Sussex County Government

REQUEST FOR PROPOSAL

Medicare-Eligible Retiree
Medical & Prescription Drug Carve-Out

November 13, 2026

Prepared by:

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RFP item	Description
Employer	Sussex County Government 2 The Circle, P.O. Box 589 Georgetown, DE 19947
RFP contact	Current broker/consultant (fee based / no commissions) Insurance Buyers' Council, Inc. Steve Fallon (sfallon@consultibc.com) and Becky Dempsey (bdempsey@consultibc.com)
RFP issue date	November 13, 2026
Vendor request for data package due	November 23, 2026
Vendor questions due	November 23, 2026
Responses due (Mailed or Hand Delivered)	**December 2, 2026, by 3:00pm EST**
Finalist presentations	January 27-29, 2027
Target effective date	May 1, 2027
Contract Length	Seeking a one-year contract with an option for renewal
Commission Requirement	Quote net of all commission and marketing fees. Any third-party sales or marketing compensation must be disclosed.
Current administrator / PBM	Highmark
Expected eligible retiree population	171 retirees (an additional 59 dependents)
Submission method	Mail or Hand Deliver

1. Public Advertisement – Request for Retiree Carve-Out Services

Sussex County Government (SCG) desires to select a qualified vendor to provide a fully insured Medicare-eligible retiree medical and prescription drug solution. SCG currently sponsors a self-funded retiree medical program through Highmark and is evaluating a carve-out for Medicare-eligible retirees. The objective is to reduce costs, improve member experience and access to coverage, establish predictable and transparent employer costs, and reduce administrative complexity and risk while maintaining appropriate retiree support.

SCG will not consider Medicare Advantage or standalone retiree drug solutions. Vendors must clearly distinguish products they underwrite or administer from brokerage, enrollment, navigation, reimbursement, and administrative services. SCG is not committing to any particular model by issuing this RFP.

The criteria for selection shall include: total employer cost and transparency; retiree experience and enrollment support; coverage, network and drug access; implementation and transition risk; administration, integration and reporting; compliance, privacy and security; and vendor experience and stability. The award shall be made in writing to the respondent(s) determined to be the most advantageous to Sussex County taking into account the evaluation criteria set forth in the RFP. No other factors or criteria will be used in the evaluation.

Interested parties must submit five (5) written proposals to the Sussex County Human Resources Department, Attention: Karen Brewington, Director Human Resources, Administrative Office Building, 2 The Circle, Georgetown, DE 19947, by 3:00 p.m. EST, December 2, 2026, at which time the proposals will be publicly opened, reading aloud and recording only the name of the respondent(s). All other information shall be confidential. To be considered, priced proposals must be submitted in writing and respond to the items outlined in the request for proposal (RFP). The award shall be made to the responsible respondent whose proposal is determined to be the most advantageous to the County.

The request for proposals may be obtained by visiting Sussex County's website https://sussexcountyde.gov/legal-notices/bids. A request for the data package and any questions regarding the RFP should be sent to Stephen Fallon and Becky Dempsey via email at sfallon@consultibc.com and bdempsey@consultibc.com by November 23, 2026. In its sole discretion, Sussex County, Delaware, may extend the time and place for opening of bids from that described in the advertisement by providing not less than two (2) calendar days' notice, by posting an Addendum on the Sussex County website and by providing notice thereof by certified delivery, or other electronic means such as email, to those potential respondents who obtained copies of the RFP.

2. Instructions for Proposals

Each written proposal must be submitted in a sealed envelope, addressed to Mrs. Karen Brewington, Director Human Resources, Sussex County Administrative Office Building, 2 The Circle, P.O. Box 589, Georgetown, DE 19947. Each sealed envelope containing a proposal must be plainly marked on the outside as "2027 Retiree Carve-Out Proposal" and bear the name and address of the respondent. If sent by mail, the sealed envelope should be sent by certified mail and be indicated as received on the certified receipt prior to the Bid Opening. Late bids will not be accepted. Sussex County may extend the time and place for opening of bids from that described in the advertisement, by providing not less than two (2) calendar days' notice, by posting an Addendum on the Sussex County website and by providing notice thereof by certified delivery, or other electronic means such as email, to those potential respondents who obtained copies of the Request for Proposals.

