

City Council – Action Request Form

Date: June 13, 2023

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Johnnie Taylor, Assistant City Manager
Dr. Marquis H. Barnett, Human Resources Director

Council Action Requested:

Resolution Authorizing the City Manager to Enter into a Agreement with Willis Towers Watson Analytical Insurance Services, Inc. to Provide Employee Benefits Consulting Services.

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City’s Financial Strength

Strategic Plan Action Item: No

Key Work Item: Yes



Summary of Information:

Since 2016, the City of Winston-Salem has contracted with Willis Towers Watson Analytical Insurance Services, Inc. (Willis Towers Watson) to provide consulting services for employee benefits. Willis Towers Watson provides expert knowledge and consultation on a wide range of employee benefits program components including, but not limited to, legal compliance, data analytics, program evaluation, third party vendor selection and support, and reporting. In April 2023, the Human Resources Department issued a competitive proposal process to identify providers with the capability to provide the same services.

Proposals deemed compliant with submission standards included Willis Towers Watson, Mark III, and Gallagher. Following review of all the proposals, staff recommends acceptance of the proposal from Willis Towers Watson, which scored the highest overall of the bids submitted. A breakdown of all scores is below.

Committee Action:

Committee	CDHGG, FC June 12, 2023	Action	Approval
For	Unanimous	Against	

Remarks:

Respondent	M/WBE (20%)	Cost Effectiveness/ Price Value (25%)	Qualifications & Experience (35%)	Governmental References (20%)
Willis Towers Watson	100	37.5	175	100
Mark III	0	125	122.5	90
Gallagher	0	100	105	60

Provider	Score	Overall Ranking
Willis Tower Watson	398.75	1
Mark III	368.75	2
Gallagher	287.5	3

Based on the evaluation of the proposals, the evaluation team recommends that the City enter into a one-year agreement, with options to extend for two additional twelve-month periods, with the City's current benefits consultant, Willis Towers Watson for employee benefits consulting services at an annual cost not to exceed \$145,000. Willis Towers Watson will subcontract at a minimum 10% of the agreement to Benefits Plus Consulting Group, Inc., a minority-owned business, to provide consulting on voluntary benefits.

Willis Towers Watson has been the City's benefit consultant for the last eight years as a major partner supporting the City with their marketplace knowledge and focus on innovative solutions. Nationally, Willis Towers Watson maintains relationships with all major health plans and insurance carriers. These relationships have allowed the City to gain economies of scale, and success pricing and contract terms normally reserved for larger organizations. In 2021, Willis Towers Watson saved the City over \$1.5M on our Group Medicare Program through their marketing/negotiating to transition from AETNA to BCBSNC with a multi-year rate guarantee. Additionally, Willis Towers Watson has helped the City identify gaps and assess the cost and employee impact of addressing them.

The attached resolution authorizes the City Manager to execute an agreement with Willis Towers Watson to provide employee benefits consulting services for an initial term of one year, with options to extend the agreement for two additional twelve-month periods at an annual cost not to exceed \$145,000.