



# EMPLOYEE BENEFITS ADMINISTRATION AND COMPLIANCE PROPOSAL

*presented to:*

# Company ABC

DRAFT



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*pricing guaranteed for 60 days*



## **ABOUT COMPREHENSIVE BENEFIT SERVICES**

Comprehensive Benefit Services® simplifies the implementation, administration and compliance of employee benefits programs for small and medium-sized employers. Our comprehensive solution addresses all aspects of your employee benefits programs, including traditional brokerage services, employee education, ongoing plan administration, human resources and compliance. At the hub is an employee benefits portal, accessible 24/7, that manages benefit transactions, provides employee education, and captures vital compliance data. Everything is in one place, completely secure and HIPAA-compliant.

Our leadership team has extensive experience in law, human resources, insurance, and benefits administration. You'll benefit from our knowledge and the depth of our experience.

## **BACKGROUND**

Comprehensive Benefit Services ("CBS") has prepared this proposal for ABC Company ("ABC Company") to present a comprehensive approach to employee benefits administration and compliance.

We are pleased to have the opportunity to provide this proposal to help ABC Company to do the following:

- Implement employee benefits plans for ABC Company;
- Provide employee education on ABC Company benefits plan options;
- Provide administration of the ABC Company benefits plans; and
- Provide assistance with any ongoing compliance reporting requirements.

A detailed list of services is included in the Scope of Work section below.

## **OBJECTIVE**

Our objective is to assist ABC Company with the implementation of employee benefits plans and to provide ongoing administrative services that will assist with compliance of federal and state laws.

## **OUR PROPOSED SOLUTION**

Recent federal legislation has mandated that certain large companies provide health insurance coverage to their employees beginning in 2015. Recent regulations require extensive reporting of



offers of health insurance coverage and employee enrollment. A manual process that performs these tasks will be time-consuming, cumbersome, labor-intensive and prone to error. This is particularly true for businesses with multiple locations. An effective internet employee benefits and human resources portal will reduce these costs and minimize errors. In addition, employees who enjoy around-the-clock access to critical benefits information and resources over the Web learn to become self-sufficient when it comes to finding answers, forms and links. The same goes for human resources information, such as policies, forms, news, and more.

The Comprehensive Benefits solution enables employers to communicate benefits information to their employees, to document participation, and gather required reporting data in a paperless, time-saving way. At the heart of our solution is a human resources and benefits communications portal. This portal is where employees can obtain facts, enroll in plans and access resources on their own.

## **SCOPE OF WORK**

The proposed Scope of Work includes the implementation of compliant employee benefits plans on behalf of ABC Company, employee education, administration and compliance, and ongoing insurance and benefits consulting.

### Implementation

Implementation includes assisting with the application process and solicitation of bids with insurance companies, setup of the communications portal, drafting all required plan documentation, open enrollment and application tracking.

### Employee Education and Application Assistance

Employee education includes conducting webinars, in-person presentations, and fielding individual employee telephone calls. Employee education includes providing employees with application assistance.

### Administration and Compliance

Administration includes ongoing employee additions and deletions for new hires and terminations, respectively. Administration also includes any required COBRA and FMLA notifications and correspondence. Administration does not include collection of COBRA premium payments.



### Ongoing Benefits and Insurance Consulting

Ongoing benefits and insurance consulting includes advice on benefits plan selection, annual plan reviews, and compliance updates.

### HR Consulting and Tools

We also offer our clients access to an extensive up-to-date on-line human resources library, HR360. HR360 is a resource for up-to-date news, guidance and forms for everything from Healthcare Reform to employment law.

## **TIMELINE**

The initial timeline would be as follows:

September	Finalize scope of work Determine Eligibility Communication to Employees
September to October 10	All eligible employees complete on-line applications/waivers
October 10	Submit applications to insurance carriers Analysis and review of offers
November 1-7	Communicate Open Enrollment
November 7-21	Open Enrollment

## **FEE STRUCTURE**

Comprehensive Benefit Services is a fee-for-service broker/consultant. Traditional insurance brokers receive compensation from carriers for placing business. Although we perform all of the services of a traditional broker, we also perform other work unrelated to the sale and placement of insurance policies. We have a fiduciary relationship with our clients, not the insurance carriers. Our responsibilities are first to our clients.

We charge a base monthly fee which is determined by the scope of work to be performed. In many situations we can also obtain commissions from carriers for the placement of your business. When we do, we will report those commission payments and offset them against your monthly



fee. In many circumstances, those fees will be sufficient to offset our monthly fee. We retain any commission payments that exceed the monthly fee.

#### **CONTRACT LENGTH**

We require an initial 1 year commitment.

#### **BILLING**

Fees are billed in advance of every quarter. Billing may be adjusted if the contract begins during a quarter, but thereafter all billing will be done on a quarterly basis. Any commission payments received from insurance carriers will be credit on the following quarterly bill.

#### **FEE PROPOSAL FOR ABC COMPANY**

The monthly fee for the scope of work anticipated by this proposal is as follows:

**\$500**

We anticipate the monthly commission payments from the insurance carriers will exceed this amount which will result in no cost to you.

#### **CONCLUSION**

We believe CBS will not only meet your demands for better benefits, communication, administration and compliance, it will exceed your expectations about what the right product toolset can do for your organization.

We appreciate the opportunity to submit this proposal. Please contact us after you have reviewed it to discuss the appropriate steps to get started on implementing our solution.



## CLIENT AGREEMENT

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### CLIENT INFORMATION

ABC Company  
12345 Old Country Road  
Anywhere, MN 55431

Jane Doe  
(612) 555-1212  
[jdoe@email.com](mailto:jdoe@email.com)

### CLIENT BILLING INFORMATION

ABC Company  
12345 Old Country Road  
Anywhere, MN 55431

Produced on: 01/01/2017

Jane Doe  
(612) 555-1212  
[jdoe@email.com](mailto:jdoe@email.com)

ABC Company agrees to pay for the services listed in this agreement upon receipt of invoice. Comprehensive Benefit Services (“CBS”) will bill Newport monthly upon signing of this Client Agreement. The initial invoice may be prorated if the Client Agreement is signed on a date other than the 1<sup>st</sup> of the month. This Client Agreement will continue for 1 year unless CBS is unable to perform the services listed herein.

### Services

- Implementation
- Employee Education and Application Assistance
- Administration and Compliance
- Ongoing Benefits and Insurance Consulting
- HR Consulting and Tools

**Monthly Service Fee** \$495

ABC Company is responsible for any applicable sales and use taxes. Invoices will be sent to the above e-mail unless CBS is otherwise instructed. The individual who has signed below has the authority to place this order on behalf of ABC Company and to commit ABC Company to payment of associated charges.

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Client Signature

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CBS Signature

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Name (printed)

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Michael Dmowski

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Title (printed)

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President