

October 12, 2016

**ADDENDUM NO. 02**

**SOLICITATION NO. 228829 SUPPLEMENTAL BENEFITS**

Be advised of the following changes, clarifications and/or additions to the above-referenced Solicitation as stated in the following Addendum.

**SOLICITATION DUE DATE:**

DUE IN AND OPEN REMAINS: OCTOBER 20, 2016 AT OR BEFORE 2:00 P.M. LOCAL ARIZONA TIME (MST)

**QUESTIONS/ANSWERS:**

Q. 1) *Will employees be allowed to keep their current Aflac coverage or will all policies be transferred to new group policies.*

A. 1) Please see Addendum 1, Clarifications.

Q. 2) *Would you prefer for us to propose our standard benefit amounts for the requested plans in the Supplemental Benefits Plan Designs Workbook or should we attempt to match current benefit amounts? If you would like us to match current plan designs, can you please provide product brochures or plan designs for Critical Illness, Accident and Hospital Indemnity?*

A. 2) Plans need to match or exceed current benefits. Current brochures can be found on the Pima County Benefits website. <http://webcms.pima.gov/cms/One.aspx?portalId=169&pageId=2891>.

Q. 3) *Please send - Census which will include benefit option for each enrolled employee. The elimination period and benefit increment should both be included.*

A. 3) Attachment 1 includes all eligible employees and the plan elected. Enrollment by elimination and duration is included on Attachment 2.

Q. 4) *Please send - Current AFLAC contract.*

A. 4) This can be found at Pima County's website: <http://www.pima.gov/contracts/144057-00.pdf>.

Q. 5) *Please send - Current rates and rate history.*

A. 4) Original rates can be found in the AFLAC contract (website above). Current rates are as follows:

DESCRIPTION	UOM	UNIT PRICE
Accident Indemnity - Employee only	BIWK	\$9.96
Accident Indemnity - Employee + Spouse	BIWK	\$14.10
Accident Indemnity - Employee + Children	BIWK	\$16.14
Accident Indemnity - Employee + Family	BIWK	\$21.00
Cancer Care - Employee only	BIWK	\$17.76
Cancer Care - Employee + Spouse	BIWK	\$31.68
Cancer Care - Employee + Children	BIWK	\$18.18
Cancer Care - Employee + Family	BIWK	\$32.21
Hospitalization - Employee only	BIWK	\$19.02
Hospitalization - Employee + Spouse	BIWK	\$28.14
Hospitalization - Employee + Children	BIWK	\$21.60
Hospitalization - Employee + Family	BIWK	\$28.68
Short Term Disability 50-64 \$12,000	BIWK	\$7.92

DESCRIPTION	UOM	UNIT PRICE
Short Term Disability 50-64 \$24,000	BIWK	\$15.84
Short Term Disability 50-64 \$36,000	BIWK	\$23.76
Short Term Disability 50-64 \$48,000	BIWK	\$31.68
Critical Care 50-54 Employee	BIWK	\$11.52
Critical Care 50-54 Employee + Spouse	BIWK	\$18.30
Critical Care 50-54 Employee + Children	BIWK	\$11.52
Critical Care 50-54 Employee + Family	BIWK	\$18.30

Q. 6) Please send - Recent invoice or billing statement.

A. 6) Pima County self-bills. There is no invoice. Attachment 4 lists payments since 2013.

Q. 7) Please send - Lives, volume, paid premium and paid claims by month for the past 3 years.

A. 7) Attachment 4 lists premiums paid. Attachment 3 lists claims since 2010.

Q. 8) The RFP states that there are 20 different elimination period options offered. The AFLAC material at the Pima County website only shows 5 different benefit options. Please explain the discrepancy.

A. 8) Employees have selected whatever elimination and duration meets their needs. Attachment 2 has those enrollments.

Q. 9) What is the effective date?

A. 9) The initial term of the contract will be for a five (5) year period with an effective Term Start Date of 07/01/2017.

Q. 10) In Exhibit 2-1 in the Short Term Disability-EE paid tab, please explain what column "Total number of Units (100)" represents.

A. 10) Prices are per \$100 of coverage. The columns for Number of Units represent the number of units currently in place for that category.

Q. 11) When was the last open enrollment?

A. 11) May 2016.

Q. 12) Claim \$\$ doubled from 2013 to 2014. Can we get an explanation for this? Are these paid claim dollars or incurred claim dollars?

A. 12) The number of claims went up as more people were insured. The dollar amount is what was paid out for those claims.

Q. 13) Are maternity claims currently included in the paid claim amounts?

A. 13) Yes.

Q. 14) Does Pima County intend on canceling the AFLAC policy?

A. 14) If the contract is awarded to a company other than Aflac, all payroll deductions for Aflac will end in June of 2016.

Q. 15) Employer paid STD quote you're requesting for Option B, is it possible to get a census with job descriptions? Or, if that's not readily available, can you give us an estimate of the percentage of your total number of employees that are in the police and fire departments?

A. 15) Approximately 1,010 (16%) of the entire benefits eligible employee census are actually law enforcement officers.

Q. 16) Please confirm that each minimum qualification in the Exhibit 1 will need to be submitted on separate pages in our proposal. For example, item A will be submitted on an individual page, item B will be submitted on another page, etc.

A. 16) Responses need to be clear, concise, clearly labeled and in the same order requested.

Q. 17) On page 1 of the RFP document a surety bond is mentioned. Please confirm if anything is required to be returned with the proposal response?

A. 17) Bonds are not required.

Q. 18) What are the approximate enrollment dates?

A. 18) The last enrollment dates were 4/25/16 through 5/13/16. This usually occurs between the last week of April first two weeks of May.

Q. 19) How many locations will be holding benefit fairs/group meetings?

A. 19) Pima County currently has 49 departments. Last Annual Enrollment we held 12 benefit fairs and the current provider held 22 group meetings at 11 different locations.

All other requirements and terms of the Solicitation remain unchanged. Failure to include acknowledgment of all addenda may be cause for rejection.

This Addendum is a total of 3 pages.

If any questions, please contact me via e-mail at [denise.waldo@pima.gov](mailto:denise.waldo@pima.gov).

*/s/ Denise D Waldo*  
Denise D Waldo, CPPB, Commodity/Contracts Officer