

Request For Proposal (RFP)

“Karakoram Co-Operative Bank Ltd”

**TERMS OF REFERENCE
FOR MEDICAL INSURANCE 2020-2021**

**Office: HEAD OFFICE JUTIAL
GILGIT
Phone: 05811-457523,457972,454755**

Request For Proposal (RFP)

INTRODUCTION

"Karakoram Co-Operative Bank Limited" invites sealed bids from financially sound firms /organizations (to be called as insurance companies hereinafter) registered with sales tax department, having National Tax Number (NTN) for provision of MEDICAL LIFE INSURANCE POLICY 20-21 to its employees and their dependents (parents, spouse and children). The period of insurance cover will be one year. The insurance companies fulfilling criteria may participate in the bidding process.

- Minimum AA rated by any rating firm
- Minimum 10 years of experience of handling health insurance business
- Minimum 75 hospitals on panel throughout in the Pakistan, preferably covering major cities Islamabad, Lahore and Karachi (compulsory Gilgit)
- Dealing insured clients (individual & corporate clients, government organizations)
- GST and Income Tax registered company

PREPARATION OF PROPOSALS

The Firms are required to submit single package containing two envelopes. Each envelope shall contain separately marked as Financial and Technical.

The bank shall evaluate the technical proposal in a manner prescribed hereunder:

Request For Proposal (RFP)

TECHNICAL PROPOSAL:

Technical proposal should contain following and any additional information

Sr. #	Criteria	Marks
1	Years of operation in health insurance, in Pakistan	10
2	Companies with rating from Banking sector shall be preferred	10
3	Health Insurance portfolio, as of December 2019	05
4	Number of Hospitals on panel, in Pakistan (specially Gilgit)	05
5	No of Corporate Customers in Health Insurance in Pakistan	05
6	Number of OPD Discount Centers	05
7	Reinsurance arrangement for health insurance (provide evidence)	05
8	Number of Medical Hotlines, 24/7 helplines - Medical , Customer Relations	05
9	ISO Certification	05
10	Ability to offer e-services for claims settlement (Email & SMS)	05
11	Facility of online crediting of insured bank account	05
12	Financial statement for health insurance, with claims to premium ratio	05
13	Pre-authorization processing mechanism - explain Provision of Mobile App for corporate health customers	05
14	Provision of E Health Card facility through Mobile App	05
15	Provision of facility to track claim / monitor claim requirements through mobile app	05
16	Provision of searching and locating Network Hospitals through mobile app	05
17	Provision of facility for calling medical and hotlines through mobile app	05
18	Provision of facility for adding newly eligible family members in health insurance through mobile app	05

Along with above requirements following documents also need to be provided.

1. A brief description of the organization (minimum 15 years of working experience)
2. The insurance company should be registered with **Income and Sales Tax Departments (if required)**
3. Complete organizational portfolio with offices in the province
4. Affidavit indicating that company is not blacklisted by any government, semi government or autonomous body
5. List of policy exclusions
6. An outline of recent (minimum 05 years) experience on assignments of similar nature mentioning assignment description, client, location, duration (start and finish dates), approximate value of services in handling life insurance business.
7. The insurance company will be bound to provide the service within 7 days after issuance of work order.

Request For Proposal (RFP)

FINANCIAL PROPOSAL:

The envelop marked as "Financial Proposal" shall be retained in the custody and publically open the financial proposal of the technically accepted bids only. The financial proposal of bids found technically non-representative/un-qualified shall be return un-open to the respective bidders and the bid found to be the lowest evaluated bid shall be accepted.

Request For Proposal (RFP)

Financial proposal for Employees Medical Insurance should be based on following information:

BENEFITS STRUCTURE					
CATEGORY WISE LIMITS		A (PKR)	B (PKR)	C (PKR)	D (PKR)
Medical Insurance (in-patient)	Amount of upper limit (per year)	1500,000	1200,000	900,000	700,000
Room and Board	Amount of upper limit (per day)	VIP/Pvt	13120	9700	5800
No. of employees with dependents Details of dependents will be given in Annexure. 001		06	160	1126	2610
<ul style="list-style-type: none"> • Pre-Hospitalization Diagnostic Tests, Consultation & Medicines (within 30 days prior to hospitalization) • Post-Hospitalization Diagnostic Tests, Consultation & Medicine (within 30 days after hospitalization) • Day care surgeries and treatments, Dialysis, MRI, CT Scan, Angiography, Cardiac surgeries and treatment, Cataract & Endoscopy; Treatment of fractures & Lacerated wounds; Local road ambulance, Dental & Skin Treatment. • For emergencies only; Emergency dental treatment due to accidental injuries (within 48 hours of pain relief only) • Emergency room treatment for accidental emergencies. • Pre-existing medical conditions must be covered for all employees and their eligible dependents covered under policy 		COVERED			
Medical Insurance (Out-Patient)		Category (A) only 100,000/-	—	—	—
Maternity Insurance	Amount of upper limit (Normal) (per year)	N/A	50,000	50,000	50,000
	Amount of upper limit (Complex) (per year)	N/A	120,000	120,000	120,000

SUBMISSION, RECEIPT AND OPENING OF PROPOSALS

Last submission Date: Nov, 07th 2020.

