those listed in the table below.**

Team member	Role/responsibility	Experience
Core health team		
Keith Storie <i>Principal</i> Portland	Relationship Manager/Lead Consultant Responsible for seamless service delivery, monitoring team performance, providing problem resolution and ensuring quality control	<ul style="list-style-type: none"> • 33 years of experience • 5 years at Mercer • RHU, CPDM, FLMI, ALHC
Laura Bergerson <i>Principal</i> Portland	Co-Lead Consultant Responsible for the delivery of all health and benefits consulting services	<ul style="list-style-type: none"> • 30+ years of experience at Mercer
Joe Bober <i>Senior Associate</i> Portland	Financial Consultant Provides financial modeling and reporting for all insurance plans	<ul style="list-style-type: none"> • 26 years of experience • 21 years at Mercer • CEBS
Dani Herrst <i>Senior Analyst</i> Portland	Senior Analyst Executes all strategic decisions and serves as a day-to-day resource, with the guidance of lead and supporting consultants	<ul style="list-style-type: none"> • 2 years of experience • 1 year at Mercer
Kirk Czonstka <i>Office Business Leader</i> Portland	Executive Sponsor Ensures team members have access to the full breadth and depth of Mercer’s resources to meet Clackamas County’s needs	<ul style="list-style-type: none"> • 14 years of experience • 14 years at Mercer • GBA

Specialty resources		
Wade Symons <i>Partner</i> Portland	Compliance Specialist Advises employers on compliance and retiree medical issues associated with health and benefits plan design, reporting, plan governance and administration	<ul style="list-style-type: none"> • 21 years of experience • 17 years at Mercer • JD
Kendra Lofgren <i>Principal</i> Portland	Pharmacy Consultant Advises employers about pharmacy issues and provides strategic guidance and expertise	<ul style="list-style-type: none"> • 30+ years of experience • 1 year at Mercer • AMCP

Predict the long-term ability of the team to build long-term relationships with the plan sponsor, and disclose upcoming changes such as retirements or mergers.

Long-term relationships with plan sponsor

We are fully confident in our ability to continue growing our relationship with the County in insightful and innovative ways. Just as we have over the course of our 30-year relationship, we will continue to listen carefully to your needs, questions and feedback and provide the County with customized solutions and strategies to help ensure the success of your plans over the long term. There are no planned retirements of the team for the next decade and no planned mergers or acquisitions that we have knowledge of at this time.

Upcoming changes

Please see our response to the following question above: ***“Describe any significant changes to structure or leadership, specifically within the benefits broker business, in the past three years, or any anticipated changes in the foreseeable future.”***

How is the performance of each account team member evaluated?

Mercer colleagues are accountable for delivering results – and for doing so in the right way. Each year, all team members work with their respective people manager to set performance and development goals measured throughout the calendar year. Goals align a colleague’s work with our clients’ and Mercer’s objectives and give a manager a framework for coaching, recognizing and rewarding the colleague. By year-end, colleague ratings are determined based on achievements. Goals vary based on the career level of the colleague but generally contemplate client delivery and relationship management, vendor management, project management, innovation/creativity and people development.

How does their performance impact compensation?

To attract, motivate and retain the very best employees, Mercer utilizes a total cash compensation approach that encompasses base pay, incentive bonus and benefits. Each year, we review the performance of our employees based on the attainment of their professional goals and contributions to our overall business objectives. This annual review results in salary increases and bonus awards based on the level of performance of the individual, their teams and Mercer overall, as well as in consideration of internal equity and market value issues. Mercer employees are not compensated based on retainer fees, commissions, or other client revenue.

Does the sponsor have any input in the process?

The process of listening to the voice of the client, understanding it and then acting on it is a key element in improving customer experience. Gathering this information via the County’s feedback helps us understand what our clients expect of us as their partners, enabling us to take action to meet those expectations. We collect feedback from our clients in several ways:

