



City of
Peterborough

To: **Members of the Committee of the Whole**

From: **Ken Doherty, Director of Community Services**

Meeting Date: **May 11, 2015**

Subject: **Report CSSS15-003**
Award of RFP P-05-15 for Ontario Works Dental Administration

Purpose

A report to award Request for Proposal (RFP) P-05-15 for Ontario Works Dental Administration.

Recommendation

That Council approve the recommendation outlined in Report CSSS15-003 dated May 11, 2015, of the Director of Community Services, as follows:

That RFP P-05-15 for Ontario Works Dental Administration be awarded to AccertaClaim Servcorp Inc., 4 New Street, Toronto, Ontario at a total cost of \$1,000/per month plus 4.75% of the cost of dental benefits paid for an estimated \$43,872 per year (HST is not applicable) for a three year term commencing on or about August 1, 2015 and ending July 31, 2018 with an option of an extension, by mutual agreement, for an additional two year term.

Budget and Financial Implications

The budgeted benefits to be paid in 2015 are \$671,000 and therefore the estimated annual cost for OW dental administration is \$43,872 per year. This requirement for Ontario Works Dental Administration can be accommodated within the approved 2015

Ontario Works administration operating budget. Future years' approval will be addressed through the municipal budget process. Dental administration costs are eligible for 50:50 administrative cost share with the Province of Ontario and the 50% municipal share is shared between the City (83%) and the County (17%). The following table outlines the anticipated costs and revenue sources.

Table 1. Cost share for OW dental administration costs per year
(based on an annual dental benefits budget of \$671,000)

City	County	Province	Total
\$18,207	\$3,729	\$21,936	\$43,872

Background

Programming Changes

The decision to issue an RFP for Ontario Works Dental Administration was a result of program changes at the provincial level. On December 16, 2013, the provincial government announced its plan to integrate Ontario's dental programs for children in low income families, including children on social assistance.

Effective August 2015, the following provincial dental programs for children in low income families will be integrated under the current Healthy Smiles Ontario banner:

- Healthy Smiles Ontario
- Children in Need of Treatment (CINOT)
- Ontario Works children's dental benefits (including Temporary Care Assistance)
- Ontario Disability Support Program children's dental benefits (including Assistance for Children with Severe Disabilities)
- Preventative Oral Health Services.

Dental claims processing and administration for the new provincial integrated program will be provided by a third party administrator and the Ministry of Health and Long Term Care has initiated a public procurement process. Effective August 2015, the municipality will no longer be responsible for payment of dental benefits for children or the cost of its administration. The municipality will continue to be responsible for funding and administration of adult dental benefits as a discretionary benefit under Ontario Works.

Since 1999, The Peterborough County-City Health Unit has served as the Dental Plan Administrator for the division dental programs through a purchase of service agreement. With the pending removal of children's dental administration, the health unit gave notice seeking to re-negotiate changes to the fee structure of the service agreement. Effective September 2014, on an interim basis, the fee structure was revised with the

understanding the City would proceed with a Request for Proposal (RFP) for the Administration of Adult Dental Services in 2015.

Brief Description of the Work

The City of Peterborough Social Services delivers the Ontario Works Program for the residents of the City and County of Peterborough. The Ontario Works program includes financial and employment assistance as well as other discretionary benefits. One of the discretionary benefits for adults is basic dental benefits. The discretionary benefit adult dental program continues to meet an important need for clients improving oral health and employability as each individual continues on the path to self-sufficiency.

Every year council approves annual budgets for discretionary dental benefits and in 2015 the approved budget is \$671,000.

The work related to this RFP involves the administration of the adults' basic dental claims on behalf of the city. Administrative services include processing dental claims, communicating with local dentists and hygienists, monitoring compliance, cost containment strategies and reporting.

The denture benefit portion of discretionary benefits was not included in this RFP and will continue to be administered directly by Social Services staff at this time.

RFP Details, Closing, Prepared by, Reviewed by

City Staff prepared and issued RFP P-05-15 on February 20, 2015. Three proposals were received by the closing date and time on Thursday, March 26, 2015 before 3:00 pm. All of the submissions met the requirements for review by the evaluation committee. The three member evaluation committee for the bid solicitation process included the Purchasing Administrator of the Financial Services Division and Financial Assistance Program Manager and Senior Program Analyst from the Social Services Division.

RFP Statement

This solicitation process was an RFP where a number of criteria were used to evaluate submissions. The criteria and their relative weighting were clearly set out in the RFP document. Part 6, Section 6.4.3.i. of the City's Purchasing By-law 14-127 states that "as price is only one of the criteria evaluated, the award report will show the rating summary for each proponent and the total points. The award report will disclose the price of the recommended supplier but not the price submitted by other proponents".

RFP Evaluation Table

Table 2 below provides a summary of the RFP results. References were only checked on the top ranking proponent.

Table 2 - Bidder Submission Evaluation Chart
RFP P-05-15 Ontario Works Dental Administration

Evaluation Criteria	Maximum Score	AccertaClaim Servcorp Inc.	Haliburton Kawartha Pine Ridge District Health Unit	Peterborough County-City Health Unit
Completeness of the submission	5	4.66	4.66	4
Understanding Requirements	40	37.33	33.33	29.66
Experience	25	25	21	22
Pricing	25	25	21.5	10.5
Rating without references	95	92	80.5	66.16
Rating without references as a %		97%	85%	70%
Ranking		1	2	3
References	5	4.5		
Overall total	100	96.5		

Recommended Bidder

It is recommended that RFP P-05-15 be awarded to AccertaClaim Servcorp Inc., having scored the highest number of points from the evaluation committee.

Council Approval Required

Part 8, Section 8.2.1 of the Purchasing By-law 14-127 states Council must approve an award where the expenditure is greater than \$100,000 and is not a Request for Tenders awarded to the lowest bidder (exception under Section 8.2.2.b.) RFP P-05-15 for Ontario Works Dental Administration meets this requirement and must be approved by Council.

Timelines

If the recommendation is approved, an agreement will be prepared and is to be signed by the CAO and Clerk, under their delegated authority to do so before the work commences on August 1, 2015.

Summary

RFP P-05-15 for Ontario Works Dental Administration has been issued in accordance with the City's Purchasing By-law 14-127 and can be awarded within approved budgets as recommended in this report.

Submitted by,

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Director of community Services

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