City of Danville RFP

Benefits Consulting and Brokerage Services

February 10, 2020

SCOPE OF SERVICES

FNB Insurance Services would very much like to be the new broker of record for the City of Danville's self-insured medical and fully insured ancillary insurance employee benefits.

If chosen, Valery McMann will be the lead broker and Tina Culp will be the assistant broker. Valery has been insurance licensed for over 20 years while Tina has been licensed for 15 years.

FNB Insurance Services will bring the City of Danville a unique situation – local self-funded experience right down the street!

One of the great things about self-funded health insurance is the ability to be a bit more creative than traditional insurance is these days. You are able to access information on what types of claims are costing your plan the most and tweaking things to address those issues. We have worked with self-funded plans since 2000. We act as the broker for the self-funded Farmers National Bank plan. In other words, "we practice what we preach!"

The City of Danville is unique in that it pays 100% of the premiums for employees and dependents. If costs are to be controlled, this is one area that must be examined. Changes will not be popular but may be required.

We will look at ways to save the City money while impacting employees least negatively. This will require analyzing the current plan and network.

Farmers National Bank is known for our commitment to the communities we serve. As Danville succeeds, so too does our bank and so too does City government. This commitment also applies to our feeling about providing customer service. The FNB Difference is – "I care about serving you. I give back to my community. I demonstrate uncompromising ethics in all that I do.

We are able to locally help employees who leave employment and need other coverage either through Medicare or individual coverage. Being local also means increased availability for City meetings.

Valery McMann is a Certified Financial Planner (CFP®) which indicates her commitment to helping clients make good plans. We hope we are able to demonstrate our qualifications.

CONSULTANT PROPOSAL REQUIREMENTS

I. Brokerage Services

a. Attached are broker licenses for Valery McMann, Tina Culp and Farmers National Bank

b. FNB Insurance Services is a department of Farmers National Bank. Farmers National Bank has been operating since 1879. FNB Insurance Services began operations in 2005. Since that time, we have developed a reputation of excellent service and responsiveness in the insurance area. We adhere to the FNB Difference – "I care about serving you. I give back to my community. I demonstrate uncompromising ethics in all that I do."

c. FNB Insurance Services does not have any contractual relationships that are necessary for our proposal's implementation.

d. 15 years.

e.

Client Name	Services Provided	Benefit Programs Addressed	# of covered employees	Contact Name and Number
Boyle County Fiscal Court (2005-2019)	Self-funded health insurance, analyze and suggest benefit enhancements and cost containment, enrollment meeting support, wellness program support problem solving, customer service, premium and COBRA calculations	Health, dental, vision, HRA	181	Mary Conley 859-238-1118
Beto & Bogardus (2013-Current)	Quoting, enrollment	Health, dental, vision, life	14	Jessica Swaidner 859-239-0050

Danville Pediatrics (2000-Current)	Quoting, enrollment meeting support	Health, dental, vision, life, disability, HSA	30	Janet Stringer 859-209-4654
Sheehan, Barnett, Dean, Pennington, Dexter & Tucker, P.S.C. (2015-Current)	Quoting, enrollment	Health	13	Barbara Ayers 859-236-2641

f. Renewal Process:

Evaluation (one week): First step is to evaluate current plan, including benefits, premiums paid and customer service. Will look for potential cost savings and/or benefit enhancements that might be implemented with the renewal.

Quoting (three weeks): Based on what the City of Danville is looking for we will send RFPs to appropriate carriers in order to find the best combination of rates and services. We will negotiate premiums and advocate for you, our client.

Implementation (three weeks – six weeks): We will work carefully with the new or existing provider(s) to make sure that all information is conveyed accurately and benefits are correct. We will attend enrollment meetings and communicate with employees as much or as little as the City of Danville wishes.

g. Communication is the key to a smooth transition. We will leverage existing relationships with carriers and TPAs to make sure benefit plans are implemented correctly. We will work with City staff to communicate changes to staff through enrollment meetings, handouts and/or electronic media. When problems do arise, we will deal with them immediately and thoroughly.

h. FNB Insurance Services is probably not the biggest or the fanciest broker from whom you receive an RFP. However, it is probably the only broker

who has the same commitment to seeing our community succeed as you do. In addition, we are one of the only local brokers who has experience with self-funded plans. We act as our own broker for the Farmers National Bank self-funded plan.

i. Because self-funded plans require a Third-Party Administrator (TPA) we rely on the TPA to assist with benefit plan compliance issues. As part of our quoting/renewal process we will evaluate each TPA's suitability in this area.

II.

a. We work with each client to find a COBRA provider. The costs can vary based on who is selected.

b. We do not provide HIPAA administrative services.

III.

a. The biggest driver of healthcare costs is claims. Employers have some control over claims, but not total control. Below is a list of some of the things we have implemented on behalf of clients to help control costs:
    i. Wellness programs
    ii. Incentive programs to encourage employee screenings and other preventative measures
    iii. Smoking cessation programs
    iv. Incentives for employees or dependents who have coverage elsewhere to take that coverage
    v. Implementation of a two-tier plan. Tier one is free to employee and tier two requires a "buy-up."

b. Improving the quality of benefits can be done by first evaluating what is liked and disliked by employees and employer. If the likes can be fixed in a cost-efficient way, then by all means, let's do it. The quality of benefits should be reflected, in part, by the health of employees. If there are benefits that are not understood or utilized, let's make sure that changes. Additionally, make sure employees understand just how valuable their benefit plans are.

PROPOSED RESOURCES
Lead Consultant: Valery McMann
Project Team: Tina Culp

Additional Information about Lead Consultant and Project Team:

Valery McMann graduated from Rhodes College with a degree in business and economics. In 1999 she moved to Danville to join her father in his insurance and investment business. In 2005, they merged Messer McMann Investments into Farmers National Bank. In 2007, Valery earned her Certified Financial Planner designation. This involves a two-year course on subjects including insurance, investments and income taxation.

Valery currently serves as the Chairperson of Heart of Danville and Chair of the Budget and Finance Committee at the Presbyterian Church of Danville. Valery is a graduate of Leadership Boyle County and is a past Rotary Club president.

Tina Culp graduated from Sullivan University with a degree in computer science. She held the position of Information Systems Manager with McClane Cumberland in Nicholasville prior to switching to a career in insurance. In 2005, working for Mercer County Farm Bureau, she obtained her property and casualty insurance license. In 2007, she followed this with her health insurance license and then in 2014 her life insurance license. She joined Farmers National Bank in 2014 in the position of assistant to Valery McMann.

Tina has served as secretary of the Mercer County Habitat for Humanity and the Christian Life Center as well as treasurer of the Mercer Youth Soccer Association.

ACKNOWLEGEMENTS

_____We acknowledge that we take no exceptions to the specifications.

_____We acknowledge that service will commence within City's required time frame.

FNB Insurance Services

Valery M. McMann
Vice President 2/10/2020