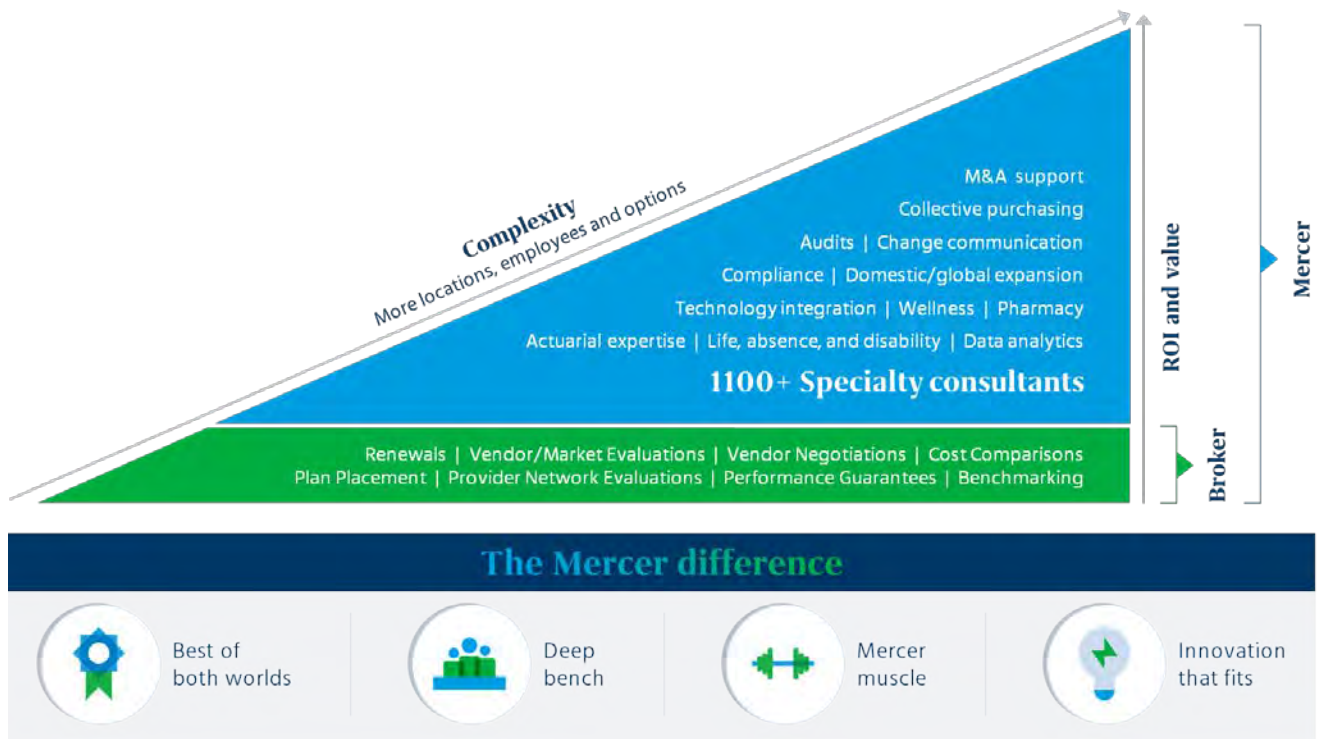
- Client Experience Measurement (CEM) interviews - Kirk Czonstka completed the most recent CEM interviews with the County on March 5th, 2020 and February 12th, 2019.
- Regular client and Mercer team interactions.
- Requests for feedback throughout the course of each client project.

CEM feedback, client satisfaction and client retention results are amongst several metrics contemplated when defining colleagues’ performance ratings and annual compensation changes. However, the County does not have any direct input on Mercer employees’ compensation.

What distinguishes you from other firms providing similar services?

When it comes to health and benefits advisory services, we know that you have many options from which to choose. By partnering with Mercer, the County not only receives highly effective brokerage via purchasing power that garners the best deals in the marketplace, but also strategic consulting on innovative, compliant and easily administered plans that truly engage your employees. Our brokerage and consulting services and

unparalleled depth of supporting resources are scaled to help you maximize the return on your benefits investment and provide optimal value for your organization — all through a highly-customized, high-touch approach designed to meet your unique objectives.



“This information (diagram) constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

Best of both worlds

Our core team members are **based locally** in Mercer’s Portland office for easy, in-person access when needed. They are well versed in the local market — and vendor marketplace. We use our proprietary Strategy for Action approach to develop a multi-year benefits strategy aligned with your financial objectives, guiding principles, overall reward programs and resource considerations. The result is a clear, integrated strategy that minimizes risk today and takes advantage of opportunities in the future. We will monitor your strategy against the changing benefits landscape, the continued impact of healthcare reform and your evolving needs.

The commitment, experience and proactivity of our **local team** is enhanced by the expertise, intellectual capital and thought leadership of our **national firm**. Together these powerful strengths deliver big results for our clients in every segment of the marketplace.

Deep bench

To help our clients achieve their benefits goals, our health consultants are supported by a deep bench of subject matter experts. They include:

Specialty groups		
Actuarial and financial	Managed pharmacy	Special risk
Data, technology and analytics	Performance audit	Stop loss
Life, absence and disability	Regulatory resources	Total health management

With these resources, we will help you develop a thoughtful, relevant benefits strategy for your toughest challenges.

Mercer leverage

Our position as one of the world's largest benefits brokerage/consulting firms gives us a **leading market share** with nearly every major group carrier and national administrator. This gives the County unparalleled access to the benefits market — enabling you to reap maximum value from the dollars you invest in your plans.

Our team will tap into Mercer's **Carrier Relations group**, which leads several programs to maximize vendor engagement. This includes our **Service Provider Program**, an arrangement with more than 50 vendors through which clients can access supplemental, advantageous services and products.

You can also maximize purchasing power through Mercer's **stop loss coalition**, which provides access to cost-effective stop loss coverage and an opportunity to share in the profits of the coalition vendor.

Innovation that fits

When you work with Mercer, you will find innovation reflected in our everyday culture. With our unique expertise and leverage, we ensure that the latest ideas are presented to the County. We will continue working with you to help you seize opportunities and guide your organization and people toward a better future.

