



CITY OF ROUND ROCK

RFP NO. 16-021

STOP LOSS INSURANCE AND FSA BENEFITS

RFP No. 16-021

Addendum No. 1

Date: Wednesday, 06/08/2016

The following response is in reference to all questions submitted by the deadline on Friday, 06/03/16, for RFP No. 16-021 for Stop Loss Insurance and FSA Benefits as outlined below:

Question No. 1: Will the City consider standalone proposals for FSA administration? If so, what are the current fees and who is the current FSA provider?

Answer: Yes. Aetna is the current provider. The City pays less than \$5.00 PEPM for these services.

Question No. 2: Our firm does not offer stop-loss coverage. Are you all only looking to work with a group who can provide the stop loss coverage as well as the FSA services?

Answer: Yes

Question No. 3: Can you confirm if the City of Round Rock will accept an FSA only proposal or are they requiring respondents to be able to provide both Stop Loss Insurance and FSA services?

Answer: Will accept standalone FSA proposal.

Question No. 4: Is the City of Round Rock accepting proposals from insurance carriers who are working with brokers or consultants or agents?

Answer: Yes. However, quotes must be free of all commissions.

Question No. 5: Is there currently a broker of record for the stop-loss and/or Flexible spending account benefits? If so, would you have the total compensation/commission amount?

Answer: The Consultant of Record is Holmes Murphy. There is no commission.

Question No. 6: Could the City confirm they will be accepting proposal from insurance carriers who are working with a broker/consultant based on the information stated in the RFP - RESPONDENT PROPOSAL: The City is seeking proposals from an Individual, Firm, or Corporation, (Respondent), to provide stop loss insurance and flexible spending account (FSA) benefits.

Answer: See prior answers.

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Question No. 7 Will the City consider stop-loss proposals on a stand-alone basis (without the FSA proposal)?

Answer: Yes

Question No. 8: Can the City provide a copy of the in force 2016 Stop-Loss Contract?

Answer: Please see stop loss renewal for 2016 for rate detail as outlined in Exhibit A.

Question No. 9: Can the City of Round Rock confirm stop-loss rates for 2016?

Answer: Same as question #8.

Question No. 10: Is there any lasering of members by the stop-loss carrier in 2014, 2015 or 2016?

* Reports for Large Claimants show both the Paid & Service dates as follows:

Paid Dates: 03/01/2013 – 03/31/2016; and

Service Dates: 03/01/2013 – 2016

Answer: No lasers currently. Please see large claim reports.

Question No. 11: Can we see 3 1/3 years of large claimants separated by paid dates?

Dates from to as follows:

- 1-1-2013 to 12-31-2013
- 1-1-2013 to 12-31-2014
- 1-1-2014 to 12-31-2015
- 1-1-2016 to 4-30-2016

Answer: See available reports.

Question No. 12: Can we get a detailed report for each of large claimants with diagnosis and prognosis and whether claims are ongoing, and if claims will be low, moderate or high during 2016?

Answer: Same as #11.

Question No. 13: With an effective date of 1-1-2017, most stop-loss carriers will NOT guarantee their rates without additional months of claim information. Is the City trying to select a best offer and then agreeable to provide the additional paid claim information through August or Sept of 2016?

Answer: Yes.

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Question No. 14: Does the City currently have a Broker of Record for the stop-loss and/or FSA and if so, what is the compensation amount?

Answer: See prior answers.

Question No. 15: Could the City confirm - is the City planning on staying with the in force plan administrator & networks (AETNA) in 2017?

Answer: Yes

Question No. 16: Would Aetna want to increase the network access fee if they lost the stop-loss business and if so, could we get an approximate rate adjustment/increase?

Answer: No. They would not increase.

Question No. 17. Please provide large claimant with diagnosis reports in three separate years.

- a. 1/1/14 – 12/31/14
- b. 1/1/15 – 12/31/15
- c. 1/1/16 – 5/31/16

Answer: See prior responses.

Question 18: Is the group staying with AETNA administration and AETNA PPO network?

- a. If yes, what is the difference in access fee should the policyholder not use AETNA for the stop loss?

Answer: See prior answers.

Question No. 19: Will the group be ok accepting firm and final rates 120 to 90 days from the effective date?

Answer: Possibly. If you can provide firm rates now please do so.

Question No. 20: Can the group provide a report showing In Patient and Out Patient pre-certifications for the past 90 days?

Answer: We have attached large claim reports.

Question No. 21: Are there any case management notes available on the potential and large claimants (who are at the 50,000 +) ?

Answer: See prior reports.

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Question No. 22: Is the group interested in a transplant carve out program for a reduction to stop loss rates?

Answer: If it will reduce costs, possibly.

Question No. 23: Do the monthly paid claims information/report include amounts above the specific deductible or is it net?

Answer: Amounts above the specific.

Question No. 24: Can the stop-loss be on a stand-alone basis.... without an FSA proposal?

