



Addendum No 2

April 17, 2017

City of Longview RFP # 1617-23 Health and Welfare Employee Benefits

DUE DATE 5/10/2017 @ 2:00 p.m. CST.

The City of Longview offers the following clarification for the above referenced Request for Proposal:

Q3. For the non-grandfathered request, do you want to see the same benefits or do you need an alternate plan for a possible dual option quote? If requesting different benefits please outline what you would like to see?

A3. It is requested in the RFP that you quote the current grandfathered plan as a single plan option and it is requested that a non-grandfathered plan be quoted as a single plan option.

Q4. On the census, column H, it looks like there are two plan options. 001 and 002 (for retirees as well - RE1, RE2 also listed on the attach document) and in the SPD there are two plans (standard and high). On the RFP you sent over there is only one, the standard plan. Can you please confirm what the current plan options are and provide a key so we can match the plans noted on the census?

A4. Column H is not relevant to the plan selections. The SPD that was released with the RFP was effective 10/1/15 thru 9/30/2016 and included the Standard plan and a high. The group discontinued the High plan of benefits effective 10/1/2016 and only offered the Standard plan from 10/1/2016 to 12/31/2016. Effective 1/1/2017 the group offered a single plan with plan changes.

Q5. The plan document provided does not match the current benefits provided in the RFP – page 16. Please advise as to which is correct. Also, if the plan document is not correct, provide current document?

A5. Summary benefits for the response to question Q4 are attached (Please contact Amanda Bowen at abowen@ipsadvisors.com).

Q6. The RFP for Dental is asking for ASO only. For a group this size we would quote fully insured. Would they be willing to consider fully insured?

A6. No the RFP is asking for ASO Dental only.

Q7. For Dental what is the current Admin Fee?

A7. The Dental Admin. fee is \$3.00 (pepm).

Q8. Can you please clarify or provide the following for LTD?

- P&I Report
- Most recent 3 - 5 years (the more the better since it takes 15,000 life years to be fully credible)
- Open & Closed Claims listing
- Paid Claims Totals by date incurred (not paid)
- Paid Premium Totals
- Rate history for experience periods
- Average # of lives by year
- Any revisions to plan

A8. We have requested and will be provided in an additional Addendum.

Q9. What is the current out of network reimbursement on the Dental network?

A9. The City of Longview Dental Benefit Plan does not require the use of certain Dental Providers in order to obtain a better benefit. The Member may select any licensed Dentist for Service. Please see Plan Document sent with the RFP.

Q10. It appears that EPSI is the current dental administrator. Would you be able to advise who the current dental carrier, or PPO network, is?

A10. The current Dental Administrator is Fringe Benefits. Please refer to the response to Q9 regarding the Dental network.

Q11. Are you able to get more updated aggregate and shock claims? Currently we have through Feb 2017 for agg and Jan 2017 for shock claims.

A11. Please see attached aggregate and shock claims reports dated from 10/1/2013 through 3/31/2017(Please contact Amanda Bowen at abowen@ipsadvisors.com).

Q12. Does the city plan on staying with the same network/TPA?

A12. The City is considering all viable options for TPA and Network solutions.

Q13. For LTD does the group participate in TRA/PERA?

A13. The City is with the Texas Municipal Retirement System.

Q14. Can you provide claims experience broken out by month that lists the premium/claims/covered lives?

A14. This has been requested and will be provided in an additional amendment.

Q15. Please provide an open claims list for LTD?

A15. There is one open claim that is Male age 51, date of Disability – 1/25/16, Benefits paid approved from 4/24/16 through 4/23/17, monthly benefit - \$1,680.31, no projected return to work as of today, reserves for the claim is \$37,407.00.

Q16. The TPA admin fees are broken out as \$14.75 for medical admin, \$3.00 on the Dental, and .75 cents on the Rx admin. If my math is correct, I get \$18.50 for the total admin fees. The RFP says \$17.75. Can you confirm if the RFP is correct or if should be \$18.50? It's on page 17 and page 27.

A16. This was misstated in the RFP. The total admin. fee is \$18.50.

Q17. It shows in the RFP that the TPA is keeping 25% of the out of network claims discount. Can we find out how much that has amounted to? That needs to be accounted for as a cost somewhere.

A17. This has been requested and will be forwarded upon receipt.

Q18. Can you confirm that the current TPA is charging 5% commissions on just the Spec premium rates and not the aggregate as well?

A18. Commission is included in the Aggregate premium as well. The 2016 -17 specific and aggregate premiums, net of commissions, are as follows:

Aggregate: \$1.54/pepm
Specific monthly premium:
EE - \$46.17
EE/SP - \$89.90
EE/CH - \$79.73
Fam: \$133.79

If you have any further questions, please contact Amanda Bowen at IPS Advisors.

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Posted – April 17, 2017

This form shall be signed and returned with your proposal.

Name: _____

Signature: _____

Company: _____

Title: _____

Date: _____