Our **Center for Health Innovation (CHI)** is a testament to our commitment to innovation. Leveraging our industry-leading research and collaborating with our clients, Mercer consultants and other stakeholders, CHI team members develop and deliver innovative, market-leading solutions that are relevant to all employers. They also conduct market research and analysis to identify innovative start-ups and vendors that hold the potential to transform health and well-being strategies and programs in a meaningful way.

In the past 5 years, what benefits broker services have you provided to similar public entities (county, city, regional, or special district governments with about 2000 employees and 5500 covered lives?) Include examples of successes with other clients in union environments, and specific ways that health plan costs were managed.

Mercer has had the privilege of serving every County in the Portland-Vancouver metropolitan within the last decade. Currently we serve Clackamas County and Multnomah County and similar public entities like PEBB (Public Employees Benefit Board), TriMet and Portland Public Schools (School District No.1 Health and Welfare Trust). The health plans are managed to the specific needs of the client but are not that dissimilar to the County's. For instance, Mercer assisted the School District Trust in converting from a fully insured plan with Providence to a self-insured program, adding stop loss coverage and un-grandfathering their remaining grandfathered plans. This occurred near the end of the year, following bargaining, and despite the rapid call to action, the transition was flawless in execution for a January 1st effective date.

Mercer carved ESRD (End Stage Renal Disease) coverage out of TriMet's self-insured medical program and structured it as a standalone program with claims administered by a separate TPA. Had we kept it embedded with their current carrier, their costs would have increased five to six times what they had been paying. The cost increase was due to the unfavorable contract the carrier entered into with the dialysis providers. This innovative approach is projected to save TriMet millions over time and is likely to significantly reduce the impact on their stop loss level, experience and rates. In fact, we will be negotiating a rate credit with their stop loss carrier for this liability reducing action. Year after year, ESRD ranks as the third highest condition (behind cancers) impacting stop loss reimbursements.

For PEBB, we persuaded Moda to create their own custom-built concierge and advocacy platform. Moda contracted with various point solutions such as Livongo, Virta (diabetes prevention), Meru (behavioral health), and Cirrus (telemedicine). Moda acts as a single front door for all of these point solutions as well as PEBB's custom patient-centered medical home primary care model. This model exhibits the benefits of a connected ecosystem of member support.

We introduced diabetes management point solutions to Multnomah County for consideration due to their discontent with their carriers' Disease Management program. We are performing a pharmacy audit to identify weaknesses with their current carrier. Education and communication is the primary focus currently and we are assisting the County with those efforts.

In addition, we have successfully implemented HDHP's (High Deductible Health Plans) for public entity clients end to end, including plan design, ACA adherence, eligibility refinement, communication and education campaign design and execution, etc.

Budget constraints are common in the public arena, we worked with the respective medical carriers to provide pharmacy rebate payments in cash rather than credits against claims, in an effort to assist our clients to fund benefit related cost containment initiatives. This proved to be an innovative approach that was new to our clients and the carriers.

“This information (clients and client work) constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

2 Scope of work

Specifically describe how you would meet the requirements in Section 3, Scope of Work.

Mercer has exhibited the ability to perform all requirements as outlined in Section 3, Scope of Work over the course of time, in our long-standing relationship with the County. We will continue to expertly utilize best practices and processes like our **Five-Step Consulting Process, Strategy for Action framework** and **Strategic Placemat** to develop, test and deploy a **Multiyear Plan** that satisfies your goals and addresses your current and future workforce challenges. All the while, we will supplement this with recommendations and points-of-view on how the County can boldly shape its future workforce.

What are the services the brokerage firm provides to the plan sponsor to shape strategy and manage an employee benefits program? Please provide a sample of the materials and/or report summary sheets that you use as a part of your regular reviews.

Using Mercer’s proprietary **Strategy for Action** framework, we will continue to partner with the County to develop integrated, effective multi-year health and benefits strategies that align with your specific financial objectives, broad resource considerations and fundamental guiding principles. The integrated Strategy for Action planning process includes the elements described below, tailored to your preferred operating style.

STEP	ACTIVITIES
Understand Your Current State	Review the objectives and vision of key stakeholders, discuss performance, compare your program to relevant benchmarks, and evaluate key measures as a part of a benefits optimization review
Review the Current Environment	Explore key environmental influences and emerging market trends. Assess the “Vitals for Change” — actions every employer can take to help drive change in the healthcare environment
Evaluate Options	Examine the feasibility/fit of strategic options based on your objectives, the financial impact and your resource considerations
Deliver Strategy	Finalize multi-year roadmap with stakeholder-ready strategy and analysis

We will collaborate with you to help ensure that your multi-year strategy and roadmap are:

- Customized to your unique organization and talent strategy considerations
- Reflective of key stakeholder input
- Technically rigorous and sound
- Executable
- Flexible — to respond to dynamic market conditions
- C-suite ready

Key highlights of our proprietary Strategy for Action process include:

- **Inputs:** We will work with you to either validate or refresh current guiding principles or to establish guiding principles to document your key objectives and needs. We will continually test future considerations against these guiding principles. We will also conduct a comprehensive review of the external environment and a baseline benchmarking analysis to establish the appropriate foundation for the strategy.
- **Strategic Modeling:** We will evaluate potential strategic options for the County, as we work to help you manage costs, improve the experience for your employees, and optimize your design and administration. We will consider the financial and talent impact of various paths/scenarios, as well as test them against your guiding principles to confirm the right path forward.
- **Outputs:** At the end of the strategic process, the County will have a multi-year roadmap that we will implement and execute together, as well as a C-suite ready deliverable that demonstrates the thoughtfulness and due diligence of the HR/benefits team in mapping the right strategic course for the County against the backdrop of industry transformation.