Sussex County reserves the right to reject any and all bid proposals, to waive any informalities in bids received, except with respect to the date, time and place where the documents are submitted, to cancel this RFP in whole or in part, to award services to more than one firm, to reissue this RFP and/or to accept or reject items of bids received. In the event this RFP is cancelled in whole or in part prior to the opening of proposals, all respondents shall receive a notice of cancellation and all proposals received shall be returned to the respective respondents unopened.

FAX or emailed proposals will not be accepted.

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The request for proposals may be obtained by visiting Sussex County's website https://sussexcountyde.gov/legal-notices/bids. A request for the data package and any questions regarding the RFP should be sent to Stephen Fallon and Becky Dempsey via email at sfallon@consultibc.com and bdempsey@consultibc.com by November 23, 2026.

Mailing and Delivery Address: Mrs. Karen Brewington, Director Human Resources
Sussex County Government Human Resources Department
Administrative Office Building
2 The Circle
P.O. Box 589
Georgetown, DE 19947

Email for Data and Questions: sfallon@consultibc.com and bdempsey@consultibc.com

3. Client Description

Sussex County is Delaware's largest county. Sussex County, Delaware is bordered on the east by the Atlantic Ocean, on the north by Kent County, Delaware, and on the south and west by the portion of the State of Maryland east of the Chesapeake Bay.

The Town of Georgetown is the county seat. The county is governed by a county council form of government. The County is financially and operationally responsible for sewage collection, paramedic services, planning and zoning, and libraries. The County also owns and maintains the Delaware Coastal Airport (the airport is operated by an independent contractor, Georgetown Air Services, LLC). For more information, please visit: https://www.sussexcountyde.gov.

Insurance Buyers' Council, Inc. serves as the consultant for medical, pharmacy and stop loss oversight, management and placement.

Please Note: Prospective providers are cautioned against attempting to unduly influence the selection process by contacting representatives of the County, its elected officials, and Insurance Buyers' Council, Inc. Any such effort(s) may be grounds for disqualification.

4. RFP objectives

- Compare feasible coverage and administration models for Medicare-eligible retirees and eligible dependents.
- Obtain transparent, comparable pricing, including fixed fees, variable fees, commissions, pharmacy rebates or other compensation, and one-time implementation costs.
- Understand provider and pharmacy access, plan availability by retiree residence, and potential disruption from current coverage.
- Evaluate enrollment, Medicare education, ongoing service, escalation handling, and support for retirees with different levels of digital access.
- Confirm compliance responsibilities, data protection controls, transition support, and operational readiness for the target effective date.
- Quantify employer financial exposure under clearly stated participation, contribution, and plan-design assumptions.

5. Scope and proposal structure

Vendors should respond to every applicable requirement using the response codes below. If a service is provided by a subcontractor or partner, identify the entity and explain the contractual and operational relationship.

Code	Meaning
Yes / Included	Available within the proposed solution and included in the quoted price.
Optional / Additional fee	Available but requires an additional charge; itemize the charge.
Partner / Subcontractor	Provided by a named third party; disclose roles, fees, data flows, and accountability.
No / Not available	Not offered; explain any alternative.
Not applicable	Explain why the requirement does not apply.

6. Employer profile and data supplied (Attachments)

Final population and plan details will be provided in a separate, secure census and plan-data package and will be provided upon request (see Section 2 for instructions). The figures below are placeholders.

Information	Employer input
Retiree population	Number of Medicare-eligible retirees: 171; Covered dependents: 59
Geographic distribution	See census file.
Medicare status	All enrollees currently enrolled in Medicare Parts A and B.
Current retiree plan	See Medicfill plan design.
Current claims and utilization	See claims reporting.
Employer contribution policy	Employer contribution based on years of service. See rate file and census file.
Desired member experience	Phone, in-person, online, accessibility as-needed
Retiree Drug Subsidy amounts	See RDS Summary.
Claims at/above 50% spec	None.

