

**ADDENDUM NO. \_\_1\_\_**

RFP NUMBER: \_\_\_\_164394\_\_\_\_

RFP TITLE: \_\_\_\_RFP for Life and Disability Insurances and FMLA Administrator\_\_\_\_

DEPARTMENT: \_\_\_\_H.R.\_\_\_\_

COMMODITY: \_\_\_\_Insurance Policies and Services\_\_\_\_

DATE OF ADDENDUM: \_\_\_\_February 5, 2018\_\_\_\_

RFP DUE DATE: \_\_\_\_February 13, 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](mailto: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 164394 Life and Disability Insurances and FMLA Administrator**

**Question:** Do employees contribute to a public employee retirement system?

**Answer:** City civilian employees are required to contribute to the City of Chattanooga General Pension Plan at the rate of 2%. Sworn employees must contribute the City of Chattanooga Fire and Police Pension plan at 8% or 9%.

**Question:** What types of leaves would we administer, in addition to FMLA?

**Answer:** We would need to administer the TN Maternity Leave which can run concurrent with FMLA and is 16 weeks.

TMACCL = TN Maternity and Adoptive Child Care Leave.

**Question:** Is an open and closed LTD claims report with reserves by individual claimant for the open LTD claims available?

**Answer:** Open and Closed report is provided.

**Question:** We will need the census file in Excel. Can this be provided?

**Answer:** Yes. This will be provided to each respondent who sends a request for this to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).

**Question:** Could you please send, or post on the Chattanooga.gov website, the electronic files for the Questionnaire, Financial Response, and the Census sections?

**Answer:** Yes. These will be provided to each respondent who sends a request for this to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).

**Question:** One add'l request, we will need the voluntary life elections added the census.

**Answer:** Provided

**Question:**

Life

1. Please provide current elections for the following coverages:

- a. Employee Voluntary Lifeb. Spouse Voluntary Life
- c. Child Voluntary Life

**Answer:** Provided

**Question:** Can you provide census which includes Voluntary STD plan participants and their elected plan (50% or 70% plan)?

**Answer:** Provided

**Question:** Are both STD plan options offered for the same set of age-banded rates?

**Answer:** Yes.

**Question:** Can you provide a census with individual Additional Life/ Spouse Life elections?

**Answer:** Provided

**Question:** There are 29 employees without an LTD indicator for the LTD plan. We assume those 29 aren't eligible for LTD. Please confirm.

**Answer:** Please see updated census. This will be provided to each respondent who sends a request for this to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).

**Question:** Please provide an STD experience report that includes enrolled lives by month.

**Answer:** Provided

**Question:** Please provide an LTD experience report that includes number of lives by month.

**Answer:** Provided

**Question:** Please provide rate history of the plan through the last 2 carriers.

**Answer:** Provided

**Question:** The Life contract references a class "Employees approved for Portability". Is there a closed listing of ported members that are to be included in the Life plan? If so, can you provide the listing of the employees in this class as well as their DOB, gender and covered benefit amount?

**Answer:** When an employee pots their coverage, they are no longer on the group plan so we are unable to provide this report.

**Question:**

Census:

- Please provide a census with STD elections including which plan was selected.
- Please provide Voluntary Life volumes if available.

**Answer:** Provided

**Question:**

LTD:

- Please provide an open and closed claims list including the Date of Birth, Date of Disability, gender, benefit amount, offset information, and prior carrier reserves.
- Please confirm the rate history and if there have been any plan changes back to 7/1/2013.

**Answer:** LTD Open and Closed claims are provided. Plans have not changed since 2013. A rate history has been provided.

**Question:**

STD:

- The current STD plan is a choice plan between a 50% and a 70% all other provisions are the same. Do the step rates provided on the current bill apply for both plan options? If not, which plan do these rates apply to and what are the rates for the other choice plan?
- Please confirm the rate history and if there have been any plan changes back to 7/1/2013

**Answer:** researching... Rates are for both plans. The only plan change for STD was that the weekly max changed to \$2000 from \$750 in 2014. Rate history is being provided.

**Question:**

FML:

- Please provide the leaves incidence for the past 2-3 years. Provided.

