



ADDENDUM NO. I

DATE: August 10, 2022
TO: All Potential Proposers
FROM: James McKeehan, Assistant Purchasing Agent, City of Knoxville
SUBJECT: Addendum No. I to RFP - Basic Life and AD&D, Basic Dependent Life, Supplemental Life, and Long-Term Disability Insurance

PROPOSALS TO BE OPENED: August 15, 2022

This addendum is being published to provide clarification regarding the above referenced ITB. This addendum becomes a part of the contract documents and modifies the original specifications as follows:

Item 1: Is “the proposer” being asked to cover employees not Actively at Work on the LTD? If so, please refer to “question 15.”

Response: See response to item 15.

Item 2: Please provide the individual claim reserves on the open LTD claims.

Response: An updated report containing this information through 7/31/2022 has been made available. For a copy the report contact the City of Knoxville’s Assistant Purchasing Agent, James McKeehan at jmckeehan@knoxvilletn.gov.

Item 3: Is the LTD benefit amount listed on the open claim exhibit gross or net? Can we get both figures?

Response: Amount Listed is GROSS. See Item 2 for instructions on requesting a copy of the report containing this information.

Item 4: Does the group participate in a state employee’s retirement system plan (example: PERS)

Response: No

Item 5: We have open claim counts from 2018 – April of 2022. What are the closed claim counts? Any open claims?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 6: Please provide average lives by year.



Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 7: Any historical plan changes?

Response: No

Item 8: Can we get a copy of a recent billing statement?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 9: Is the 1/1/2023 renewal available?

Response: No

Item 10: Is a detailed claim listing for all coverages available including the total amount paid and the date paid by coverage?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 11: Is it possible to get a Waiver of Premium listing by coverage for the pending, approved, open and closed claims that includes the date of disability, approval date, closed date, face amounts, and reserve amounts?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 12: Is a recent billing invoice available including the lives and volume by age bracket?

Response: No

Item 13: Are the renewal rates available by coverage?

Response: No

Item 14: Have there been any plan design changes over the past 5 years? If so, please provide the details and dates of any change(s)

Response: We have increased the GI from 100k to \$250k for Employees and from \$30k to \$50k for spouses. Child life is also available without electing supplemental life.

Item 15: Is “the proposer” being asked to cover employees not Actively At Work? If so, please provide a list (name, date of birth, gender, date last worked, amount of coverage, reason for not being actively at work) of those employees not Actively At Work that “the proposer” is being asked to cover.



Response: The City has made available report as of the date of RFP (See Item 2). We can provided an updated list closer to an award date. Given the length in time from now until contract start, this list can and will change and be updated.

Item 16: Can an updated census with the sick bank totals for each EE be provided? There is no way we can combine the 2 excel sheets together.

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 17: Please advise if City of Knoxville participates in PERS.

Response: No

Item 18: Can City of Knoxville provide vaccination %?

Response: No

Item 19: For life we request Premium/Lives/Volume for 60 months, Claims on incurred basis, Death Claims listing with DOD and Claim count, Premium Waiver listing. We also request experience be brought forward to include 2022)

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 20: For LTD we request Open/Closed Claims listing including DOD, DOB, Gender, Monthly benefit, total paid, Net and Gross benefit, and reserves.

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 21: Can we get experience through 6/30/22?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 22: Can you provide any Life experience for any part of 2022?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 23: Can you add Lives history by year to the Life experience and the lives history to the LTD experience report?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.



Item 24: Can you provide an Individual life claims report for Life and Supp Life?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 25: Can you add an Open and Closed claims count by period to the LTD experience report?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 26: Can you add the Individual Reserves to the Open claims list on the LTD report?

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 27: For LTD do you participate in the state PERS plan?

Response: No

Item 28: The census only shows 1 person in Life/LTD class 2. Is that accurate?

Response: Correct see Section 3.2; B of the RFP.

Item 29: Are the Minnesota Life (Life coverage) & Madison National (LTD coverage) 1/1/23 renewal rates available?

Response: No

Item 30: Please provide a copy of the recent bill to make sure the census volumes are aligned with the volume, lives, and premium that are currently covered

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 31: Please confirm the life reduction schedule applies to the voluntary EE and spouse life. Current plan documents state that the reduction schedule only applies to the Basic Life and AD&D coverage while the S-3 document states that the reduction schedule applies to the voluntary employee and spouse life.

Response: The reduction schedule applies to both basic and voluntary coverage

Item 32: Please confirm the employee's voluntary life maximum is \$750k. The S-3 document states the employee maximum is \$500k

Response: The limit is \$750k, but we have been operating under \$500k max.



Item 33: Please provide the 2022 life experience that is available.

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 34: Please provide a life claim listing for the life claims that were paid (please include the date of death, the date the claim was paid, and paid amount) dating back to 8/1/18

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 35: Please provide a copy of the open waiver claim listing for basic and voluntary life including DOB, Gender, Date of Dis, and face amount

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 36: On the LTD open claim listing, please provide a net benefit, gross benefit, offset amount, and individual reserves.

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 37: If this is not available, please advise if the monthly benefit column on the open LTD claim listing is the net or gross benefit

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 38: Please add the number of closed LTD claims to the Claims Report experience.

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 39: Please provide covered life history to the Life/LTD experience that was provided.

Response: See Item 2 for instructions on requesting a copy of the report containing this information.

Item 40: Please clarify if the pension plans referenced in the RFP document are deductible sources of income for LTD. It is not clear if these pension plans are included under the deductible income sources section of the LTD plan document #7. Retirement plans.

Response: Pension is a deductible source of income.

Item 41: There was a reference to exhibit A-4 in the RFP document when pertaining to the continuation of coverage while on leave of absence due to injury or illness. This document only



contains the number of employees currently out on leaves. What is the current practice in terms of continuation for life coverage? On the life policy document, for employees out on a medical leave of absence, coverage can be continued to the later of 12 months or the date the employee attains the age of 65. This reads to us as a continuation of coverage (death benefit only) while waiver of premium is also referenced in the life policy.

Response: Once a person exhausts twelve weeks of leave due to a medical, they are put on continuation of coverage for all benefits. If their reason for medical leave is approved under LTD, they will be extended waiver of premium. Otherwise, benefits terminate the last day of active employment.

END OF ADDENDUM NO. I