



DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
DIVISION OF PROCUREMENT SERVICES
 STATE OF MAINE

PROCUREMENT JUSTIFICATION FORM (PJF)

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services intranet site (Forms page) for additional instructions.

PART I: OVERVIEW			
Department Office/Division/Program:		Agriculture, Conservation and Forestry/Maine Conservation Corps	
Department Contract Administrator or Grant Coordinator:		Sara Knowles	
(If applicable) Department Reference #:			
Amount: (Contract/Amendment/Grant)	\$ 92,650.36	Advantage CT / RQS #:	20220810000000000450
CONTRACT	Proposed Start Date:	9/1/2022	Proposed End Date: 8/31/2023
AMENDMENT	Original Start Date:		Effective Date:
	Previous End Date:		New End Date:
GRANT	Project Start Date:		Grant Start Date:
	Project End Date:		Grant End Date:
Vendor/Provider/Grantee Name, City, State:		Special Market Insurance Consultants Inc (SMIC) 1055 Main Street, Suite 101, Stevens Point, WI 54481	
Brief Description of Goods/Services/Grant:		Required health care coverage for Maine Conservation Corps participants.	

PART II: JUSTIFICATION FOR VENDOR SELECTION			
Check the box below for the justification(s) that applies to this request. (Check all that apply.)			
<input type="checkbox"/>	A. Competitive Process	<input type="checkbox"/>	G. Grant
<input type="checkbox"/>	B. Amendment	<input type="checkbox"/>	H. State Statute/Agency Directed
<input checked="" type="checkbox"/>	C. Single Source/Unique Vendor	<input type="checkbox"/>	I. Federal Agency Directed
<input type="checkbox"/>	D. Proprietary/Copyright/Patents	<input type="checkbox"/>	J. Willing and Qualified
<input type="checkbox"/>	E. Emergency	<input type="checkbox"/>	K. Client Choice
<input type="checkbox"/>	F. University Cooperative Project	<input type="checkbox"/>	L. Other Authorization

Please respond to ALL of the questions in the following sections.

PART III: SUPPLEMENTAL INFORMATION

1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.

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

Typically, MCC hosts approximately 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.

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

2. Provide a brief justification for the selected vendor to supplement the response in Part II. Reference the RFP number, if applicable.

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. Special Markets Insurance Consultants handles the administrative elements of the insurance coverage, is an approved vendor, and is the agency responsible for billing.

3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

To establish a rate for each program year the broker, Willis Tower Watson, 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.

4. Describe the plan for future competition for the goods or services.

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 Special Markets Insurance Consultants is the best option nationwide.

PART IV: AMERICAN RESCUE PLAN ACT (ARPA) / MAINE JOBS & RECOVERY PLAN (MJRP)

Does this request utilize ARPA/MJRP funds?

Yes – If Yes, please attach the approved Business Case(s).

No – If No, proceed to Part V.

PART V: APPROVALS			
The signatures below indicate approval of this procurement request.			
Signature of requesting Department's Commissioner (or designee):	DocuSigned by: <i>Amanda E. Beal</i>		
Typed Name:	Amanda E. Beal, DACF Commissioner	Date:	8/30/2022
Signature of DAFS Procurement Official:	DocuSigned by: <i>Sue H. Garcia</i>		
Typed Name:	Sue H. Garcia	Date:	9/2/2022