Once the County's core strategy is defined and delivered, our team will partner with you to implement, review and revise goals on a continuous basis to ensure your health and measurement objectives are achieved and recognized by your employees and the broader market.

In addition, we will flex as situations dictate within the County. A perfect example of this occurred when our proposed strategic roadmap and multi-year plan were shelved in our recent annual strategy and planning meeting. The more pressing issue where we could better serve the County was to assist the Benefits Division with their budget alignment needs. Mercer's Financial Consultant team member, Joe Bober, was instrumental in working with the Benefits Division to produce a fiscally sound benefits budget and policy guidelines to ensure plan stability now and into the future. Joe is viewed as a credible subject matter expert by the BRC, particularly during the difficult benefit renewal the County experienced in 2016.

Samples of our Strategic Placemat and Multi-Year Plan are included in Appendix C of our response.

“This information (planning strategies) constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

What tools, resources and strategy would you give to County to stay compliant with legislation at a local, state and federal level?

We help our clients take action today for a better tomorrow. We will work with you to meet your employees' needs, while navigating the legal requirements of your benefits programs. With approximately 25 lawyers and regulatory specialists, our **Regulatory Resources Group (RRG)** delivers technical and regulatory compliance support, tools and services to make sure your employee benefit plans are efficient, effective and compliant with regulations.

We are fortunate to have Wade Symons, Mercer's national RRG leader housed in our Portland office. The County's Benefits Division is one of our most active client's utilizing his services. Wade also leads our annual Legislative Update Seminar. The seminar is a client interactive program providing the latest need to know legislative updates on both a national and local level, with lively discussion and Q & A. We are always pleased to see and welcome Jason Morrill as a regular attendee on behalf of the County.

The following services are included within the core services engagement:

- Local seminars and webinars led by our Portland-based ERISA attorney, Wade Symons.
- Resources and advice on the ACA, COBRA, HIPAA, USERRA, ERISA and the Tax Code. We have recently supported the County on projects related to COBRA and USERRA notices.
- Information on current or proposed legislation or mandates including healthcare reform
- Other optional services include:
 - Diagnostic and comprehensive compliance reviews
 - Plan document and summary plan description drafting
 - Communications, notice distribution and wording, and other disclosure issues

In addition, our RRG coordinates closely with our L&P group to determine how current and proposed regulations may affect your organization. In this way, we help you to see the whole picture and design your benefits to meet today's requirements while working toward what's next.

National Guidance

Mercer's **Law & Policy Group (L&P)** is a team of 13 lawyers, actuaries and technical experts who analyze health, wealth and legislative, regulatory, judicial and government relations issues. We have the insight, relationships and experience to provide expert analyses on federal and state benefit and leave laws, including relevant tax, actuarial and accounting issues, health and welfare plans for active and retired employees, healthcare reform, retirement plans — including qualified defined benefit (DB) and defined contribution plans and nonqualified deferred compensation plans — and voluntary benefit programs.

In addition, the L&P develops leading-edge intellectual capital — like GRISTs (Government Relations Information Systems Terminal) and the monthly Global Legislative Update — valued by Mercer consultants and clients alike. Our collaborative process results in a final product unmatched by any of Mercer's competitors, providing concise and "reader-friendly" articles that highlight relevant information, analyze legal issues and give specific action steps or considerations.

What knowledge, experience, tools, services and/or methods do you have for improving health outcomes and cost containment strategies?

Improving Health Outcomes

One of the first and most basic no or low cost opportunities for improving health outcomes is to take full advantage of the existing vendor services. This is achieved via improved employee engagement by creating greater awareness of available programs, education, regular communication and word of mouth. There are often vendor wellness dollars that are available to the County. The County has done a good job of taking advantage of those offerings in the past.

The depth and expertise of our Total Health Management (THM) solutions differentiate Mercer and make us a leader in assisting employers with wellness/health improvement-related initiatives and providing a comprehensive approach to total health management.

