

#### **ADDENDUM NO. 4**

**DATE:** April 4, 2018

**TO:** All Potential Proposers

**FROM:** Penny Owens, Assistant Purchasing Agent, City of Knoxville

**SUBJECT:** Addendum No. 4 to the RFP for Basic Life and AD&D, Basic Dependent Life, Supplemental Life, and Long-Term Disability Insurance

**RFPS TO BE OPENED:** April 11, 2018 at 11:00:00 a.m. (Eastern Time)

This addendum is being published to respond to questions asked by potential proposers regarding the above referenced RFP. This addendum becomes a part of the contract documents and modifies the original specifications as follows:

**Question #1:** Currently the supplemental life is structured with smoker/non-smoker rates – is there a desire to consolidate all to the non-smoker rates?

Response: No. We prefer to keep the tobacco/non-tobacco rates as is.

**Question #2:** Are renewal rates available?

Response: No. The current vendor must submit a bid just like any other.

**Question #3:** When was the last time an open enrollment was conducted?

Response: See Addendum 3, Question #3 for response.

**Question #4:** What was the methodology and success rate?

Response: Enrollment is conducted through PeopleSoft. The City does not calculate success rate.

**Question #5:** What will be the enrollment strategy to increase participation?

Response: The goal would be to continue the current strategy allowing employees to elect \$10,000 without evidence of insurability, and the ability to increase by \$10,000 or \$20,000 without EOI, and even possibly allow spouses a one-time election without EOI.

**Question #6:** Will there be onsite enrollers or personalized enrollment forms?

Response: No onsite enrollers. No forms. All enrollments will be conducted in the PeopleSoft Benefits Administration system.

**Question #7:** Is there access to an online enrollment platform?

Response: Yes. We use the PeopleSoft Benefits Administration platform.

**Question #8:** How many work locations are there?

Response: 65+ (includes 19 fire halls, 25 rec centers, and various other department locations)

**Question #9:** Concerning Life Insurance, is the premium available broken out by plan year for each coverage? Are the average lives and average volume available by plan year for each coverage?

Response: Please see the chart below.

	8/1/15 - 7/1/16		8/1/16 - 7/1/17		8/1/17 - 12/1/17	
	Total Premium	Average Lives	Total Premium	Average Lives	Total Premium	Average Lives
<b>Life</b>	\$103,356	1501	\$101,646	1475	\$42,192	1478
<b>AD&amp;D</b>	\$26,962	1501	\$26,509	1475	\$11,007	1478
<b>Dependent Life</b>	\$3,047	577	\$2,993	567	\$1,256	571
<b>Supp Life - EE</b>	\$185,893	738	\$203,455	800	\$91,958	823
<b>Supp Life - SP</b>	\$33,949	322	\$40,460	363	\$17,920	371
<b>Supp Life - CH</b>	\$7,456	311	\$7,762	323	\$3,398	340

**Question #10:** Is a recent billing invoice available including the lives and volume by age bracket split for non-tobacco and tobacco?

Response: Yes, see below.

Coverage	Number of Insured	Volume of Insurance
Basic Life	1,442	71,785,000
Basic AD&D	1,442	71,785,000
Basic Dependent Life	560	N/A
Supplemental Life - Non-Smoker	714	71,051,500
Supplemental Life - Smoker	119	7,630,000
Spouse Life - Non-Smoker	345	16,276,250
Spouse Life - Smoker	25	829,000
Child Life	363	3,630,000

**Question #11:** Can you confirm no commissions have been built into previous rates?

Response: Confirmed. Contract is net of commission.

**Question #12:** Will utilizing diverse suppliers be considered in the City's evaluation of vendors?

Response: While the City encourages use of diverse suppliers by our Contractors to assist us in meeting goals for doing business with diverse businesses, no additional points will be awarded for their use.

**Question #13:** Is the City requesting proposals through brokers for this RFP or directly with carriers?

Response: Directly with carriers only

**Question #14:** Will the City of Knoxville accept a flash drive instead of a CD for list of answers?

Response: Yes

**END OF ADDENDUM 4**