

State of Maine Waiver of Competitive Bidding Request Form

Form Instructions: Please provide the requested information in the white boxes below. This form is to precede all contract requests that are not the direct result of a competitive bid process.

Requesting Department's Contract Administrator:	Sara Knowles	Office/Division/Program of Contract Administrator:	DACF Bureau of Parks and Lands Maine Conservation Corps				
Est. Contract Amount:	\$ 71,811.60	Contract or RQS Number:	20190731000000000378				
Proposed Start Date:	September 1, 2019	Proposed End Date:	August 31, 2020				
Vendor/Provider Name, City, State:		Relation Insurance Services – Specialty Risk, Inc. PO Box 25936 Overland Park, KS 66225					
Short Description of Good or Service:		Health insurance coverage for portion of Maine Conservation Corps members without existing coverage					
Please note, for transparency purposes, Waivers of Competitive Bidding will be publicly posted. Public postings are placed on the Division of Procurement Services website for a period of seven consecutive calendar days.		<p style="text-align: center;">To be completed by the Division of Procurement Services</p> Posting dates on Division of <i>Procurement Services</i> website: From: <u>8/22/2019</u> To: <u>8/28/2019</u>					
Notice of Intent to Waive Competitive Bidding Number:		NOI# 0820191406					
1. Statutory Justification State of Maine statute (5 M.R.S. §1825-B(2)) allows waivers of competitive bidding only for the specific reasons listed below. Please mark the appropriate box (X) next to the justification which applies to this specific request.							
	A. The procurement of goods or services by the State for county commissioners pursuant to Title 30-A, section 124, involves the expenditure of \$2,500 or less, and the interests of the State would best be served;						
	B. The Director of the Bureau of General Services is authorized by the Governor, or the Governor's designee, to make purchases without competitive bidding because, in the opinion of the Governor or the Governor's designee, an emergency exists that requires the immediate procurement of goods or services;						
	<i>If citing the above justification for this Waiver of Competitive Bidding request, please have the requesting Department's Commissioner or Chief Executive (as the Governor's "designee") sign and date on the right.</i>	<i>By signing below, I signify as the Governor's designee there is an emergency that necessitates this non-competitive procurement.</i> Signature: <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">Printed Name:</td> <td style="width: 40%; border: none;">Date:</td> </tr> <tr> <td style="border: none; height: 40px;"></td> <td style="border: none; height: 40px;"></td> </tr> </table>		Printed Name:	Date:		
Printed Name:	Date:						
	C. After reasonable investigation by the Director of the Bureau of General Services, it appears that any required unit or item of supply, or brand of that unit or item, is procurable by the State from only one source;						

**State of Maine
Waiver of Competitive Bidding Request Form**

	D. It appears to be in the best interest of the State to negotiate for the procurement of petroleum products;
	E. The purchase is part of a cooperative project between the State and the University of Maine System, the Maine Community College System, the Maine Maritime Academy, or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State involving: (1) An activity assisting a state agency and enhancing the ability of the university system, community college system, Maine Maritime Academy, or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State to fulfill its mission of teaching, research, and public service; (2) A sharing of project responsibilities and, when appropriate, costs;
	<i>If citing the above justification for this sole source request, please note that the specific approval of the Governor's Office is required, in accordance with Executive Order 26 FY 11/12, "An Order to Enhance Competitive Bidding". The approval must be documented on DAFS/BGS/Division of Procurement Services "GOVCOOP" form, found here: http://www.maine.gov/purchases/info/forms/govcoop.doc.</i>
	F. The procurement of goods or services involves expenditures of \$10,000 or less, in which case the Director of the Bureau of General Services may accept oral proposals or bids;
	G. The procurement of goods or services involves expenditures of \$10,000 or less, and procurement from a single source is the most economical, effective and appropriate means of fulfilling a demonstrated need.
	If a different authorization specifically allows for this non-competitive procurement, please provide that reference here.

Please note that the following four points below (#2 through 5) all require a response.