We consider the following as factors critical to the success of a THM strategy:

Data-driven and client-centric solutions that meet your needs more quickly and effectively

Employee engagement in health and programs

Strong clinically-focused care management system, particularly for those who have the most significant health needs

Work environment (policies and work practices) for employees that supports optimal health

Greater integration among health management functions and resources; elimination of redundancies and mixed messages

Managing health as a business strategy that affects business results; Mercer has the expertise to evaluate progress and continuously improve, using measurement to drive change

Innovative solutions: The health management and health IT space is constantly evolving. Mercer's dedicated Center for Health Innovation (CHI) group keeps current on and constantly evaluates new solutions and strategies developed and deployed in the US and globally

We have extensive experience helping employers build cultures of health and implement programs and campaigns to create accountable health consumers. We know that even the best THM strategy will not achieve results without:

- Endorsement and support from executive and board leadership.
- Easily understood programs tied to meaningful incentives.
- Committed vendor and consulting partners to help guide the program and ensure success.
- Targeted and ongoing communication and education.
- Ongoing measurement of results and adjustments to optimize program.

Our deep experience in developing wellness and total health management plans for clients of all sizes has helped us develop a variety of programs and related offerings. To assist our clients in these efforts, Mercer constructed a solution with the following aspects:

- We use a defined process and various tools to assist clients in the development or expansion of a wellness initiative.
- The solution is designed to be Mercer-led but "client-driven." It's your wellness/total health management program, not ours, and as a result, is more likely to be successful.
- Our process uses samples, examples and descriptions of strategies used by companies implementing successful wellness initiatives; it relies heavily on proven industry best practices.
- It's designed in a modular format and priced to keep cost manageable and maintain pricing flexibility.
- We ensure that our solution is sensitive to specific client needs, and can be delivered by local office/market resources, bringing in national experts when needed.

Cost Containment

To ensure that you are spending your benefit dollars efficiently, we review and consider a number of factors. We work with you to define cost and value, recognizing health plan benefits impact wellness, which can impact absenteeism and productivity.

Possessing intimate knowledge of the County's vendor partners and having a direct line of sight with their leadership has helped us achieve preferred and exclusive vendor pricing, solutions, contracting, and other advantages that benefit the County, contributing to their cost containment. For instance, we know the County's self-insured medical plan under Providence Health Plan (PHP) has a very favorable provider contract when it comes to ESRD (End Stage Renal Disease), which as we stated previously, is one of the most costly conditions impacting health plans and the respective stop loss reimbursements. In addition, Mercer has closely examined PHP's pharmacy program and found it to be the most transparent in the local marketplace and advantageous to the County, with true pass through rebate payments. This means greater benefit revenue return to the County.

Recent examples of cost containment success we have achieved on behalf of the County include:

- Transitioning the County from fully- insured to self-insured in 2015. This conversion helped the County save on state premium and ACA-related taxes over time, while enjoying the surplus when claim experience is under budget. These gains would not have been realized if the County remained under a fully insured arrangement.
- MetLife 2020 renewal savings of approximately \$34,000. The initial life renewal was a 20% reduction and Mercer negotiated a 30% reduction based on our underwriting analysis.
- Optum Stop Loss renewal savings of \$415,299 in 2017 and \$192,331 in 2019 due to Mercer negotiations. The average stop loss renewal increase for the 2017 – 2020 renewals was 7.0% when most in the marketplace are double digit increases.
- Optum has an experience refund endorsement provision in their contract and Clackamas County has received the following experience refunds:
 - ✓ 2016: \$47,788
 - ✓ 2017: \$284,783
 - ✓ 2018: \$190,272
 - ✓ 2019: Pending

“This information (cost containment strategies/ideas/results) constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

Even when we receive a vendor rate hold or reduction of rates (refer to the MetLife example above), Mercer is not content to auto-renew as many of our competitors may be inclined to. We go the extra mile to perform careful analysis to ensure the renewal is fair and advantageous to the County.

Given the new COVID-19 environment, we anticipate and are already seeing a greater adoption rate of virtual health services. The general population has had no choice but to embrace this technology while dental, medical and behavioral health facility access has been limited. The rising growth of this technology is a cost containment feature we see the County and their members taking full advantage of moving forward. Mercer will be there to assist in this effort.

We have discussed a variety of cost containment programs and ideas with the County, including stay at work and return to work programs, absence management, chronic condition point solutions, fiduciary audits, and other strategies and solutions to help achieve Performance Clackamas goals/objectives to improve overall population health. We are ready to mobilize any of these programs and resources when the time is right, so long as it is in alignment with the County's strategic initiatives, objectives and bandwidth.

What tools or methods do you use to determine whether County's benefits renewal proposals are competitive with similar organizations?

Mercer's health benefits research

Mercer maintains a four-person team dedicated to conducting survey research on employer-sponsored health benefits. In addition to conducting the nation's largest and most authoritative annual survey, we conduct frequent "hot topic" surveys to help our consultants and clients stay on top of the latest developments in the field. For example, we have conducted surveys on healthcare reform every year since 2009. Other recent surveys have collected detailed information on onsite health clinics. We also collaborate with the Health Enhancement Research Organization to conduct the ongoing HERO Health and Well-Being Best Practices Scorecard in Collaboration with Mercer®.

Mercer's National Survey of Employer-Sponsored Health Plans

Established in 1986, Mercer's National Survey of Employer-Sponsored Health Plans is the nation's largest, most authoritative annual survey on the topic of health benefits. It provides comprehensive data on employer health plan offerings and cost, as well as detailed plan design information for PPOs, HMOs, and consumer-directed health plans (CDHPs). Employers are asked about a broad range of cost-management strategies, with a focus on consumerism and employee wellness programs. With this information, we can analyze the effect of various strategies on cost. The survey includes separate questions on retiree medical benefits.

