

FORMAL REQUEST FOR PROPOSAL: ACTUARIAL REVIEW

1. The Minnesota Joint Underwriting Association (MJUA) was created by the 1986 Minnesota State Legislature to provide liability insurance coverage for individuals or entities unable to obtain insurance through ordinary methods if the insurance is required by statute, ordinance or otherwise required by law. (Minnesota Statutes 62I and 62F)

Premiums are collected and losses are paid by the Association. The monies left after expenses are placed in the Association's fund for investment.

To the extent that the premiums and other assets of the Association are inadequate to pay losses, all licensed property and casualty insurance companies shall be assessed to the fund the deficit proportionately to their share of the market. Contractors bear no share of the Association's liability. The contractors' responsibilities extend only to the services required of them by contract.

Selection of an actuarial auditor will be made in the best interests of the Association based upon the bids submitted and the quality of service indicated. Follow-up information or interviews may be requested from any bidder after the deadline to clarify any portion of the proposal. The MJUA intends to select a firm as soon as reasonably possible after the bid closes.

11. Scope of Work

The firm which wishes to enter into an agreement to perform the services requested will:

- A. Perform an actuarial review of the Association's three separate books of business--commercial general liability, medical malpractice liability, and liquor liability--in order to comment upon the adequacy of:
 1. the actuarial soundness of rates; and
 2. the claims reserves.
- B. The MJUA anticipates that the bidder will provide their best fixed cost price to complete the objectives of the RFP.

III. Organization of Proposal

- A. A statement of the bidder's interpretation of the objectives of the Request for Proposal (RFP), including a presentation by the bidder detailing the processes recommended and information needed to meet the objectives of the RFP.

- B. A presentation of the previous experience of the bidder with similar requests.
- C. A detailed description of the delineation of responsibility and personnel of the bidder's proposed management of this account.
- D. A detailed description of the time and cost estimates for each task proposed by the bidder.
- E. A demonstration by the bidder that no conflicts of interest would exist should it be awarded this contract.
- F. References must be submitted by the bidder.

IV. Proposal Selection

A. Nature of Procurement

This procurement is undertaken by the Association pursuant to the provisions of Minnesota Statutes. As such, it is not governed by strict competitive bidding and requirements frequently associated with the purchase of supplies and materials by the State.

Accordingly, the Association shall award the contract based on whose proposal and oral presentation, if requested, demonstrate clear capability to best fulfill the purpose of the RFP in a cost effective manner. The Association reserves the right to accept or reject proposals in whole or in part and to negotiate separately to serve the best interests of the Association.

V. Proposal and Contract

A. Responses to Request for Proposal

Firms possessing the capabilities necessary to provide the services required may submit bids to this office prior to the deadline.

B. Status of Authorizing Statutes

The MJUA Board of Directors is authorized to enter into contracts for the administration of the Plan by Minnesota Statutes and rules adopted there under.

C. Deadline

Proposals will be accepted by the MJUA until 4:00 p.m. on July 1, 2011.
No proposal received after that time will be considered for acceptance.

VI. Additional Proposal and Contract Requirements

A. Public Status of Proposals Submitted

Pursuant to Minnesota Law, all proposals submitted in response to this RFP shall become property of the MJUA. Such proposals shall also constitute public records and shall be available for viewing and reproduction by any person after the bid period has been closed and contract has been engaged.

VII. Information Contact

A. The MJUA's agent for purposes of responding to inquiries regarding the RFP requirements is:

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