

ADDENDUM NO. __1__

RFP NUMBER: ____165188____

RFP TITLE: ____RFP for Benefits Advisor, Open Enrollment Communications and Voluntary Benefits____

DEPARTMENT: ____H.R.____

COMMODITY: ____Benefits and Insurance Policies and Services____

DATE OF ADDENDUM: ____February 7, 2018____

RFP DUE DATE: ____February 14, 2018____

RFP DUE TIME: ____4:00 p.m., e.s.t.____

REASON: ANSWERS TO QUESTIONS

(SIGNED): _____(DATE): _____

(COMPANY): _____

Please sign one (1) copy of this page and return it with your proposal, or separately and clearly labelled if your proposal has already been submitted, to the Purchasing Department (email: dmkeylon@chattanooga.gov; or fax to 423-643-7244 Attn: D Keylon; or mail to Purchasing Dept., Attn: D Keylon, 101 E. 11th Street, Suite G-13, Chattanooga, TN 37402.

Retain a copy for your file.

Addendum 1

Questions and Answers for RFP 165188 Benefits Advisor, Open Enrollment Communications, and Voluntary Benefits

Question: What is the reason for the current RFP?

Answer: The current contract will terminate 4/1/2018 and City policy requires a new RFP.

Question: Are there any current issues with the current broker vendor?

Answer: The City knows of no issues with the current broker.

Question: Has the recent acquisition of the current broker vendor lead to any new challenges?

Answer: The City is not aware of any challenges with the current broker.

Question: How long has the current broker vendor been contracted in the current roll?

Answer: The current broker has been the City's Benefit Advisor/broker for most insurance products for over 15 years. They have been the Open Enrollment communications and Voluntary benefits broker (products in this RFP) for 4 years.

Question: The RFP states that the awarded vendor will take broker of record control on 4/1/18 and that the education & enrollment occur in April & May. Does the city plan to renew your current coverages as is for the 7/1/18 -- 6/30/19 benefits year?

Answer: Yes.

Question: We've seen previous RFP requests for specific lines of coverage to be bided by carriers from the City of Chattanooga. (i.e. current RFP No. 164394)

1. Does the City always solicit the proposals from carriers and then have the contracted broker vendor advise on these proposals? I am not sure I understand the question but in this RFP, we are soliciting brokers who will advise on carriers for Open Enrollment voluntary benefits. The selected broker will provide advice over the course of the contracts with all contracted carriers. The selected broker will be the broker of record for all products.

2. Does the broker vender do the marketing for any/all lines of coverage? The selected broker will provide assistance with communications about the benefits offered at Open Enrollment

Answer: See above.

Question: The RFP talks about 4 local agencies with approximately 80 employees being included in the group benefit package.

1. What are these 4 other agencies? The Chattanooga Airport (Airport), The Chattanooga Hamilton County Trade Center (Trade Center), The Chattanooga Fire and Police Pension Board Staff, The Enterprise Center The only agency whose employees are covered under the voluntary benefits that are part of this RFP is the Trade Center.
2. How long have they been included in the city's benefit program? The Airport was once part of the City and the employees have been on the City's plan for over 30 years. The Trade Center has been on the City's plan for over 20 years. The Enterprise Center and the Fire and Police Pension Board staff for over 10 years.
3. What has allowed them to be eligible? The City has an arrangement with each of these agencies which allows these employees to be covered under the City's plans. The employees must meet the eligibility requirements outlined in the agreements.
4. How has the carriers accepted this in the past? The voluntary products in the RFP are offered to companies across the US and the group has to meet the participation requirements of the carrier.

Answer: See above.

Question: With Regards to your onsite clinic & pharmacy.

1. How do you gather the data for claims spend being utilized at your onsite clinic & pharmacy? We provide the clinic for the exclusive use of City employees who are enrolled in the City's health plan. Since we are self funded, there are no claims associated with usage of the Clinic. The City purchases all the prescription drugs that stock the onsite pharmacy. Pharmacy claims are routed to the medical insurance carrier for purposes of adjudication and ultimate reimbursement of cost to the City.
2. How often is this data pulled? The onsite clinic and onsite pharmacy report to the City on a periodic basis.
3. Does it integrate with your BCBS claims data? Services provided by the clinic are not part of BCBST claims data. The pharmacy prescription drug profile data is not part of the BCBST claims database. However, BCBST provides a pharmacy representative to compile the pharmacy data from the onsite pharmacy with the retail data in their database.