**Answer:** The FMLA service is telephonic and does not provide full case management. There is management and transition of services when an employee is moving from FMLA to STD and to LTD.

- Does your current plan provide indemnification, telephonic intake, and full case management?

"Indemnity is covered by the leave management agreement entered into between ReliaStar and the customer, and in summary provides indemnity to the employer for third party claims arising out of gross negligence or willful misconduct, and is capped at the amount of twelve months of fees."

**Question:**

Life:

- Please provide waiver claims detail for anyone currently on an approved waiver
- Please advise of any plan changes since 2013

**Answer:** Waiver report has been provided. No plan changes since 2013.

**Question:**Technology:

- What is the current enrollment system that is used for enrolling the group products? ANSWER: The City currently uses an Oracle based system, Oracle Advanced Benefits (OAB)
- Is there an HRIS system? ANSWER: This is Oracle Ebiz
- Is there a Benefits Administration system? ANSWER: The City currently uses an Oracle based system, Oracle Advanced Benefits (OAB)

**Question:**Commissions:

- Please confirm whether the commissions are 10% or if it is NET of Commissions for all of the requested benefit plans.

**Answer:** Here are the correct commissions.

- LTD 4%
- STD 15%
- Basic 4%
- Supp 20%

**Question:**Life

- The census does not contain the volumes and elections for the Supplemental Life Benefit. We do see this in aggregate by age band in the pdf document, however, matching the election volume to the proper person would improve the accuracy of the rating. Please advise if this is available.
- Please verify if the Waiver period is 6 or 9 months.

**Answer:** Please see census report provided. There is no waiting period for life waiver.

**Question:**

**LTD**

- Please confirm any LTD offset with SSDI, PERS, STRS or both. Please refer to page 12 of the LTD booklet for offset information.
- Please provide open/closed claim listing to include the respective DOB, DOD, Gender, and Net/Gross Benefit Provided
- Please confirm the “LTD Ind” header on the census. Does it reference the “Class” that is covered under the benefit? Please see updated census report.

**Answer: See above**

**Question:**

**Voluntary STD**

- Please update census to identify those who have elected the VSTD benefit and also what benefit they elected. The group has two options of election, but we don't find an indication of who elected what benefit. This will be needed to properly quote this risk.
- Please confirm the Pre Ex on the VSTD for the group is 12/12. There is no pre-ex on STD

**Answer: Provided by updated census**

**Question:**

**General**

- Is the RFP available in Word/Excel format?

**Answer:** We are not permitted to release the main solicitation document in Word format. It is only available in pdf.

**Question:**

STD incurred claims vs premium experience to reflect the monthly enrolled lives for the past 24 months

**Answer: Provided.**

**Question:**

Please provide open/Closed LTD claim listing, including expected return to work, date of disability, and description or incident

**Answer: See provided reports**

**Question: Please provide a life waiver of premium report**

**Answer: provided**

**Question:**

Please provide an updated census with Vol Life elections and Volumes and STD elections

**Answer: We will provide.**

**Question: Do you think we could have the attached RFP provided in an actual PDF?**

**Answer:** Yes. This will be provided to each respondent who sends a request to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).



**Question:** Will Attachment I – Questionnaire be made available in a Microsoft Word or Excel format when the bid is posted to the website?

**Answer:** This will be provided to each respondent who sends a request to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).

**Question:** Will Attachment II – Financial Response Form be made available in a Microsoft Word or Excel format when the bid is posted to the website?

**Answer:** This will be provided to each respondent who sends a request to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).

**Question:** Will the Census be made available in a Microsoft Word or Excel format when the bid is posted to the website? [same question: “My underwriter needs the census in an excel format so we can download the data in our system and rate the case. I looked on the city’s website and only saw it attached in a PDF document. Can you send it to me in excel format?” and “May I please request the census in excel format?”]

**Answer:** This will be provided to each respondent who sends a request to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).

**Question:** Is it possible to get the RFP information in a different format other than PDF? Specifically, we would like to get the census in Excel format or another format that we can copy and paste into our raters. Please let me know if you have any questions.

**Answer:** We are not permitted to release the main solicitation document in Word format. It is only available in pdf. The census will be provided to each respondent who sends a request to Purchasing by e-mail to [rfp@chattanooga.gov](mailto:rfp@chattanooga.gov).

