



RFP: 08-22-14
 PROJECT: Third Party Employee Benefits
 Administrator

Pinal County
 Finance Department
 31 N. Pinal St.
 Bldg. A
 P.O. Box 1348
 Florence, AZ 85232

7/15/2009

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ADDENDUM 1

The purpose of this addendum is to answer questions asked in writing prior to the deadline.

Answers highlighted in **green** were expanded upon after the Pre-Proposal Conference on July 14, 2009.

QUESTIONS AND ANSWERS

- 1) Q: Will you please send a census that includes: DOB, gender, occupations, salaries, vol. life elections with volumes, and dental elections?

A:

	Medical/RX				Basic Dental		Extended Dental		Vision		STD	Life	Retiree Life	VTL		FSA Medical	FSA Dep
	EE	ES	EC	EF	EE	EF	EE	EF	EE	EF	EE	EE	RET	EE	DEP	EE	EE
Employee	759	261	359	425	100	110	659	971	605	790	1072	2156	78	892	504	428	74
COBRA	19	10	3	2	1	1	17	7	12	6							

- 2) Q: Is the STD self funded or fully insured?

A: Self-funded

- 3) Q: Will you please send Life and STD experience?

A: This information will not be provided as it is not relevant to the requested services.

- 4) Q: What TPA and Network would you like us to quote?

A: Firms responding to this RFP must be currently approved as a TPA for Blue Cross Blue Blue Shield of AZ network.

- 5) Q: What specific deductible would you like us to quote?

A: This RFP is for TPA services only – insurance plans are not part of this RFP.

- 6) Q: What commissions would you like quoted?



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A: This RFP is for TPA services only – insurance plans are not part of this RFP.

7) Q: What is the lifetime max?

A: \$2,000,000

8) Q: Can you provide a copy of the Summary Plan Descriptions for each Plan?

**A: The 2009 Summary Plan Document is on line at
<http://pinalcountyz.gov/departments/humanresources/pages/benefits.aspx>
Hard copies will also be available at the Pre-Proposal Conference.**

9) Q: Is there an out of State PPO Network?

A: There is no out-of-state network in place. There is an out-of-state benefit schedule and claims are negotiated through a ghost network.

10) Q: Can you provide current vendors/carriers, i.e. UR, Stop Loss, Life Underwriter, etc

A: Current vendors are as follows:

PPO	BlueCross BlueShield of AZ
PBM	Walgreen's Health Initiatives
FSA	TPA
EAP	Jorgensen/Brooks Group
UR	American Health Group
Reinsurer	Symetra
Broker/	Erin P. Collins & Associates, Inc.
Consultant	
Attorney	Jones Skelton & Hochuli
Life/AD&D	Mutual of Omaha
VTL	Mutual of Omaha
Auditor	Doug Kienitz

11) Q: Can you provide the number of claims and dollars paid during the last fiscal year under each Plan?



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A: Following is requested information for Plan Year 2008 (Jan-Dec 08)

	Medical	Rx	Dental	Vision	STD
Dollars	\$9,533,920	\$2,555,753	\$727,158	\$157,299	\$137,501

Total number of claims processed for 2008 was 51,341

12) Q: Is RFP available in Word format versus the PDF format we received?

A: No

13) Q: Where will the Pre-Proposal Conference be held and what time?

**A: Pinal County Board of Supervisors Conference Room
31 N Pinal St, Bldg A
Florence, AZ 85132
1:30 – 5:00 pm**

14) Q: Can you provide the Questionnaire and the entire RFP if possible in Word format?

A: No, but you may copy and paste the Questionnaire into your own Word document.

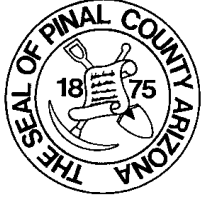
15) Q: The RFP states “The BCEBT is seeking TPA services only; this RFP does not include brokerage, consulting Prescription Benefit manager (PBM) and/or Utilization Review (UR) services.” I’m assuming that the RFP is also not seeking quotes regarding PPO networks (utilizing Blue Cross Blue Shield of AZ) or reinsurance/stop loss. Please confirm.

A: That is correct.

16) Q: Please provide current rates.

A: This information will not be provided as it is not relevant to the requested services.

17) Q: I would like to request large claims information (diagnosis & prognosis, if available).

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A: This information will not be provided as it is not relevant to the requested services.

18) Q: Do you provide coverage for Medicare eligible employees and retirees?

A: Pinal County does provide coverage for Medicare-eligible employees. Retirees are offered coverage through COBRA only.

