

August 6, 2024

City of Mercedes

ADDENDUM NO. 2024-017 (A)

Request for Proposals for

Employee Voluntary Supplemental Insurances Including Section 125 Cafeteria Plan Health and Wellness Programs

Prospective Proposers and all concerned are hereby notified of the following changes in the Request for Proposals document for the above-listed RFP. These changes shall be incorporated in and shall become an integral part of the RFP documents.

1. The RFP has been updated and has replaced the initial RFP on the City of Mercedes' website as of August 6, 2024.
 - a A deadline for questions has been added. The deadline is Wednesday, August 4, 2024, at 2:00pm.
2. The deadline to submit the RFP has been changed to Monday, August 19, 2024, at 2:00 P.M.

Please see vendor questions and answers below.

Q1: Per page 10 of the RFP (Request for Proposal for Supplemental Insurance certification form), #7 states that coverage is effective March 1, 2019. Please confirm the correct date and advise if a corrected page/form will be provided for carriers to confirm and sign as to the correct effective date.

A: Corrected on RFP.

Q2: Are electronic signatures acceptable for all required forms to be submitted with our RFP response?

A: Yes

Q3: Please provide the Scope of Services Acknowledgement Worksheet (Excel sheet) that was noted on page 5 of the RFP as something that is required for carriers to complete and submit with our RFP response.

A: This wording was removed from the RFP. There will be no excel spreadsheet.

Q4: The RFP states on page 10, #3 that "All terms and conditions included in the RFP are understood and agreed upon without exception". We did not see any specific contract terms and conditions. Should those have been included in the RFP? If so, can you please provide them to us for review.

A: This was corrected on the RFP.

Q5: Does Form 1295 need to be completed and submitted with our RFP response or only if we are awarded the RFP?

A: Submitted with RFP response.

Q6: For the Voluntary Accident and Voluntary Critical Illness plans, the RFP mentions fliers are provided. Are the fliers the same as the Summary of Benefits that were provided with the RFP or are the different/separate documents?

A: Fliers are the same as the Summary of Benefits. The Certificates have been added to the RFP.

Q7: Does the City currently have a Critical Illness insurance plan? We did not see a benefit summary included for it as part of Exhibit A of the RFP. If there is currently a Critical Illness plan, please provide the Benefit Summary, rates, certificates of coverage, and experience reports.

A: This has been added to RFP.

Q8: Will the certificates of coverage and experience be provided along with the census that we have already requested via email per page 12 of the RFP? If not, will you please provide these items for the requested Accident, Cancer, Critical Illness, Disability, Hospital and Term Life/AD&D.

A: Certificates have been added to the RFP for all products except Life/AD&D and Cancer. Currently there is not a supplemental life/AD&D product. Cancer products are an individual product currently.

There is no experience as prior to 12/01/2023, these plans were individual products. 12/01/2023 was the effective date of the group plans. Aflac states that they do not have experience to provide for these group plans. The new effective date has been changed to 10/01.

Q9: For the requested Critical Illness insurance rates, do you prefer to see issue-age or attained age rates?

A: Issue Age

Q10: For the requested Critical Illness insurance rates, do you prefer to see tobacco distinct or uni-tobacco rates?

A: Tobacco and Non-tobacco Rates

Q11: Does the City require that a local agent of the carrier service the account or is that just a preference?

A: It is a preference.

Q12: The RFP says to match current plans; however, the brochure for current hospital confinement indemnity plan doesn't match what's requested for this plan on page 6 of RFP; page 6 says to include hospital admission, daily confinement, outpatient surgery, invasive diagnostic exams, health screening, medical diagnostic and imaging, and waiver of premium. Please clarify which plan options you want us to quote.

A: Please quote both options. Then the City will decide which option it will choose.

Q13: Does the quoted hospital confinement indemnity plan need to be HSA compatible?

A: No

Q14: Do the required references (past and present) need to be from Texas or just similar to the City of Mercedes (i.e. other city, county or public sector entities)?

A: Texas if preferred.

Q15: Regarding the standard commission that is requested, is there a preference for level or heaped (high/low)?

A: Heaped if offered.

Q16: Is there a deadline for questions to be submitted?

A: The deadline for questions is Wednesday, August 14, 2024, at 2:00pm.

Q17: Is there an expected date for submitted questions to be answered?

A: August 14, 2024 at 2:00pm

Q18: Will the deadline be extended past 8/14 if it takes several days for questions to be answered?

A: An extension has been granted. The new deadline is Monday, August 19, 2024, at 2pm.

Q19: Will the incumbent (Aflac) voluntary benefit premiums continue to be payroll deducted or will they be removed from payroll?

A: Only the selected vendor products will be payroll deducted.

Q20: What are the dates of open enrollment? Please confirm the correct date and corresponding effective date.

A: Effective date will be 10/01/2024. A decision will be made upon award and the selected carriers will be notified. Open enrollment will be conducted the month prior to the effective date.

Q21: Are carriers allowed to quote a short-term disability plan if they do not have a long-term disability plan as well without being disqualified for this product?

A: Yes

Q22: The RFP states that the City reserves the right to award contract to more than one carrier. Therefore, are carriers required to quote all requested plans? Will they be disqualified if they don't quote all requested plan?

A: If the carrier has all requested plans, please quote. If not, they will not be disqualified. Only the plans that are quoted will be evaluated.

Q23: Please describe the current method used for open enrollment, i.e. agent assisted enrollment, online employee self-enroll, and/or telephonic enrollment.

A: Agent assist enrollment.

Q24: Will the selected vendor be allowed to meet with each employee face-to-face? Will the selected vendor be allowed to conduct group meetings?

A: All open enrollment will be handled and overseen by the current Agent of Record. Vendors will not be allowed to meet with the employee. The selected enrollment agents will meet with each employee face-to-face.

Q25: Please describe any need for employee self-enrollment.

A: N/A

Q26: Please describe any need for call center enrollment.

A: N/A

Q27: What is the contract term (number of years) of the RFP when awarded?

A: 3 years with an option to renew two additional one-year terms.

Q28: Do the completed required forms need to be included in a particular place and/or section of our RFP response?

A: Please include as exhibits at the end of your response proposal.

Q29: Please clarify the required format for the RFP response. Page 5 appears to indicate that each product should be put in a separate tabbed section of our response. However, Section III: Product & Service (#6 and #7 in particular) appears to indicate that product information and premiums/rates should be included in this section. Which is correct?

A: Page 5 is for the product information and rates and Section III is for any added fees, if any, that need to be disclosed. The RFP has been updated.

Q30: Does the City want separate proposals for each products / deviations and benefit summaries? Or do they want all of the products /deviations and benefit summaries included as one proposal?

A: One complete proposal per carrier.

If you need additional clarification, you may contact Joselynn Castillo at
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End of Addendum

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