7. Solution options and required alternatives

At minimum, vendors should state whether they can support each model and submit a detailed proposal for every model they recommend. Do not blend materially different models into one un-itemized price.

Model	Description / required clarification
A. Individual Medicare plan support	Support retirees choosing Medicare Supplement coverage. Explain enrollment assistance, plan comparison, claim inquiries and related member services.
B. Prescription drug carve-out	State whether a separate employer-sponsored retiree Rx option is feasible and describe if your firm will utilize an EGWP or Part D approach. Describe coordination, plan sponsor responsibilities, subsidy implications, and any limitations.
C. Integrated recommendation	Explain recommended model, why it fits the census, alternatives considered, transition risks, and assumptions requiring employer decisions.

8. Vendor questionnaire

8.1 Vendor profile, experience, and financial stability

ID	Question / Required response	Vendor response / reference
V-01	Provide legal entity name, headquarters, ownership, years in business, and relevant business units.	
V-02	Describe experience with self-funded employers transitioning Medicare-eligible retirees to a Medicare supplement or administration model.	
V-03	Provide at least three employer references with similar retiree population, size and solution; include effective date, population, and reference contact name, email and phone number (with permission). References should be included for all subcontractors included in section V-04.	
V-04	Identify all carriers, TPAs, enrollment firms, brokers, call-center vendors, and subcontractors involved. Provide a responsibility matrix.	
V-05	Provide financial stability information, applicable ratings, business continuity arrangements, and material litigation or regulatory matters relevant to the proposed services.	
V-06	Describe your implementation capacity and current client load for the target effective date.	

8.2 Proposed model and plan availability

ID	Question / Required response	Vendor response / reference
S-01	Describe each recommended solution, the legal entities providing coverage and services, and which party bears insurance or claims risk.	
S-02	List plans available by state/county or ZIP, including plan type, network, carrier, service area, and effective date. Itemize any deviations based on state or zip code.	
S-03	Explain whether medical, Part D drug coverage, dental, vision, hearing, OTC allowances, and other supplemental benefits are included or optional.	
S-04	Describe eligibility rules, dependent and survivor coverage, spouse age-in transitions, late retirees, rehires, and exceptions.	
S-05	Explain coordination with Original Medicare, Medicare Advantage, Medigap, Part D, Medicaid/dual eligibility, and other coverage, as applicable.	
S-06	Identify limitations for retirees with ESRD, disability-based Medicare eligibility, residence outside the service area, or temporary/permanent moves.	
S-07	Provide plan documents, summaries of benefits, evidence of coverage, formularies, provider directories, and sample member materials.	
S-08	Describe how the solution handles a retiree who declines enrollment, misses an enrollment window, or later wishes to change coverage.	

8.3 Network, access, and disruption

ID	Question / Required response	Vendor response / reference
N-01	Provide provider and facility network information by retiree ZIP, including methodology and date of data.	
N-02	Describe the process for checking current providers, specialists, hospitals, and ongoing treatment before enrollment.	
N-03	Complete network disruption analysis and quantify estimated provider disruption using the employer's provider file; disclose match rate, limitations, and assumptions.	
N-04	Describe out-of-network benefits, referral requirements, prior authorization, continuity-of-care protections, and appeal pathways.	
N-05	Explain access for rural retirees, retirees living in multiple states, and retirees who travel or reside seasonally in another state.	
N-06	Describe telehealth access, accessibility accommodations, language support, and non-digital service channels.	