Answer: Yes

Question No. 25: Can we get a copy of the current 2016 Stop-Loss Contract with Aetna?

- Confirm rates for 2016
- Is there any lasering?

Answer: See prior answers. No lasers.

Question No. 26: Can we get a detailed report for each of large claimants with diagnosis and prognosis and whether claims are ongoing, and if claims with be low, moderate or high?

Answer: See prior reports.

Question No. 27: Is The City aware that several stop-loss carriers will require a minimum of 5 months of paid claim information in the current year (2016) in order to provide a quote? This will limit the number of responses received.

Answer: We are aware that the vendors want as much current information available.

Question No. 28: Can the City provide paid claim information through May of 2016 in a future Addendum?

Answer: That information is not available at this time.

Question No. 29: To properly underwrite the above captioned group we are in need of the following documents: PPO Network and UR Vendor to be quoted. Can the City of Round Rock provide documents for PPO Network and UR Vendor to be quoted?

Answer: Aetna

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Question No. 30: Does the current rate include commissions?

Answer: No

Question No. 31: What is the total number of employee's City of Round Rock has?

Answer: Approximately 800

Question No. 32: What is the total number of benefit eligible employee's City of Round Rock has (based on census provided we believe it is ~800)?

Answer: See above.

Question No. 33: According to Section I. question 2 (2.1), all respondents are expected to have the ability to provide Stop Loss Insurance and Flex Spending. If vendor is unable to provide Stop Loss Insurance is the vendor still able to bid?

Answer: Yes

Question No. 34: According to Section I. question 2 (2.2) the bidder is expected to answer '2016 City of Rock FSA Cost & Fees', '2016 City of Round Rock Stop Loss Cost & Fees', '2016 FSA vendor Response' and '2016 General Vendor Information'. Unfortunately we are only able to open the '2016 FSA Vendor Response' document and that is it. Will you be re-posting the other documents?

Answer: If you cannot open fee pages, then please provide quotes in another format with fees, costs, and assumptions clearly defined.

Question No. 35: Is the group currently utilizing a ben admin system, HRIS system and/or enrollment/payroll partner? If so, who?

Answer: Munis

Question No. 36: Is the large claimant report available broken down by plan year?

Answer: See prior answers.

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Question No. 37: We need large claim reporting ran on stop loss plan year as the current report is ran from 01/2013 through 03/3016 and we can't break out by plan year to give you creditable experience by year. Can the City provide the following report?

Aetna report titled Large Claimant Plus Rx Report please run reports on the stop loss policy year for the below parameters.

- a) Incurred 01/2013 through 12/2013 Paid 01/2013 through 12/2013 Claims over \$25,000
- b) Incurred 01/2013 through 12/2014 Paid 01/2014 through 12/2014 Claims over \$25,000
- c) Incurred 01/2013 through 12/2015 Paid 01/2013 through 12/2015 Claims over \$25,000
- d) Incurred 01/2013 through 04/2016 Paid 01/2013 through 04/2016 Claims over \$25,000

Answer: See prior answers.

Question No. 38: Can you confirm the number of employees enrolled in your FSA currently?

Answer: Assume 160

Question No. 39: With regards to the Stop Loss the census shows 165 enrolled and only Active to be covered, however there is 799 on the census and monthly headcounts, and 14 of them are Retirees. Are you requesting active and retired to be covered?

Answer: See enrollment data, and Aetna renewal.

Question No. 40: The RFP is only for administering the Stop Loss who is the TPA administering the claims for medical and RX?

Answer: Aetna

Question No 41: To clarify please share exact number on the FSA today and whom you current administrator is?

Answer: See prior answers.

Question No. 42: Also, census shows 799 with 14 retirees. Are they all to be included in the stop loss quote?

Answer: See prior answers.

Question No. 43: Please share current TPA for medical claims admin and RX?

Answer: Aetna

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NOTES:

1. PLEASE REFER BACK TO EXHIBIT A - STOP LOSS INSURANCE AND FSA BENEFITS ATTACHMENT FILE, WHICH CONTAINS A LOT OF THE DATA THAT WAS ASKED FOR IN THE QUESTIONS.

2. PLEASE REFER TO EXHIBIT B – STOP LOSS INSURANCE AND FSA BENEFITS REQUIRED RFP SUBMITTAL DOCUMENTS.

Approved by: Michael Schurwon

Date: 06-08-16

Michael Schurwon, CTPM, CPPB
Purchaser

By the signatures affixed below this addendum is hereby incorporated into and made a part of the above referenced solicitation.

ACKNOWLEDGED:

Vendor

Authorized Signature

Date

RETURN ONE COPY SIGNED COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE WITH YOUR SEALED PROPOSAL. FAILURE TO DO SO MAY AUTOMATICALLY DISQUALIFY YOUR RESPONSE FROM CONSIDERATION FOR AWARD.