Answer: See above.

Question: With Regards to your voluntary benefits

1. Is the city considering a change to the voluntary benefits vendor? This RFP is asking for proposals so which will all be evaluated.
2. What challenges is the city seeing with the current vendor UNUM? The City does not have any challenges with the current vendor.

Answer: See above

Question:

1. With regards to your current online enrollment system, Oracle Advance Benefits (OAB).
 1. Is your current online enrollment system tied into your payroll services/vendor? Yes.
 2. Does the city pay for the usage of the OAB system? Yes.
 - ? i. If the city does pay for the system, what does it cost the city annually? This is hard to quantify as it is part of a large contract with Oracle and a consulting company who manages all Oracle systems for the City.
1. Would the city find value in using another online enrollment system that integrates with your payroll service if it was funded by the broker (i.e. Us)? We are open to evaluate all proposals.
2. Are EDI feeds currently set up with each Insurance carrier? Yes.
3. If OAB is the only enrollment platform to be considered for the future, who is responsible for building out changes to the platform prior to open enrollment? The City is establishes a contract with a consulting firm to provide services for all aspects of Oracle that pertain to Open Enrollment.

Answer: See above.

Question: Who takes on the cost of the education material? (i.e. the benefit guides, enrollment posters, Online website/resources)

Answer: The current vendor.

Question: Does the current broker vendor use outside (third party) benefit counselors that are trained up by the city for education meetings?

Answer: No.

Question:

How is the current broker vendor compensated?

1. Are they paid a commission directly from the insurance carriers? They are for some products.
2. Are they paid a fee directly from the city for services? Not directly.
3. Are they paid a combination of commission & a fee? No, just commission.
4. What is the estimated annual compensation that is paid to the current broker vendor? Not known.

Answer: See above.

Question: Will questions from all responding brokers be posted and answered?

1. If so, will they be sent out to all responding brokers or will we need to look elsewhere?

Answer: All questions will be answered by Addendum to be posted with the original solicitation document at www.chattanooga.gov, then Bids / Solicitations, then the appropriate item. This document will not be sent by e-mail but will require your company to seek it at this source. The signed Addendum cover page is to be returned with your proposal as evidence that you have received the material.

Question: For the RFP you are only looking for insurance companies and not brokers is that correct?

Answer: The RFP is asking for proposals for a Benefit Advisor who will also be the broker of record for all insurance products. We are looking for Open Enrollment voluntary products as well and the broker will be the broker of record for these products.

Question: Are you anticipating quotes from insurance carriers to replace the Unum voluntary products? If so, could you provide us with a census?

Answer: We do not expect quotes from insurance carriers. The selected broker will advise on carriers and products for these Open Enrollment offerings.

Question: In Section 1 of the RFP, it states "the selected vendor will be named the Broker of Record for all City benefit plans to include the voluntary products offered only during Open Enrollment." Does this mean that you are looking for a broker from this RFP for all benefits including health, dental, vision, ancillary benefits, and the voluntary Unum products?

Answer: Yes. This is stated in the RFP.

Question: Does the City want FSA and HSA administration from this RFP?

Answer: No.

Question: The City lists Marathon Health as the Rx administrator for the clinic. Do you have a separate PBM for your health insurance?

Answer: Marathon Health is current manager for the City's onsite clinic and "OnSite Rx" has the current contract for the City's onsite pharmacy. The PBM for the Health Plan is Express Scripts through the City's contract with BCBST.

Question: The City lists STD and supplemental life as voluntary via Voya. Do you want any information regarding these products in this RFP?

Answer: No.

Question: The City asks for budgeting assistance. Can you provide current reserves for health? Do you have a reserve policy?

Answer: The City does not have reserves for Health Insurance with the exception of IBNR reserves.

Question: Does the City have an employee committee and if so, do you meet to discuss benefit options that the broker would have involvement in?

Answer: The City has a Benefit Advisory Committee which meets quarterly to discuss benefit options. The broker may be asked to attend these meetings.