Opening financial bids of technically accepted firm: Nov, 11th2020 at 03pm

Request For Proposal (RFP)

- An authorized representative of the insurance company shall initial all pages of the original Technical and Financial Proposals before submission.
- The signed Technical and Financial Proposals shall be marked "ORIGINAL"
- Late receiving bids after due time will be rejected and returned to the bidders unopened.
- Not alteration or amendment will be allowed in any case at the time of bid opening.
- The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL". Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL". The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed clearly mentioned "**TENDER FOR PROVISION OF MEDICAL INSURANCE "2020-2021"**"
- Payment of insurance premium shall be made within 15 days from approval of the contract.
- "KCBL" will not be responsible for any cost or expenses incurred by bidders in connection with preparation or delivery of bids.

Tenders received through any other mode / addressed to any other person will not be entertained.

EVALUATION OF PROPOSALS:

KCBL shall evaluate the Proposals based on the below formulae:

Total Score = Financial Score (A) + Technical Score (B)

Total Score = 100

Financial Score = 30

Technical Score = 70

A) Financial Score (30) = 30 – (30 x (Firm's premium under evaluation – Lowest quoted premium) / Lowest quoted premium)

The company with the lowest quote will be allotted full marks i.e. 30 against the financial quote, financial scores for other companies have been proportionately reduced with the respective increase in their insurance premiums.

B) Technical Score (70) = Credit Rating Score (20) + Past Experience (20) + Empanelment lists of hospitals (10) + Claim settlement to premium ratio (10) + Time period to settle claims (10)

Request For Proposal (RFP)

Sr. No	Criteria	Marks
1	Years of Business in Health Insurance In Pakistan (excluding microhealth insurance business)	
	Less than 10 yrs	0
	10 yrs – 15 yrs	5
	More Than 15 yrs	10
2	Rating	
	AA	3
	AA+	5
	International Rating (additional 3.3 points for each international rating agency)	10
3	Existing Health Insurance Portfolio (excluding micro health insurance business)	
	Less than Rs. 800 million	0
	Portfolio from Rs. 800 million – Rs. 2,000 million	2
	Portfolio of more than Rs. 2,000 million	5
4	No of Corporate Customers in Health Insurance in Pakistan (excluding micro health insurance business)	
	Less than 100 corporate customers	0
	Customers from 101 – 300	2
	Customers more than 301	5
5	No of Panel Hospitals in Pakistan (excluding micro health insurance)	
	Less Than 75	0
	Number of hospitals from 75 – 100	2
	More than 100 hospitals	5
6	Number of OPD Discount Centers for corporate customers(excluding micro health insurance)	
	Less than 150	0
	More than 150	5
8	Number of Medical Hotlines (excluding micro health insurance business)	
	Less than 3	0
	Three or more	5
9	Customer Services Hotline 24/7 (excluding micro health insurance business)	
	Yes	5
	No	0
10	ISO Certification for health insurance portfolio	
	Yes	5
	No	0
11	Ability to send electronic Claim Settlement Notification and Claims Requirement Notification (Through E-Mail and SMS) for corporate health insurance clients	
	Yes	5

Request For Proposal (RFP)

	No	0
12	Facility of online crediting of insured bank account (for settlement of medical claims)	
	Yes	5
	No	0
13	Claims to Premium ratio as at 31st Dec, 2019	
	equal to or Less than 75 percent	5
	Between 75-90 percent	2
	Above 90 percent	0
14	Provision of Mobile App for corporate health customers	
	Yes	5
	No	0
15	Provision of E Health Card facility through Mobile App	
	Yes	5
	No	0
16	Provision of facility to track claim / monitor claim requirements through mobile app	
	Yes	5
	No	0
17	Provision of searching and locating Network Hospitals through mobile app	
	Yes	5
	No	0
18	Provision of facility for calling medical and hotlines through mobile app	
	Yes	5
	No	0
19	Provision of facility for adding newly eligible family members in health insurance through mobile app	
	Yes	5
	No	0
TOTAL TECHNICAL SCORE		100

Request For Proposal (RFP)

Award of Contract

The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Firm. Services contract will be for a period of 12 months subject to extension upon mutual consent.

The bank requires the successful Firm to furnish 5% of the total contract amount as performance guarantee. The decision to make payment is made solely by the KCBL management biannually, in accordance with the insurance policy requirements i.e fluctuation report can be shared by the insurance providers.

After completing negotiations the bank shall award the Contract to the selected Firm and promptly notify all Firms who have submitted proposals. The insurance company is expected to commence the assignment on the date agreed in negotiations.

Important Note: KCBL may reject all the bids/offers at any time prior to the acceptance of a bid/offer.