The survey uses a national probability sample of US employers with 10 or more employees (including local and state governments) stratified by employer size and region to ensure a representative mix of employers. Each year around 2,500 employers participate.

Because the database is so large, it is a powerful benchmarking resource. Mercer has developed a number of standard benchmark groups that employers can use to compare their programs to meaningful industry, size or geographic norms. We can also prepare custom analyses to your specifications. Our benchmarking tools are described below.

Benchmark reports – compare your program with those of your peers

This powerful report provides meaningful norms against which you can compare your health benefit program's cost and design features. The report provides over 100 key survey results broken out for employer groups that you select. You can choose custom groups based on any combination of industry, location and employer size, or a handpicked group of companies selected from our list of participants (any group must contain 10 or more employers to protect data confidentiality).

For example, a county government might ask to see results for:

- A group of 10 or more peer counties selected from the list of participants.
- All government employers in Oregon.
- All government employers with 500 or more employees nationwide.

Benchmark data can be provided for 45 industry categories and eight employer size groups, as well as by the four census regions, most states and many large cities.

Mercer's Survey on Absence and Disability Management

Demonstrates employer initiatives that have reduced costs and improved administrative efficiency through strategies for incidental absence and disability management, vacation plans, paid time-off banks, sick leave plans and disability benefits.

The Mercer team also relies on our vast industry experience. We compare the County to our local book of business. We also have conversations with our peers and leverage the insights shared and vendor concessions achieved with other similar clients, to benefit the County. We recognize that we can draw comparisons to a point, but also realize the County is unique with regard to their benefits, CBA's, contributions, culture, needs, etc.

Describe the technology tools you use and any you make available to your clients and if there are plans in place to enhance your current technology/tools.

Your consulting team will access and utilize a variety of proprietary tools to provide insight and guidance to the County throughout the term of our engagement. Our top priority is to help you improve the well-being of your organization and the lives of your employees through actions you take today.

To make smart decisions, you need relevant data and analysis that lets you see the whole picture. We provide these insights through our full range of health and benefits tools (over 30), including modeling and valuation tools, surveys, data warehouses, benchmarking studies, information portals and databases. The following represents some of those tools we may use through our partnership with the County.

- **Client Experience Reporting Tool (CERT).** A financial tracking tool developed for self-funded clients, it provides a comprehensive overview and dashboards of plan (medical/Rx, dental, vision) performance in various key areas, enabling us to track plan performance on a monthly, quarterly and semi-annual/annual basis.
- **Standard Mercer Rating Tool Enhanced Rating (SMRTER).** Supports the budgeting and renewal process for both self-funded and fully insured health plans by evaluating and projecting health plan costs.
- **Incurred-But-Not-Paid (IBNP) Valuation Model.** We use the IBNP valuation model to value unpaid claims liabilities. The model estimates a client's IBNP liability at a given valuation date and can also project that liability to a later date (if needed). Historical claims payment patterns (as exhibited in claims lag triangles) are extrapolated and adjusted for seasonality and trend to estimate ultimate incurred claims. While providing a fair amount of flexibility in setting assumptions, the IBNP valuation model ensures that our consulting actuaries use a consistent platform for calculations and consider all of the IBNP liability components.

- **MedPrice.** Accesses a national database of more than \$5.7 billion in covered claims data from our clients, developing relative values by re-pricing claims based on underlying data and specific plan designs.
 - **ASO Fee Benchmarking Tool.** Benchmarks administrative service only (ASO) fees relative to employers with a similar basket of services. This robust database provides benchmark data for more than 1,000 organizations across the US and includes data on base ASO fees, as well as fees for utilization review, pharmacy, banking, nurse line, behavioral health, dental, vision and many other common administrative fees.
 - **Claims Risk and Fluctuation Tool (CRAFT).** Measures variability of health plan costs, simulates your annual health claims spend, illustrates the variability of annual claims, provides a suggested claims fluctuation margin for budgeting, and performs self-funding versus insuring analysis.
 - **Health Care Reform Models/Tools.** Quantifies the financial impact of healthcare reform, including fees, Grandfathered Health Plan Cost-Sharing and various measurement and pricing strategies.
 - **Medical Network Provider Contracting Analysis (NetPiC).** Presents negotiated health plan provider fees on a comparable basis, by analyzing fee arrangements between providers and the largest US health plan vendors.
- Dental Network Provider Contracting Analysis (NetPiC).** Helps us evaluate provider contracts with the major carriers, in specific regions and across the US, on a normalized basis — with a disruption analysis to compare network use across vendors.
- **Stop Loss Pricing Model.** Provides one data point for a client regarding potential large claim activity and the cost associated with stop loss coverage.