2. Description of Specific Need
 Please identify, and fully describe, the specific problem, requirement, or need the resulting non-competitive contract would address and which makes the goods or services necessary. Explain how the requesting Department determined that the goods or services are critical and/or essential to agency responsibilities or operations.

The Maine Conservation Corps (MCC) is a State AmeriCorps program and recipient of federal funds via the Corporation for National and Community Service (CNCS). The CNCS requires grantees to provide healthcare coverage to members of AmeriCorps programs.

The MCC hosts over 100 corps members each year and offers health insurance to those serving in a full time capacity who are not covered under a pre-existing policy. If MCC does not offer insurance, the program would be noncompliant with CNCS and face the loss of federal funds.

**State of Maine
Waiver of Competitive Bidding Request Form**

3. Availability of other Public Resources

Please explain how the requesting Department concluded that sufficient staffing, resources, or expertise is not available within the State of Maine's government, or other governmental entities (local, other state, or federal agencies) external to the requesting Department, which would be able to address the identified need more efficiently and effectively than the identified vendor.

Corps members, as per Maine Statute, are not considered state employees and are not eligible for state health benefits. Therefore, the MCC must seek an outside carrier to fulfill the federal regulation. The MCC member healthcare is the product of a multi-agency effort aimed at providing coverage at a reasonable rate that meets the directives of CNCS. The agencies MCC partners with for member coverage are: The Corps Network, Willis Tower Watson, Relation Insurance Services and Cigna.

4. Cost

Since a waiver of competitive bidding is being requested for this procurement, please explain how the requesting Department concluded the negotiated costs, fees, or rates are **fair and reasonable**.

To establish a rate for each program year Willis, the broker, negotiates with insurers for an appropriate figure that would cover expected claims, administrative costs, reserves and risk margin. They developed a proprietary methodology of underwriting that they use to bolster their argument with insurers. It has traditionally resulted in a lower expected claims figure built into the rate (lower than carrier underwriting models calculate).

Willis also requests bids from alternative carriers when appropriate, to assure the claims and administrative costs are competitive with the market and available data.

5. Future Competition

Please describe potential opportunities which may be available to foster competition for these goods or services in the future.

Each year MCC reviews the process with The Corps Network. Because of the intensive research done by the broker, with other carriers to compare rates and benefits, we agree that The Corps Network's choice of using Relation is the best option nationwide.

State of Maine Waiver of Competitive Bidding Request Form

Please note that only one of the two points below ("Uniqueness" or "Timeframe") requires a response. Requesting Departments are not required to respond to both points.

6. Uniqueness

Please explain if the goods or services required are unique to a specific vendor. Describe the unique qualifications, abilities, and/or expertise of the vendor and how those particular unique factors address the specific need identified above. If the vendor has unique equipment, facilities, or proprietary data, also explain the necessity of these particular unique assets.

The collaboration of multiple organizations offers a unique blend of expertise. The Corps Network is a national membership organization that provides various services to its member corps, including sponsorship of The Corps Network Healthcare Insurance Plan. The Corps Network ensures that insurance coverage maintains compliance with CNCS. Willis provides ongoing management of the insurance program, including monitoring federal healthcare initiatives and negotiating rates. Relation handles the administrative elements of the insurance coverage, is an approved vendor and the agency responsible for billing.

7. Timeframe (Complete only if B. is the Statutory Justification marked on Page 1)

Please explain if time is of the essence and an emergency exists which requires the immediate procurement of goods or services. Describe the nature of this emergency, provide the date by which the goods or services must be delivered, and explain how that date was determined and its significance (i.e. impact if delayed beyond this date). Also, provide information as to how it was determined this vendor is the best option to address this time-sensitive procurement.

Signature of requesting Department's Commissioner or Chief Executive (or designee within the Commissioner's Office):

By signing below, I signify that my Department requests, and I approve of, this Waiver of Competitive Bidding.

Amanda E. Beal

Printed Name:

Amanda E. Beal, Commissioner

Date:

8/20/19

*RAH
8-14-2019*