

## PROCUREMENT SUMMARY

**FAMILY MEDICAL LEAVE ACT/CALIFORNIA FAMILY RIGHTS ACT PROGRAM  
THIRD-PARTY ADMINISTRATOR SERVICES / PS112527000**

1.	<b>Contract Number:</b> PS112527000	
2.	<b>Recommended Vendor:</b> Total Administrative Services Corporation	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A.Issued:</b> September 6, 2023	
	<b>B.Advertised/Publicized:</b> September 9, 2023	
	<b>C.Pre-Proposal Conference:</b> September 13, 2023	
	<b>D.Proposals Due:</b> October 12, 2023	
	<b>E.Pre-Qualification Completed:</b> December 13, 2023	
	<b>F.Ethics Declarations Form Submitted to Ethics:</b> October 12, 2023	
	<b>G.Protest Period End Date:</b> March 26, 2024	
5.	<b>Solicitations Picked up/Downloaded:</b> 8	<b>Bids/Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Ricardo E. Narvaez	<b>Telephone Number:</b> (213) 418-3158
7.	<b>Project Manager:</b> Marylynn Ahumada	<b>Telephone Number:</b> (213) 922-7172

**A. Procurement Background**

This Board Action is to approve the award of Contract No. PS112527000 to provide third-party administration services for all aspects of leave requests under the Family Medical Leave Act and California Family Rights Act (FMLA/CFR) for approximately 12,000 Metro employees. Board approval of contract awards are subject to resolution of any properly submitted protest.

On September 6, 2023, Request for Proposal (RFP) No. PS112527 was issued as a competitive procurement in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. The Diversity & Economic Opportunity Department (DEOD) did not recommend a Disadvantaged Business Enterprise (DBE) goal for this procurement due to the lack of subcontracting opportunities.

Two (2) amendments were issued for this RFP:

- Amendment No. 1, issued on September 13, 2023, provided "Exhibit 15 – Metro's Security Requirements", which was inadvertently omitted when the RFP was issued.
- Amendment No. 2, issued December 19, 2023, revised the Scope of Services and Schedule of Quantities and Prices to reclassify some basic

services to as-needed services and clarified the anticipated frequency requirements for these services.

The solicitation was available for download from Metro's website and advertised to notify potential proposers of this solicitation. Further, Metro notified potential proposers identified by the Project Office as well as firms from Metro's vendor database based on applicable North American Industry Classification System (NAICS) codes.

A total of 8 firms downloaded the RFP and were included on the planholder's list. A virtual pre-proposal conference was held on September 13, 2023, and was attended by 6 participants representing 5 firms. There were five questions asked and responses were released prior to the proposal due date.

One proposal was received from Total Administrative Services Corporation (TASC) by the proposal due date of October 12, 2023.

Metro staff conducted a market survey of the firms on the planholder's' list to determine why there were no other proposals received. The following is a summary of the market survey responses:

- Limited capability to provide all required services,
- Can provide the services but price may not be competitive; and
- Not having the required expertise to provide the services.

The market survey revealed that the decisions not to propose were based on individual business considerations. Therefore, the solicitation can be awarded as a competitive award.

## **B. Evaluation of Proposal**

A Proposal Evaluation Team (PET) consisting of staff from Metro's H.E.A.R. & Wellness Program Office, Employee Labor Relations Office, and the Operations, Central Oversight & Analysis Department was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria:

Phase 1 – Minimum Qualification Evaluation: This is a pass/fail criteria. To be responsive to the RFP minimum qualification requirements, the proposer must meet the following at the time of the proposal submittal:

1. The physical address of the proposer's office(s) where work identified in the Scope of Services (SOS) will be performed must be located within the United States.
2. Certify that the proposer will not subcontract any portion of the SOS to firms located outside of the U.S.

3. Certify that the proposer has a 24/7 toll-free call center service and has the capabilities and experience in providing services similar to that required in the SOS such as information on call history and calls connecting employees to an FMLA coordinator.
4. Certify that the proposer has an online/cloud-based portal for both employee and management use and that it will comply with Metro's IT Security Requirements.
5. Prime Contractor must have five years of relevant experience providing FMLA/CFRA third-party administrative services similar in scope and complexity to that provided in the SOS. Relevant projects/contracts should include one of the following: (i) public sector organizations; (ii) unionized workforce; or (iii) other transit agencies.

Phase II Evaluation: Proposers that meet the Phase I Minimum Qualification requirements were evaluated based on the following evaluation criteria and weights:

- Qualifications of Firm/Team 15%
- Management Plan/Approach 40%
- Quality Control 10%
- Training 10%
- Implementation & Mobilization 10%
- Price Proposal 15%

The evaluation criteria are appropriate and consistent with criteria developed for other similar procurements. Several factors were considered in developing these weights, giving the greatest importance to the management plan/approach.

During the period of October 20, 2023 to December 7, 2023, the PET independently evaluated and scored the technical proposal. At the conclusion of the evaluation, the PET determined that TASC met the requirements of the RFP and was technically qualified to perform the work.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>Total Administrative Services Corporation</b>				
3	Qualifications of Firm/Team	76.67	15.00%	11.50	
4	Management Plan/Approach	84.40	40.00%	33.76	
5	Quality Control	83.30	10.00%	8.33	
6	Training	83.30	10.00%	8.33	
7	Implementation & Mobilization	85.60	10.00%	8.56	
8	Price Proposal	100.00	15.00%	15.00	
9	<b>Total</b>		<b>100.00%</b>	<b>85.48</b>	<b>1</b>

**C. Price Analysis**

The recommended amount has been determined to be fair and reasonable based on the independent cost estimate (ICE), price analysis using comparable rates, technical analysis, fact finding and negotiations. During fact-finding and negotiations, Metro staff issued an amendment to the RFP to clarify the requirements for the basic and as-needed services and successfully negotiated a cost savings of \$8,038,760.

<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Recommended Amount</b>
Total Administrative Services Corporation	\$11,990,400	\$4,452,936	\$3,951,640

The variance between the recommended amount and ICE is due to Metro using a conservative approach based on market research of estimated costs for similar services as this is the first time Metro will be outsourcing this service.

**D. Background on Recommended Contractor**

The recommended firm, Total Administrative Services Corporation (TASC), located in Madison, Wisconsin, was founded in 1975. TASC has provided third-party benefits administration services, specializing in designing and administering a broad suite of account-based benefit plans, trust-funded healthcare savings, reimbursement programs, and compliance solutions to brokers, consultants, financial service firms, health plans, and employer clients across the United States.

Existing clients include The Hard Rock Hotel & Casino, Roseland Community Hospital, Cleveland Metroparks, Cellular Sales of Knoxville, Inc., Growmark, Inc., and Polk County Schools.