8.4 Prescription drug coverage

ID	Question / Required response	Vendor response / reference
RX-01	Explain whether EGWP or Part D coverage is bundled or separate, and identify the administrator and pharmacy benefit administrator.	
RX-02	Provide formulary, pharmacy network, utilization management, prior authorization, step therapy, and quantity-limit information.	
RX-03	Describe transition fills, exceptions, appeals, specialty drug access, mail order, and continuity for active therapies.	
RX-04	Provide a process to assess potential disruption using available drug utilization data, including limitations and privacy controls. Provide a formulary disruption analysis using the attached drug utilization file.	
RX-05	Disclose all drug-related fees, rebates or other remuneration relevant to the proposed arrangement and explain what is passed through, retained, or not applicable.	
RX-06	Explain how the proposal affects any employer eligibility for retiree drug subsidies or other Medicare-related financial arrangements, if applicable; identify required specialist review.	

8.5 Enrollment, communications, and member service

ID	Question / Required response	Vendor response / reference
M-01	Describe the end-to-end enrollment experience, channels, decision support, and how plan comparisons are presented without steering improperly.	
M-02	Provide a retiree communication calendar, sample letters, guides, presentations, FAQs, and accessible formats.	
M-03	Describe phone support, operating hours, seasonal capacity, wait-time targets, call recording/quality monitoring, and language services.	
M-04	Explain how the vendor supports retirees who are not comfortable online, need authorized-representative support, or require accessibility accommodations.	
M-05	Provide service-level commitments for calls, cases, enrollment corrections, escalations, complaints, and appeals.	
M-06	Describe how unresolved member issues are escalated to SCG and how status and resolution are reported.	
M-07	Explain annual enrollment, qualifying life events, address changes, loss of eligibility, death, and dependent changes.	
M-08	Provide member satisfaction measures and reporting frequency; include any guarantees or service credits.	
M-09	Describe customer service training currently in place in regard to retiree sensitivity.	

8.6 Administration, data, reporting, and integration

ID	Question / Required response	Vendor response / reference
A-01	Provide a responsibility matrix for eligibility, enrollment, billing, contribution administration, plan changes, and member issue resolution.	
A-02	List inbound/outbound data feeds, formats, frequency, validation, reconciliation, error correction, and ownership.	
A-03	Describe integration with current HRIS/benefits administration, payroll or retiree billing, finance, and other vendor systems.	
A-04	Provide sample monthly/quarterly reports for enrollment, service, complaints, plan choice, disenrollment, costs, and implementation.	
A-05	Describe audit trails, data retention, record correction, access controls, and how the employer receives data at termination.	
A-06	Explain premium/contribution collection, reconciliation, refunds, delinquency, and billing disputes, if applicable.	
A-07	Describe runout, claims/data access, records transfer, and transition support at termination.	

8.7 Compliance, privacy, and risk

ID	Question / Required response	Vendor response / reference
C-01	Provide a compliance matrix identifying which party is responsible for Medicare, Part D, ERISA, HIPAA, ACA, HRA, COBRA, state insurance, and other applicable requirements. Mark legal determinations that require employer counsel.	
C-02	Describe required employer decisions, notices, disclosures, plan documents, amendments, and participant communications.	
C-03	Describe HIPAA privacy/security controls, minimum-necessary practices, encryption, access controls, incident response, and breach notification timing.	
C-04	Provide relevant security certifications/assessments (e.g., SOC 2), penetration-test summary, cyber insurance, and subcontractor controls.	
C-05	Disclose data hosting locations, subprocessors, retention/deletion practices, and any use of data for analytics, marketing, or model training.	
C-06	Describe complaint, appeal, grievance, external review, and regulatory inquiry handling responsibilities.	
C-07	Identify potential conflicts of interest, sales compensation, commissions, referral payments, and any incentives affecting plan recommendations.	
C-08	Confirm willingness to execute required business associate agreements, data protection terms, service-level agreements, and audit rights where applicable.	

