



# City of Denton

City Hall  
215 E. McKinney  
Street  
Denton, Texas

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement  
**DCM:** David Gaines  
**DATE:** August 16, 2022

### **SUBJECT**

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Rightway Healthcare, Inc., to provide health concierge services for the City of Denton employees and retirees; providing for the expenditure of funds therefor; and providing an effective date (RFP 7980 – awarded to Rightway Healthcare, Inc., for three (3) years, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$597,000.00).

### **INFORMATION/BACKGROUND**

The City has provided health concierge services to employees and retirees since 2017. Health concierge services assist employees and family members who are covered on a City health plan with services such as finding a doctor or dentist, resolving problems and errors with medical bills, verification of coverage, scheduling appointments, transferring medical records, discounts for prescriptions, comparing procedures and costs, and coordination of care.

A formal RFP process was initiated in August 2021 to solicit proposals for health concierge services; however, only two bids were received. After the evaluation of the two bids, the department decided to reject all bids to conduct additional industry research to revise and further develop the scope of work.

Through another Request for Proposal (RFP) initiated in April 2022, the City sought proposals from qualified firms to manage the health concierge services effective January 1, 2023.

The City received three (3) responses to RFP #7980 from:

- Healthcare Bluebook
- Rightway Healthcare, Inc.
- Touchcare

The three (3) proposals were reviewed and scored by an evaluation team that included representatives from the City's Employee Insurance Committee (EIC) and staff members from Human Resources. The evaluation team ranked Rightway as the proposal that provided the best overall value for the City, employees, retirees, and dependents. The main differentiator between Rightway and the other bidders was the customer service and advocate program provided.

<b>Project Description</b>	<b>Estimated 5-Year Expenditure</b>
Year 1* (1,623 plus 10% = 1,785 count)	\$91,000
Year 2*	\$100,000
Year 3*	\$110,000
Year 4*	\$134,000
Year 5*	\$162,000
<b>Total</b>	<b>\$597,000</b>

*\*10% member increase each year and a 10% rate increase for years 4 and 5, starting with the 2023 average count.*

Request for Proposals was sent to 83 prospective suppliers, including eight (8) Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Three (3) proposals were received, references were checked, and proposals were evaluated based upon published criteria including compliance with specifications, probable performance, and price. Best and Final Offers (BAFO) were requested from the top firm. Based upon this evaluation, Rightway Healthcare, Inc. was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	948 - (Service Only) - Health Related Services (For Human Services see Class 952)
Notifications sent for Solicitation sent in IonWave:	83
Number of Suppliers that viewed Solicitation in IonWave:	10
HUB-Historically Underutilized Business Invitations sent out:	7
SBE-Small Business Enterprise Invitations sent out:	37
Responses from Solicitation:	3

## **RECOMMENDATION**

Award a contract with Rightway Healthcare, Inc., to provide Health Concierge Services for the City of Denton employees and retirees, in a three (3) year, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$597,000.

## **PRINCIPAL PLACE OF BUSINESS**

Rightway Healthcare, Inc.  
New York City, NY

## **ESTIMATED SCHEDULE OF PROJECT**

This is an initial three (3) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same.

## **FISCAL INFORMATION**

The costs associated with the administration of the Health Concierge Services are funded by the Health Insurance Fund.

## **EXHIBITS**

Exhibit 1: Agenda Information Sheet  
Exhibit 2: Pricing Evaluation  
Exhibit 3: Ordinance and Contract

Respectfully submitted:  
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Purchasing Manager

For information concerning this acquisition, contact: Linda Kile, 940-349-8388.

Legal point of contact: Marcella Lunn at 940-349-8333.