



STATE OF MAINE
ONE HUNDRED AND THIRTIETH LEGISLATURE
COMMISSION TO DEVELOP A PAID FAMILY AND
MEDICAL LEAVE BENEFITS PROGRAM

March 16, 2022

Paul Correia, FSA, MAAA
Milliman, Inc.
121 Middle Street, Suite 401
Portland, ME 04101

Re: Notice of Conditional Award for Actuarial Study of Potential Costs and Feasibility of a Paid Family and Medical Leave Benefits Program

Dear Mr. Correia,

This letter is in regard to the Invitation for Proposals (IFP) issued by the Commission for an actuarial study of potential costs and feasibility of a paid family and medical leave benefits program. The Commission has evaluated the proposals received using the evaluation criteria identified in the IFP, and the Commission is hereby announcing its conditional contract award to the following bidder:

- Milliman, Inc.

The bidder listed above received the evaluation team's highest ranking. The Commission will be contacting you soon to negotiate a contract. This award decision is conditioned upon the successful negotiation of a contract.

Your proposal was very strong and the Commission considered it thoroughly. We are very pleased to make this award.

We look forward to working with you.

Sincerely,

Matthea Daughtry^{CMR}
Sen. Matthea Daughtry
Senate Chair

Kristen Cloutier^{CMR}
Rep. Kristen Cloutier
House Chair



**STATE OF MAINE
ONE HUNDRED AND THIRTIETH LEGISLATURE
COMMISSION TO DEVELOP A PAID FAMILY AND
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March 16, 2022

Ms. Karen English
Spring Consulting Group
30 Federal Street, 4th Floor
Boston, MA 02110

Re: Notice of Conditional Award for Actuarial Study of Potential Costs and Feasibility of a Paid Family and Medical Leave Benefits Program

Dear Ms. English,

This letter is in regard to the Invitation for Proposals (IFP) issued by the Commission for an actuarial study of potential costs and feasibility of a paid family and medical leave benefits program. The Commission has evaluated the proposals received using the evaluation criteria identified in the IFP, and the Commission is hereby announcing its conditional contract award to the following bidder:

- Milliman, Inc.

The bidder listed above received the evaluation team's highest ranking. The Commission will be contacting the aforementioned bidder soon to negotiate a contract. This award decision is conditioned upon the successful negotiation of a contract.

The proposals were all well prepared and the Commission enjoyed the opportunity to meet with each bidder. Thank you for your interest in working with the Commission.

Sincerely,

Matthea Daughtry^{CMR}
Sen. Matthea Daughtry
Senate Chair

Kristen Cloutier^{CMR}
Rep. Kristen Cloutier
House Chair



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March 16, 2022

Michael Vorgetts
Hope Street Enterprises d/b/a Wildfig Partners
9935-D Rea Rd #141
Charlotte, NC 28277

Re: Notice of Conditional Award for Actuarial Study of Potential Costs and Feasibility of a Paid Family and Medical Leave Benefits Program

Dear Mr. Vorgetts,

This letter is in regard to the Invitation for Proposals (IFP) issued by the Commission for an actuarial study of potential costs and feasibility of a paid family and medical leave benefits program. The Commission has evaluated the proposals received using the evaluation criteria identified in the IFP, and the Commission is hereby announcing its conditional contract award to the following bidder:

- Milliman, Inc.

The bidder listed above received the evaluation team's highest ranking. The Commission will be contacting the aforementioned bidder soon to negotiate a contract. This award decision is conditioned upon the successful negotiation of a contract.

Your proposal was very strong and the Commission considered it thoroughly. While your proposal was not selected, the Commission is interested in further analysis using the microsimulation model you described. If additional resources are available, the Commission is hopeful that there may be another opportunity to engage your services.

Thank you for your interest in working with the Commission.

Sincerely,

Matthea Daughtry^{CMR}
Sen. Matthea Daughtry
Senate Chair

Kristen Cloutier^{CMR}
Rep. Kristen Cloutier
House Chair

Commission to Develop a Paid Family and Medical Leave Benefits Program

AWARD JUSTIFICATION STATEMENT: Actuarial Study of Potential Costs and Feasibility of a Paid Family and Medical Leave Benefits Program

I. Summary

The Commission to Develop a Paid Family and Medical Leave Benefits Program, through the Office of the Executive Director of the Maine Legislature, requires the services of an actuarial consultant to assist with the review and evaluation of a proposal to develop a paid family and medical leave benefits program. The consultant will review and evaluate the impact of the Commission's proposal and the suggested options outlined by the Commission, including start-up costs and ongoing costs of the proposal, the economic impact on and benefits to the State and the total contributions needed to maintain the solvency of the proposal.

II. Evaluation Process

A subcommittee was formed (Commission Senate Chair Matthea Daughtry, Commission House Chair Kristen Cloutier, Commission member Laura Fortman and Commission member Dr. Barbara Crowley) to evaluate the proposals. The subcommittee applied the consensus method in scoring the Qualifications & Experience and Proposed Services of each bidder. Scores for the Cost Proposal were assigned using a mathematical formula. The subcommittee reviewed the written proposals, met remotely with each bidder and contacted references.