**Question:** We will need the voluntary life elections added the census.

**Answer:** We will provide.

**Question:** Can the city provide rate history for the past 5 years all lines? [same question but without the time frame]: Please provide rate history for all lines out to bid.

**Answer:** Provided.

**Question:** Can the group provide an open/closed claims listing for the LTD?

**Answer:** Provided.

**Question:** Can the group provide an open waiver listing for the group life?

**Answer:** Provided.

**Question:** Can they provide a current LTD cert?

**Answer:** Provided

**Question:** Would the city be willing to consider alternate plan duration other than SSNRA in order to show saving?

**Answer:** The RFP asks to provide alternate plans if applicable.

**Question:** Will responses just be posted to the Chattanooga.gov website Feb. 2<sup>nd</sup>?

**Answer:** Yes. For the Q&A Addendum, go to [www.chattanooga.gov](http://www.chattanooga.gov), then Bids / Solicitations, then the appropriate selection. With the exception of files in special formats (pdf, Word, Excel) upon request, responses to questions will not be sent by e-mail.

**Question:** Do you have anything that can show voluntary participation? A spreadsheet or bill or census would help. This is a request for a bill and/or a census that shows current voluntary participation and volumes.

**Answer:** Provided. Bill was provided previously.

**Question:** Please send the renewal rates if available. If not available, is the City in a rate guarantee or is the renewal just not available?

**Answer:** There are no renewal rates and no contract renewals. The City must go out with a new RFP as it's been 5 years.

**Question:** Please provide a Voluntary STD census in electronic format that includes DOB, Gender, Salary, Plan Elected.

**Answer:** Provided Provided.

**Question:** Please provide a Supplemental Life census in electronic format that includes DOB, Gender, Life amount elected for employee, spouse, and child.

**Answer:** Provided

**Question:** Please provide a claims listing for Basic Life and Supplemental Life that includes Date of Death and Claims amount.

**Answer:** Provided.

**Question:** Please provide a current Waiver Listing that includes DOB, Gender, Date of Disability, Face Amount and Reserve amount.

**Answer:** Provided.

**Question:** Please provide a detailed open and closed claim detail for LTD that includes DOB, Date of Disability, Benefit amount, reserve amount, and date of closure.

**Answer:** Provided.

**Question: Does the group participate in Social Security and/or PERS/STRS?**

**Answer: No.**

**Question: What is the reason for the City of Chattanooga to go out to bid?**

**Answer: The City is required to go to a new RFP every 3-5 years and we have been with this vendor for 5 years.**

**Question: Participation of eligible employees in the General Pension Plan is noted. Can you confirm if any employees are eligible for other/separate benefits under the Tennessee Consolidated Retirement System (TCRS)?**

**Answer: We are not affiliate with TCRS at all.**

**Question: Page 7 references online enrollment/the need to integrate with their current vendor; who is the vendor and are any credits/subsidies being paid? Can you please let us know the amount so we can try to match? There are none paid now. We only send EDIs weekly. We use Oracle OAB**

**Question:**

**Disability**

**LTD:**

1. There are several employees whose "LTD ind" column is blank on the census. Please confirm if these employees have LTD coverage. These employees are members of Fire or Police and are covered under another policy which is not part of this RFP.
2. Please confirm whether the City participates in Social Security Disability Insurance. We do not.
3. Please confirm what (if any) state retirement plan the City participates in, and which classes participate. None.
4. Please provide LTD rate history since 7/1/13. Provided.
5. Please provide a LTD Closed & Open claims list with the following items
  1. Gender
  2. Date of Birth
  3. Date of Disability
  4. Gross Benefit

5. Offset info
6. Net Benefit
7. Total Paid
8. Reserves

**Answer: See reports**

**Question:**

**STD:**

1. Please provide a census of which employees are electing STD coverage and which option (50% or 70%) are they electing? **Answer: Provided.**
2. Please confirm if the City prepare W-2s for claimants, or does the City require the carrier to do so? **Answer: We do not.**
3. Please confirm if the City require that the carrier pay the FICA match or does the City intend to pay the FICA match? **Answer: This is post tax so NA**
  1. Are the employee's premium contributions paid with pre or post tax dollars?  
**Answer: Post Tax.**
4. Please confirm if the City have telephonic claims service on the STD currently? **Answer: Yes.**
5. Question: There are two STD benefit options (50% & 70%) but only one set of rates was provided. **Answer: They are the same.** Question: Which benefit option are the provided rates for? **Answer: They are the same.** Question: Please provide rates for the other benefit option. **Answer: They are the same.**
6. Please provide STD rate history since 7/1/13. **Answer: Provided.**
7. Please provide STD lives history since 7/1/13.
8. Please provide a STD Closed & Open claims list.

