



**Hamilton County, Tennessee**  
**Department of Procurement & Contract Management**

**Notification of Award**

September 4, 2019

Title: RFP - Employee Life & Disability Insurance  
Solicitation #:0619-137  
Initial Term (From/To): 01/01/2020 - 12/31/2022  
Reference: Attachment 1

This letter is the official notification of award to Symetra Life Insurance Company for the above referenced solicitation. Please note, if this solicitation is awarded to multiple vendors, the Attachment provides the details regarding the awarded items specific to your company.

We wish to express our appreciation for your interest and cooperation in our procurement program. If you have any questions regarding this award, please contact the Procurement Department at 423.209.6350.

Sincerely,

A handwritten signature in blue ink that reads "L Parrish".

Lindsey Parrish  
Senior Buyer / RFP Coordinator

Attachment 1

**Base Life, Voluntary Life and Disability Carrier Analysis and Recommendations**  
**RFP # 0619-137**

**Background**

Hamilton County Government recently released a Request for Proposal for life and disability insurance coverage for all eligible employees. Currently all eligible employees are provided \$30,000 of basic Life and AD&D insurance. Additionally, employees are offered the opportunity to purchase Supplemental Life insurance for themselves and their dependents. Employees also have access to fully employee-paid Short Term Disability and Long Term Disability policies.

Proposals were issued with the intent to continue to offer the same choices to employees and proposers were asked to duplicate the current plans. All carriers were asked to provide pricing with a rate guarantee for the term of the initial three (3) year contract. The resulting contract(s) may be renewed for one (1) additional three-year term.

**Number of Proposals Submitted:**

The request for proposal generated ten (10) proposal submissions for base life, voluntary life, short term disability, and long-term disability insurance from the following carriers: AFLAC, Cigna, Dearborn Life, Guardian, Hartford, Liberty National, Lincoln Financial, OCHS, Symetra, and Unum.

The incumbent insurance provider is Hartford for life and long-term disability and Unum is the incumbent insurance provider for short term disability. Unum did not submit a short-term disability proposal in response to the County's request for proposal because it is an individual policy and never expires. Liberty National only provided a proposal response for whole life and did not include any of the products specified in the request for proposal.

**Description of Review/Evaluation Process:**

Hamilton County (Human Resources and Procurement) met with Russ Blakely and Associates to review each proposal submission for compliance with the administrative requirements of the request for proposal as well as to evaluate the products being offered by each carrier.

**Carrier Finalists:**

Following the review/evaluation process, two (2) carriers were identified as finalists. Both met all standard requirements of the request for proposal and provided the best combination of products and financial options for the County: Symetra and OCHS.

Symetra emerged as the best carrier to meet the administrative requirements set by Hamilton County while delivering the best quality products to employees for life insurance and long-term disability. The costs of the products are more favorable than the current plans offered through Hartford with coverage levels equal or better. The current Short-Term Disability coverage provided by Unum emerged as the best option for employees and the County.

**Carrier Recommendation:**

The recommendation is to offer base life, voluntary life and long-term disability through Symetra effective January 1, 2020. It is also recommended for Unum to maintain the Short-Term Disability policies currently in place.

**Key Reasons for the Recommendation:**

Symetra met all proposal submission requirements including both administrative requirements and product requirements. In addition, Symetra will deliver a cost savings to Hamilton County of \$49,768 annually vs. the current cost under The Hartford. County employees will also see approximately a 30% reduction in their cost of insurance for Long-Term Disability coverage. The County was also able to negotiate additional favorable terms of the life insurance contracts which will benefit all County employees.

**Overall Considerations:**

- Best administrative process to eliminate several manual administrative processes in place for the County today
- Significant experience offering voluntary life and disability benefits on a variety of enrollment platforms including the system currently being used by Hamilton County
- Ability to use the County’s enrollment system as the system of record for billing to eliminate the bill reconciliation process
- Comprehensive benefits for employees at lower cost than current

**Distinguishing Product Features:**

- Base Life and AD&D
  - Matched current contract at a 43% reduction in rates on a county paid benefit
- Voluntary Life and AD&D
  - Matched current rates
  - Increase in guaranteed issue amounts from \$100,000 for employee to \$250,000
  - Increase in guaranteed issue amount from \$12,500 for spouse to \$50,000
  - Increase in guaranteed issue amount on children from \$10,000 to \$20,000
  - Age reduction schedule improvement
  - Child life coverage starts at date of birth for full face amount
- Long-Term Disability
  - Matched current contract at a 30% rate reduction

<b>Product</b>	<b>Current Rate Per \$1,000 of Coverage</b>	<b>Proposed Rate Per \$1,000 of Coverage</b>
Basic Life / AD&D	\$0.160 / \$0.016	\$0.080 / \$0.020
Supplemental Life – Employee	Age Band Rated	Age Band Rated – <i>Matched current in force rate</i>
Supplemental Life – Spouse	Age Band Rated	Age Band Rated – <i>Matched current in force rate</i>
Supplemental Life – Child	\$0.20	\$0.20
<b>Product</b>	<b>Current Rate Per \$100 of Coverage</b>	<b>Proposed Rate Per \$100 of Coverage</b>
LTD – under age 40	\$0.27	\$0.19
LTD – age 40 – 54	\$0.54	\$0.38
LTD – ages 55+	\$0.93	\$0.65

Additionally, Unum’s Short Term Disability rates were significantly lower than any other proposal received and they have agreed to provide open enrollment annually to allow other employees access to the product as well.