We constantly evaluate, evolve, and innovate our tools and technology to meet the demands of the market, competitors and most importantly, our clients. Internally, many of our colleagues develop tools that have allowed them to solve a client problem or help them work smarter. They then share these tools via our enterprise wide community forums, local market meetings with peers and other means.

“This information (technology tools) constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

Do you provide premium rates for Retirees and imputed income calculations? Do you provide an annual summary report of updated rates for all plans? If so, please provide a sample page of rates.

Yes, Mercer can provide the County with separate premium rates for retirees as well as imputed income rates for domestic partners. This is a routine part of our annual rate development during the renewal process. As we do now, we can also provide a summary report memorializing the final decisions, plan changes, rates and contributions for the coming plan year. A sample can be found in Appendix C of our response.

4 References

Provide at least three (3) references from clients your firm has served similar to County in the past three (3) years, including one client that has newly engaged the firm in the past thirty-six (36) months and one (1) long-term client. Provide the name, address, email, and phone number of the references. Please note the required three references may not be from County staff, but additional references may be supplied.

We anticipate that most of the clients we work with today will be the same clients we will work with tomorrow and in the weeks, months and years to come.

As requested, we have provided references for three current clients similar to the County in terms of size, sophistication, represented and non-represented members, time commitment and common challenges. In consideration of our clients’ day-to-day responsibilities and busy schedules, we would like to let them know when to expect your call. Therefore, we request that you notify Keith Storie, before contacting the references provided.

Multnomah County, Oregon

Contact Information	Kelly Klein, Benefits & Wellness Manager 1501 SE Hawthorne Blvd., Suite 320 503-988-7619 Kelly.klein@multco.us
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TriMet

Contact Information	Heidi Vass, Manager, Benefits 1800 SW 1st Ave., Suite 300, Portland, OR 97201 503-317-1644 VassH@TriMet.org
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School District No. 1 Health & Welfare Trust

Contact Information	Ligena Hein, Director of Benefits 501 N Dixon Street 503-703-9674 lhein@pps.net
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“This information (clients) constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

5 Proposal certification

Proposal certification follows on next page.

PROPOSAL CERTIFICATION
#2020-38 Employee Benefits Broker

Submitted by: MERCER HEALTH & BENEFITS LLC, DELAWARE
(Must be entity's full legal name, and State of Formation)

The undersigned, through the formal submittal of this Proposal response, declares that he/she has examined all related documents and read the instruction and conditions, and hereby proposes to provide the services as specified in accordance with the RFP, for the price set forth in the Proposal documents.

Proposer, by signature below, hereby represents as follows:

- (a) That no County elected official, officer, agent or employee of the County is personally interested directly or indirectly in this contract or the compensation to be paid hereunder, and that no representation, statement or statements, oral or in writing, of the County, its elected officials, officers, agents, or employees had induced it to enter into this contract and the papers made a part hereof by its terms;
- (b) The Proposer, and each person signing on behalf of any Proposer certifies, in the case of a joint Proposal, each party thereto, certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief:
1. The prices in the Proposal have been arrived at independently, without collusion, consultation, communication, or agreement for the purpose of restraining competition as to any matter relating to such prices with any other Proposer or with any competitor;
 2. Unless otherwise required by law, the prices which have been quoted in the Proposal have not been knowingly disclosed by the Proposer prior to the Proposal deadline, either directly or indirectly, to any other Proposer or competitor;
 3. No attempt has been made nor will be made by the Proposer to induce any other person, partnership or corporation to submit or not to submit a Proposal for the purpose of restraining trade;
- (c) The Proposer fully understands and submits its Proposal with the specific knowledge that:
1. The selected Proposal must be approved by the Board of Commissioners.
 2. This offer to provide services will remain in effect at the prices proposed for a period of not less than ninety (90) calendar days from the date that Proposals are due, and that this offer may not be withdrawn or modified during that time.
- (d) That this Proposal is made without connection with any person, firm or corporation making a bid for the same material, and is in all respects, fair and without collusion or fraud.
- (e) That the Proposer shall use recyclable products to the maximum extent economically feasible in the performance of the contract work set forth in this document.
- (f) That the Proposer accepts all terms and conditions contained in this RFP and that the RFP and the Proposal, and any modifications, will be made part of the contract documents. It is understood that all Proposals will become part of the public file on this matter. The County reserves the right to reject any or all Proposals.
- (g) That the Proposer holds current licenses that businesses or services professionals operating in this state must hold in order to undertake or perform the work specified in these contract documents.
- (h) That the Proposer is covered by liability insurance and other insurance in the amount(s) required by the solicitation and in addition that the Proposer qualifies as a carrier insured employer or a self-insured employer under ORS 656.407 or has elected coverage under ORS 656.128.
- (i) That the Proposer is legally qualified to contract with the County.
- (j) That the Proposer has not and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation, gender identity, national origin, or any other protected class. Nor has Proposer or will Proposer discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.