**Question: Are supplemental life (employee, spouse and child) and voluntary STD elections and election amounts available for the census file? Provided.**

**Answer: Provided.**

**Question:** Can waiver of premium experience for basic life and supplemental life listing the individual who is out and their current benefit amount be provided?

**Answer:** Provided

**Question:** Is an open and closed LTD claims report with reserves by individual claimant and their date of birth, date of disability and salary for the open LTD claims available?

**Answer:** See report provided

**Question:** Is FMLA utilization data available?

**Answer:** Provided

**Question:** Would we be disqualified if we provided references if we were considered a finalist, or are we required to provide them in our sealed proposal?

**Answer:** Please refer to the Evaluation Criteria for the proposal evaluation. If points apply to this or any other section, and if you do not respond to that section, you are likely to lose the opportunity for the points.

**Question:**

Disability: Open claim listing including gross/net benefit, reserve amount, date of birth, date of disability, and gender

**Answer:** See report provided

**Question:**

Life/ADD: paid claim detail listing with date of loss

**Answer:** Provided

**Question:**

Life Insurance: premium waiver listing with date of disability, date of birth, face amount, and gender

**Answer: Provided**

**Question:**

Rate history by line of coverage since inception (include date of changes if applicable)

**Answer: Provided Provided**

**Question:**

Does the City participate in PERS/STRS pension disability program? If so, which plan? Or does the City's own pension plan include a disability provision?

**Answer: No.**

**Question:**

Census Data including voluntary life elections for each employee/spouse/child and also the voluntary STD volume for each participant

**Answer: Provided.**

**Question:**

When was the last open enrollment conducted for voluntary STD? (the premium and volume appears to have increased about 29% for the past 12 months when compared with prior 12 months)

**Answer: Open Enrollment is each May and STD is available at time of New Hire**

**Question:**

Please explain how enrollment is conducted (ie: on-line vs. paper forms) and which benefits admin system the City currently uses

**Answer:** The City uses an Oracle based "Oracle Advanced Benefits (OAB)" system to enroll for Supp life and STD at Open Enrollment and New Hire. During Open Enrollment, for previously eligible employees, the rates are in the system and it is programed to suspend the selections until EOI can be evaluated and approved or denied. For new hires, the system is set to approve enrollments up to the guarantee issue amount. A file is sent to the vendor weekly to alert them of changes. Once the approvals are made, the benefits staff is alerted via paper notification from the vendor and the suspension is manually removed. The deductions begin through the online system. LTD and Grp Life are an auto enrollment but are included in the system to assist with the self bill for those products. FMLA eligibility is not in the OAB system.

**Question:**

Please describe any sick leave or PTO bank which employees may access and include a detailed accrual list by employee if available

**Answer:** PTO and Sick Leave are kept on the City's payroll system and are not part of this RFP.

**Question:**

the # of STD claims your group has had in the past 12 months? 24 months?

**Answer:** See provided reports

**Question:**

how many continuous and intermittent leaves has your group had in the past 12 months? 24 months?

**Answer:** See report



**Question:** We are having difficulty lining up some of the supplemental life participants for rating as they lack some crucial info to tie them back to the master census:

There are 69 rows with no EE ID, DOH, or Salary information. The rater is not able to rate without being able to tie it back to the Basic/LTD census.

The attachment file illustrates the amounts involved which cannot be linked to the master census, and therefore we are unable to rate.

Would it be possible to obtain the missing EE Id# and other demographic info for these 69 entries?

**Answer:** Assume that the blank row following a ID goes with that ID. For example, row 57 and 58 are for the same ID number (40613). The same is true on down the list.



