



REQUEST FOR PROPOSAL BENEFITS ADVISOR

URGENT

**PLEASE FORWARD THIS DOCUMENT TO
WHOEVER IS IN POSSESSION OF THE
REQUEST FOR PROPOSAL**

ISSUED: August 11, 2010
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**THIS ADDENDUM SHALL BE INCORPORATED
INTO THE REQUEST FOR PROPOSAL AND
SHALL FORM A PART OF THE CONTRACT
DOCUMENTS**

Template Version: Ar20070420

Please note the following and attached changes, corrections, additions, deletions, information and/or instructions in connection with the Request for Proposal, and be governed accordingly. Failure to acknowledge receipt of this Addendum in Paragraph 4 of Form A: Proposal may render your Proposal non-responsive.

Questions and Answers

- Q1 Would the City consider granting a deadline extension to allow us additional time to develop a more comprehensive proposal once the responses to our questions have been provided?
- A1 No.
- Q2 Does the City have a total rewards philosophy?
- A2 There currently is not a benefits philosophy. We would be looking to the benefits provider to assist us in developing a benefits philosophy and strategy.
- Q3 What is the length of the contract for on-going consulting services?
- A3 Ongoing.
- Q4 To assist us in our pricing requested services, please confirm the complexity of current plan design:
- a) A list of the benefits to be included in the consulting contract.
 - c) Number of Insurance companies/providers dealt with.
 - d) Current Financial arrangements by benefit - ASO, BASO, Insured
 - f) Number of employees covered
- A4
- a) Dental, Vision, Extended Health, Ambulance, Sick Leave
 - c) One – Blue Cross
 - d) BASO
 - f) Approximately 10,000
- Q5 C1.1 a) and C1.2.1 in the Scope of Work reference validation of the work done in March, and work to be done with the City to develop and implement an overall benefits strategy:
- a) - Were there any issues with the work done in March?
 - b) - What is expected with respect to validation of that work? Is it expected the work will be redone, or that the work to be reviewed and commented on with respect to our experience and expertise?
- A5
- a) No.
 - b) Work will be reviewed
- Q6 Does the City have anticipated/expected timelines for the one-time project-type work as follows:
- a) Development of a benefits strategy,

- b) Evaluation and implementation of recommendations regarding the sick leave program, including potential of a market review for adjudication services,
- c) Development of health and dental claims audit procedures/rules and claims administration audit,
- d) Flex benefits feasibility review and potential pricing assistance and education, and
- e) Development of a communication strategy.

A6 we are looking to the Benefits Advisor to provide these.

Q7 Please clarify the City's definition of a 'mandatory' drug card, and what is the current basis?

A7 A drug card reimburses the employee for the cost of their prescription at the time of purchase. It is currently an option for employees and we wish to examine the merits of making it mandatory.

Q8 Please confirm the following:

- a) All work will be completed on a fee for service basis.
- b) Are any commissions included on any of the benefits coverages that would need to be taken into consideration in offsetting overall costs?
- c) Are there any overrides or bonuses paid by any insurance companies to current advisors?

A8 a) Yes
b) No
c) No

Q9 C1.2.5 & C1.2.7 Plan Administration:

- a) Can we assume 1.2.7 is an unintentional duplication of 1.2.5?
- b) Can the City provide more information concerning what it is looking for regarding a plan administration model, and information concerning the current situation?
Can we assume this references the usual things encountered in conjunction with the implementation of new programs or a change of carrier - how the City will exchange data about employees with the carriers (payroll interface, web entries etc.), frequency of data exchange etc.? OR,
Are you looking for a more indepth review which would include an audit of the existing practices and procedures (please provide more clarity), and if so, does the City have detailed fully documented materials/processes that would be available for review and commentary, or would it involve on-site work to document and verify current processes and procedures?

A9 a)Yes
b) We are looking for the respondents to suggest/provide/compete

Q10 Communication

- a) What are they doing now?
- b) What are their challenges?
- c) Does the City currently have a portal, and if so is the intent to updating existing framework?
- d) Is there an interest in outsourcing administration?

A10 This is for the proponent to propose