8.8 Implementation and ongoing governance

ID	Question / Required response	Vendor response / reference
I-01	Provide a dated project plan from contract signature through go-live and the first 90 days after launch. Include implementation team roles and structure. Include a CV for each implementation/account management contact.	
I-02	Identify employer decisions and dependencies, data deadlines, carrier contracting deadlines, enrollment windows, and critical-path items.	
I-03	Describe census validation, plan mapping, eligibility configuration, data conversion, testing, and acceptance criteria.	
I-04	Explain member/provider disruption analysis, communications review, call-center training, and escalation readiness.	
I-05	Describe risk log governance, weekly status meetings, issue owners, change control, and executive escalation.	
I-06	Provide a rollback/contingency plan if carrier contracting, data, enrollment, or readiness milestones are missed.	
I-07	Describe post-launch hypercare, defect resolution, service monitoring, and transition to steady-state governance, including details about on-going account management team (with CV for each team member).	

9. Required pricing submission

Provide pricing for your proposed retiree carve-out solution.

- Separate carrier premiums or plan costs from administrative fees, enrollment fees, implementation fees, and optional services.
- Identify the basis for each fee: PEPM, per enrolled member, per contract, percentage of premium, one-time, claims-based, or other.
- State whether fees are billed to the employer, deducted from premium, paid by a carrier, or paid by another party.
- Disclose third-party commissions, referral compensation, overrides, rebates, marketing support, and other direct or indirect compensation tied to the proposed solution. Insurance Buyers' Council does not accept commissions.
- Provide low/base/high-cost scenarios where material uncertainty exists and clearly distinguish employer cost from retiree-paid contributions.

- Do not assume savings from retiree drug subsidies, tax treatment, risk adjustment, rebates, or other Medicare-related programs without identifying the basis and conditions.

10. Service levels and performance guarantees

Vendor should propose measurable service levels and identify whether each is guaranteed, target-only, or historical performance. Complete the table; do not leave targets ambiguous.

Measure	Vendor proposed target	Measurement / remedy
Call answer speed / abandonment	[Target]	[Method, reporting, service credit if any]
Enrollment processing accuracy	[Target]	[Denominator, sampling, correction time]
Eligibility/feed processing	[Target]	[Timeliness, reconciliation, defect threshold]
Case resolution	[Target]	[By severity, clock start/stop]
Escalation acknowledgement	[Target]	[Owner and response time]
Member complaints	[Target]	[Definition, trend reporting]
Implementation milestones	[Target]	[Acceptance and remedies]
Security incident notification	[Contractual requirement]	[Time, method, cooperation]

11. Evaluation methodology and weighted scorecard

SCG will evaluate proposals using the weights below. The County will determine how many finalists will be interviewed using these criteria and with its best interests in mind.

Category	Weight	What evaluators should assess
Total employer cost & transparency	25%	Comparable total cost; assumptions; fee transparency; rate guarantees; implementation and ongoing cost; compensation disclosure.
Retiree experience & enrollment support	25%	Education quality; phone/non-digital support; accessibility; enrollment support; member service and satisfaction.
Coverage, network & drug access	20%	Plan availability by geography; provider/pharmacy access; continuity of care; benefits; formulary and transition support.
Implementation & transition risk	10%	Credible timeline; data readiness; testing; communications; contingency; staffing; go-live support.
Administration, integration & reporting	10%	Feed capabilities; eligibility/billing; reconciliation; dashboards; data ownership and portability.
Compliance, privacy & security	5%	Clear responsibility allocation; Medicare-related expertise; security controls; contractual protections; auditability.
Vendor experience & stability	5%	Comparable references; relevant experience; financial stability; partner oversight.
TOTAL	100%	

12. RFP terms and conditions

- SCG may accept or reject any proposal, request clarification, negotiate with one or more vendors, or cancel the RFP without award.
- Vendor bears its proposal preparation costs. No award or implementation is authorized until contracts are signed by authorized parties.
- Vendor must identify assumptions, exceptions, exclusions, third-party dependencies, and any terms that conflict with this RFP.
- All employer data must be used solely for proposal preparation and approved services, handled securely, and returned or destroyed when no longer needed, subject to applicable retention requirements.
- Do not send personally identifiable information or protected health information in ordinary email. Census and claims files will be exchanged through an approved secure method.
- Proposal pricing and terms must remain valid for at least 90 days from the submission deadline unless otherwise stated and accepted.

