



## ADDENDUM NO. II

**DATE:** September 14, 2021  
**TO:** All Potential Proposers  
**FROM:** James McKeehan, Assistant Purchasing Agent, City of Knoxville  
**SUBJECT:** Addendum No. II to RFP - COBRA Administration Service

**PROPOSALS TO BE OPENED:** September 17, 2021

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:

Items for Clarification:

1. Is it expected that the new vendor will be required to conduct open enrollment for the 2022 Plan year? Or will the current vendor be responsible for the 2022 Plan year?

**The City is responsible for sending out the annual enrollment notices during November. We can collect the enrollment forms to help with the transition. But the new vendor would be expect to take over all COBRA participants on 1/1/2022.**

2. Our response to the RFP will include a copy of our standard Master Services Agreement (MSA) containing the terms under which we do business with all clients. We require using this because it precisely addresses, describes and supports the issues specific to and relevant to providing the services proposed. We are also amenable to (i) negotiating certain provision of our standard MSA and (ii) including certain provisions of your RFP and Contract Requirements for inclusion in the MSA, subject to certain required exceptions. Is this approach acceptable?

**The City's Law Department will need to review any Agreement before awarding the bid**

3. Can you explain the City's expectations of demoing employer capabilities? Example: screen shoots or a click through website.

**Screenshots will suffice. We want to know how user-friendly the employer site is.**

4. Please provide a sample data feed or specifications.

**Generally, a vendor will tell us what their data specifications are. We enter all of our new hires and qualifying event information manually. So we do not send data feeds.**

5. Do you wish proposers to provide performance standards?

**Yes.**



6. What is the estimated number of administrative users or HR contacts?

**Four, maybe 5.**

7. Who should the RFP be addressed to?

**The RFP is to be addressed to the City of Knoxville's Purchasing Division. Please see Section 7: Instructions to submitting Entities in the RFP found on page 12.**

8. How many insured employees?

**There are 1,454 benefits eligible employees. 1,384 elect medical, while 166 waive coverage. Our medical plan also has 96 pre-65 retirees covered as well.**

9. What was the number of insured employees in 1/1/19 & 1/1/20?

**The City averages just under 1,500 at any time.**

10. How many COBRA pending participants are there currently?

**There are currently 21 pending participants.**

11. What is the average number of COBRA qualifying events per month?

**We average about 6 per month.**

12. What is the average number of new hires per month?

**It varies, depending on whether there is a Fire Recruit or Police Recruit class starting. In any given year, we hire approximately 100 – 130 employees. That averages out to 8-11 per month.**

13. Are there any plans for downsizing?

**There are no plans to downsize**

14. How many COBRA eligible plans are there? Please list their renewal dates.

**There are 4 medical plan options, each with the ability to elect wellness or not.  
There are 4 dental plan options, three with BCBST, and 1 a CIGNA DHMO  
There are 2 vision plan options.  
The Flexible Spending Account is with HealthEquity  
The Employee Assistance Plan is with ENI.  
All plans renew on January 1<sup>st</sup>.**

15. How many insurance carriers provide plans to the City?

**The City currently utilizes services from Blue Cross Blue Shield for medical/dental, CIGNA DHMO, and EyeMed for vision.**



16. Who is the current COBRA administrator?

**PayFlex**

17. What is the current pricing for administrative services?

**Currently pay per notice. \$4.55 per initial notice, and \$17.00 per qualifying event.**

18. What is the ideal contract length for service?

**The contract is to be for three years, with an option to renew for two additional one year terms.**

19. Why is the City going out to market? Are there specific pain points that need be addressed?

**The City's current COBRA Administration contract expires at the end of 2021**

20. Will detailed evaluation feedback and scoring be released after the award has been made? Are you the right contact for this information?

**Feedback and Scoring will be available after award has been made. Please send all inquiries in writing to the Assistant Purchasing Agent, James McKeehan at the email address found in the RFP.**

21. Are you looking for a vendor to carry out open enrollment for the COBRA population?

**The City is responsible for sending out the annual enrollment notices during November. We can collect the enrollment forms to help with the transition. But the new vendor would be expect to take over all COBRA participants on 1/1/2022.**

22. Are you looking for a vendor to conduct open enrollment for the 2022 plan year?

**Please see the response to item # 21**

23. How many years of archived information needs to be transferred to the awarded vendor?

**I believe that is a question for the new vendor. How many years do they need?**

24. Please provide the following additional dates to your RFP timeline.

- a. **Pre-proposal meeting date – We will plan to meet the week of Sept 27th**
- b. **Proposer short list date – By Sept 29**
- c. **Presentation date(s) Oct 1<sup>st</sup>, if necessary**
- d. **Contract award date -- The goal is to have Council approve on Oct 5, 2021**
- e. **Implementation dates – The 90 days following Oct 5th**
- f. **Contract effective date -- January 1<sup>st</sup>, 2022**
- g. **Open Enrollment date(s) – November 1 – 30, 2021**
- h. **Fiscal year start & end dates The City's fiscal year is July 1 – June 30**

**The contract is to begin January 1, 2022 all other dates are subject to change depending on the evaluation committee's availability and the contract negotiation process.**



25. Is the effective date and implementation date the same?

**The effective date is January 1, 2022. We expect that a new firm would start implementation 60 or 90 days prior to that date. We would lean on the vendor to tell us their preferred implementation timeline.**

**END OF ADDENDUM NO. II**