III. Qualifications & Experience

The winning bidder stood out for the following reasons:

- a. Most experienced and highly regarded –large, nationally-known consultant
- b. Credentialed Actuaries to lead project team
- c. Consultants working on project are locally-based in Portland, Me office
- d. Prior experience working with other states on these issues
- e. Prior and ongoing experience working with Maine Public Employees Retirement System on projects related to disability insurance

IV. Proposed Services

The winning bidder stood out for the following reasons:

- a. The proposal emphasized financial and actuarial analysis
- b. They have developed extensive model/database from work with other states
- c. They demonstrated the ability to understand complexities of the policy issues and the importance of making policy decisions grounded in thorough actuarial analysis
- d. They included ongoing support in proposal

V. Cost Proposal

The winning bidder had the lowest cost proposal. The hourly rates from \$220-\$375 were considered and found to be acceptable to those charged on actuarial projects conducted for other state agencies.

VI. Conclusion

We felt that the Commission would benefit most from having a financial and actuarial analysis. In the Commission's view, the winning bidder was the most qualified to provide that analysis. The winning bidder also demonstrated extensive experience with other states on similar projects and the ability to understand complexities of the policy issues and the importance of making policy decisions grounded in thorough actuarial analysis. With additional resources in the future, the Commission hopes to have the opportunity to pursue additional analysis using the microsimulation model identified in one of the other proposals.

Commission to Develop a Paid Family and Medical Leave Benefits Program

Master Scoring Sheet

Invitation for Proposals: Actuarial Study of Potential Costs and Feasibility of a Paid Family and Medical Leave Benefits Program				
Bidder Name:		Milliman	Wildfig Partners	Spring Consulting
Proposed Cost:		\$95,000	\$159,799	\$193,125
Scoring Sections	Points Available			
I. Organization Qualifications and Experience	30	25	25	15
II. Proposed Services	35	25	30	20
III. Cost Proposal	35	35	20.8	17.2
TOTAL	100	85	75.8	52.2

Commission to Develop a Paid Family and Medical Leave Benefits Program

**Actuarial Study of Potential Costs and Feasibility of a
Paid Family and Medical Leave Benefits Program**

Evaluation and Scoring Sheet

Bidder's Organization Name:	Milliman
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I. Organization Qualifications and Experience (30 points)

Notes:

- Experts on PFML are locally-based
- Most experienced and highly regarded –large, nationally-known consultant
- Credentialed Actuaries
- Has worked with Maine clients; currently working with MePERS
- Extensive experience with other states on this type of work: CO, HA, VA, MA

Score Awarded: 25

II. Proposed Services (35 points)

Notes:

- Has developed model/database from work with other states
- Emphasis on financial and actuarial analysis
- Included ongoing support in proposal
- They demonstrated the ability to understand complexities of the policy issues and the importance of making policy decisions grounded in thorough actuarial analysis

Estimated timeline: Final report by August 31, 2022

Score Awarded: 25

III. Cost Proposal (35 points)

Total Cost: \$95,000 (lowest cost proposal)

Score Awarded: 35

TOTAL SCORE: 85 points

Commission to Develop a Paid Family and Medical Leave Benefits Program

**Actuarial Study of Potential Costs and Feasibility of a
Paid Family and Medical Leave Benefits Program**

Evaluation and Scoring Sheet

Bidder's Organization Name:	Wildfig Partners
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IV. Organization Qualifications and Experience (30 points)

Notes:

- Almost exclusive focus on PFML
- Depth of experience with others states: CT, RI, VT, CO, NJ
- Small firm that will focus on this project
- Public policy experience
- No actuary on team

Score Awarded: 25

V. Proposed Services (35 points)

Notes:

- Well-rounded proposal tailored to Maine request
- Knowledge of policy design
- Included microsimulation model
- Offers feasibility model/tool that can be used in future to model different scenarios
- Lacks actuary---Inquire if peer-review by actuary of model results can be added to proposal?

Estimated timeline: 22 weeks; completed in mid-August

Score Awarded: 30

VI. Cost Proposal (35 points)

Total Cost: \$159,799

Score Awarded: 20.8

TOTAL SCORE: 75.8 points

Commission to Develop a Paid Family and Medical Leave Benefits Program

**Actuarial Study of Potential Costs and Feasibility of a
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Evaluation and Scoring Sheet

Bidder's Organization Name:	Spring Consulting
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VII. Organization Qualifications and Experience (30 points)

Notes:

- Lacks depth of experience with other states—employer-focused consulting and fewer projects with other states than others
- Not enough experience with PFML
- Mentioned that it would be “Fun and exciting to do this new work”

Score Awarded: 15

VIII. Proposed Services (35 points)

Notes:

- Cookie cutter proposal with focus on process/project management
- Detailed timeline for project
- Does not seem to adapt to specific request for services from Commission
- Lack of discussion of final product

Estimated timeline: Final report by September 1, 2022

Score Awarded: 20

IX. Cost Proposal (35 points)

Total Cost: \$193,125

Score Awarded: 17.2

TOTAL SCORE: 52.2 points