Appendix A: Trade Secrets

- 1. What distinguishes you from other firms providing similar services.....PG. 9
- 2. Client success examples.....PG. 11
- 3. Scope of Work – Mercer’s Strategy for Action, etc.....PG. 12-13
- 4. Improving Health Outcomes and Cost Containment.....PG. 14 - 16
- 5. Mercer technology tools.....PG. 18 - 19
- 6. Fees and compensation.....PG. 20 - 21
- 7. References.....PG. 23
- 8. Work Samples.....Appendix C

Appendix B: Team Biographies

Keith Storie – Principal



Keith is a principal with Mercer Employee Health & Benefits in Portland, Oregon. He joined Mercer in April 2015 after 28 years working in employee benefits for several group life and disability vendors.

In his role as lead consultant, Keith helps his clients develop cost effective plan designs, evaluate funding and risk transfer alternatives, select appropriate vendors, identify outsourcing opportunities, consult on communication strategies and guiding principles to help them achieve short- and long-term strategic goals.

Keith works almost exclusively with public and government entity clients, including the School District No.1 Health and Welfare Trust, Clackamas County, TriMet and Medford School District. He enjoys working with labor and management trustees and Benefit Committees with their diverse backgrounds and perspectives.

Keith has earned the professional designations of Registered Health Underwriter (RHU), Certified Professional Disability Management (CPDM), Fellow Life Management Institute (FLMI) and Associate Life Health Claims (ALHC). He earned his Bachelor of Science degree from the University of Oregon.

Laura Bergerson – Principal



Laura is a principal with Mercer Health & Benefits business in Portland, Oregon. In this role, she is responsible for client account management and strategies for her clients' benefit programs. This entails establishing objectives/strategic planning, health plan design, financial structure, carrier/vendor negotiations, selection and implementation, education on health care trends, best practices, access to specialty practices, communication strategies, wellness/health management program development, and overall service delivery.

Laura has 30 years of experience in employee benefits consulting with Mercer and has worked with private and public employers of all sizes. She holds a BA in social science/secondary education from Western Oregon University.

Joe Bober – Senior Associate



Joe has been with Mercer for over 21 years and is a senior associate. He also spent almost five years as a risk manager in the private sector. He is located in Roseburg, Oregon. Joe has expertise in benefit strategy, small to large case underwriting, carrier negotiations, plan design strategy, and alternative funding arrangements.

Joe received a BS in Mathematics from Oregon State University and has received his Certified Employee Benefits Specialist (CEBS) designation.

Dani Herrst – Senior Analyst

Dani joined Mercer, but has two years of experience in the industry. In this role, she assists senior consultants with client communications, RFPs, data collection and report analyzation. Most recently, Dani has spent time at Nike within their Total Rewards Benefit COE as a Benefits Analyst assisting in benefits plan design changes. Before that she was in Legal Claims as a Workforce Coordinator at Epiq, working on interdepartmental organization and employee intake

Dani Received a BS in Marketing from Portland State University with a broad focus in advertising and communications.

Kirk Czonstka, GBA – Principal

Kirk is the Office Business Leader for the Portland office of Mercer Employee Health & Benefits serving Oregon and Southwest Washington. In this role, he is responsible for client management, business development, operational management and people development. He joined Mercer's Portland office in July 2018 after spending 12 years in Mercer's Philadelphia office.

Prior to this role, Kirk served in a variety of roles that included business development across Mercer's health, wealth and career lines of business, managing and evolving Mercer's national private exchange product offering, partnering with senior US insurance carrier leadership, and providing health and welfare program consulting to large and jumbo employers.

He joined Mercer in May 2006, following receipt of his BBA in Risk Management & Insurance from Temple University, where he graduated Magna Cum Laude. He is an active member of the Pacific Northwest ISCEBS board of directors.

Appendix C: Work Samples

Please refer to work samples in separate attachment.

“This information (Work Samples) constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

Mercer Health & Benefits LLC

111 SW Columbia St # 500
Portland, Oregon 97201
www.mercer.com



**EXHIBIT D
FEE SCHEDULE**

Ms. Tamra Dickinson
Benefits and Wellness Program Coordinator
Clackamas County Human Resources
2051 Kaen Road, Suite 310
Oregon City, OR 97045

Dear Tamra:

Mercer is agreeable to the terms that Clackamas County proposed with selecting our Option 1 proposal from our RFP response and using the CPI metric tied to an increase in fee for years four and five of the contract, with a minimum of 1% and a maximum of 3%.

Effective Date	Year	Flat Annual Fee
1/1/2021	1	\$155,135.00
1/1/2022	2	\$163,300.00
1/1/2023	3	\$168,199.00
1/1/2024	4	*Year 4 will be a fee increase of Year 3, with a minimum of 1% and a maximum of 3% based on the US Consumer Price Index, CPI-W: West Urban Annual Average, as reported by the U.S. Department of Labor
1/1/2025	5	*Year 5 will be a fee increase of Year 4, with a minimum of 1% and a maximum of 3% based on the US Consumer Price Index, CPI-W: West Urban Annual Average, as reported by the U.S. Department of Labor

*Note: The Average of the calendar year is published with a time lag after December 31st. Therefore, the January payment in a new contract year may need to be an additional 1%, and trued up in February to account for the new rate in January and February.

Sincerely,



Keith Storie
Principal