13. Insurance Requirements

The awarded Vendor shall be required to secure, maintain and provide evidence of insurance, acceptable to the County, as indicated below:

- Professional liability (or errors or omissions liability) insurance that insures against claims alleging acts, errors and omissions arising out of or in connection with the services provided to the County, with minimum limits of $2,000,000 per occurrence and $2,000,000 annual aggregate.
- Employee theft insurance including client's property coverage, insuring all employees providing services to the County, with minimum limits of $2,000,000 each occurrence.
- Worker's Compensation – Statutory limits for all of the Vendor's employees and employers' liability insurance with minimum limits of $100,000 each accident for bodily injury by accident; $100,000 each employee for bodily injury by disease; and $500,000 policy limit for bodily injury by disease.
- Commercial general liability insurance that insures against bodily injury, property damage, personal and advertising injury claims arising out of or in connection with the services provided to the County. The minimum limits of liability for this insurance are $1,000,000 combined single limit each occurrence; $1,000,000 personal and advertising injury; $2,000,000 combined single limit general aggregate; and $1,000,000 combined single limit products/completed operations aggregate. The commercial general liability policy shall specifically name Sussex County and its elected and appointed officials, officers, directors, employees, agents, consultants as an additional insured, on a primary and non-contributory basis.

Liability insurance as required hereunder shall be in force and current evidence of insurance must be on file with the County, throughout the term of the contract. Each policy shall be endorsed to provide that the policy is not subject to cancellation or non-renewal until sixty (60) days' advance written notice has been given to the County. For cancellation due to non-payment of premium, ten (10) days prior written notice is due to the County.

All insurers underwriting Vendor's insurance must be allowed to do business in the State of Delaware and acceptable to the County. The insurers must have a Best's Financial Strength Rating of "A-" or better, and a Financial Size Category of "Class VII" or higher, unless the County grants specific approval for an exception.

If any liability insurance purchased by the Vendor has been issued on a "claims made" basis, Vendor must comply with the following additional conditions. The limits of liability and the extensions to be included remain the same.

Vendor must either:

1. Agree to provide certificates of insurance to the County evidencing the claims-made coverages for three (3) years after termination of the contract. Such certificates shall evidence a retroactive date no later than the beginning of services under the contract; or
2. Purchase a three (3) year extended reporting period endorsement for each such "claims made" policy in force as of the date of termination of the contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance and a copy of the endorsement itself. Such certificate or copy of the endorsement shall evidence a retroactive date no later than the beginning of services under the contract.

Any deductibles or retentions of $25,000 or greater shall be disclosed by the Vendor and are subject to the County's written approval. Any deductible or retention amounts elected by the Vendor or imposed by the Vendor's insurer(s) shall be the sole responsibility of the Vendor and are not chargeable as expenses.

The Vendor will be responsible for loss of or damage to the Vendor's property, equipment and materials and shall waive all rights against the County and its elected and appointed officials and employees for loss of or damage to the Vendor's property, equipment and materials. Any property insurance policies maintained by Vendor shall permit waivers of subrogation by endorsement or otherwise.

The Vendor shall indemnify, defend, and hold harmless Sussex County and its elected and appointed officials, officers, directors, employees, agents, consultants from and against any and all claims, demands, suits, judgments, costs, and expenses asserted by a person or persons, including agents, employees, or volunteers of vendor, by reason of death or injury to persons, or loss or damage to property, resulting from operations hereunder, or sustained in or upon the premises of the County.

14. Vendor response checklist

- Executive summary with an overview of your offer and what differentiates your company. Include recommended model(s).
- Completed questionnaire with response codes and supporting documents
- Pricing provided for each proposed model
- Implementation plan, timeline, staffing plan (including CVs for each assigned team member), and risk register
- Sample member materials and service-level commitments
- Network and prescription drug disruption methodology
- Compliance responsibility matrix and security documentation
- References and subcontractor/partner disclosures
- List of assumptions, exclusions, exceptions, and open decisions
- Authorized proposal contact and signatory