19) Q: Do retirees have to keep the same plan options enrolled in as an active employee?

A: Retirees are offered coverage through COBRA only. The public sector retirement systems of Arizona offer separate coverage to eligible retirees.

20) Q: Do you offer service credits to reduce employee's premiums?

A: No

21) Q: How many system administrators will need access to the system?

A: 3 individuals from Human Resources will need full read access to all files. All other employees will need read access only to their own file.

22) Q: Are administration duties segmented by department or centralized to one division (i.e. Insurance and Risk Management Department)?

A: Admin duties are centralized in Human Resources.

23) Q: How many active employees do you have?

A: As of 5/31/09 there were 2463 employees.

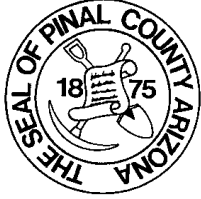
24) Q: Of those, how many are eligible for health & welfare benefits?

A: As of 5/31/09 there were 2171 eligible for benefits.

25) Q: How many health & welfare benefit eligible retirees do you have?

A: None

26) Q: How many current COBRA continuants do you have?

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A: Less than 50

27) Q: On average, how many monthly COBRA qualifying events are there?

A: Less than 25

28) Q: What is your turnover rate?

A: Currently 12%

29) Q: How is benefit eligibility determined (i.e. hours worked, employment status, etc.)?

A: Employment status. Only full time employees are eligible.

30) Q: How does benefit eligibility differ among your benefit eligible populations (i.e. part-time eligible for some options, plans differ by employee type, credits offered, etc.)?

A: All full time employees are eligible for the same benefits.

31) Q: Please briefly describe your health & welfare benefit plan design and vendor relationships (i.e. who are your insurance carriers, how many plans are offered, what basic benefits are provided etc.)?

A: See Plan Document and Addendum question 13.

32) Q: Please describe all systems in place today that support benefits administration. Where is election and dependent data stored today (i.e. another vendor system, your HRMS, with your carriers, etc.)?

A: Data is stored on TPA database.

33) Q: Please provide a description of the process by which a newly hired or newly eligible employee enrolls in benefits.

A: New employees attend orientation and complete benefits enrollment forms.



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34) Q: Please provide a description of your activities leading up to, during, and following annual enrollment and how an employee makes annual enrollment changes.

A: TPA produces open enrollment materials. Open enrollment is scheduled for 3 1/2 weeks with online open 24/7 and on-site meetings are scheduled over a 3.5 week period at 11 County locations for those who have questions or problems. TPA and HR Benefits employees are there with computers to assist those needing help.

35) Q: Please describe your process for calculating, reconciling, and paying carrier premiums. Who generates the invoice, you or the carrier?

A: TPA calculates, processes invoices and pays premiums.

36) Q: How do you handle employee inquiries today? Who provides the support and what supplemental materials are available to employees as reference?

A: 24/7 online access to TPA for employees. The TPA also handles calls during business hours. Open enrollment materials are produced by TPA. Pinal website carries online forms and Plan Document.

37) Q: What challenges do you face today with regard to your current processes that you would like to see changed?

A: Those issues identified in the RFP as well as Short Term Disability, Life Insurance reconciliation, application of County Contribution and Payroll Interface of pre and post tax deductions.

38) Q: Do all plans for all employee groups have the same plan year?

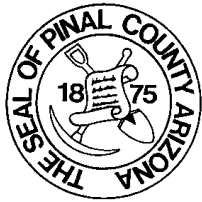
A: Yes.

39) Q: Does your plan design include any type of benefit credit (i.e. flex credits, benefit dollars, opt-out credits, etc.)?

A: Yes

40) Q: Do you have any interest in call center services for employee support?

A: No.



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41) Q: Do you have any interest in offering a total compensation statement (online or paper) to facilitate your recruitment and retention strategies?

A: That service is not part of this RFP. However the trust is requesting Annual Benefit Statements as part of this RFP.

42) Q: Would you like full leave of absence administration?

A: No.

43) Q: Do you believe you have ineligible dependents residing on your carrier files (such as if an employee never reported a divorce and is still covering his/her former spouse)?

A: Yes.

44) Q: Do you offer or plan to offer a commuter benefit to your employees (transportation, parking, vanpooling, etc.)?

A: Such services are not part of this RFP.

45) Q: Do the majority of your employees have access to a computer, either at work or home?

A: Although many do, some do not.

46) Q: Do the majority of your employees have an email address, either at work or home?


A: Yes.

47) Q: Would you like to learn about tuition reimbursement services?

A: These services are not part of this RFP.

48) Q: Please provide any health and welfare benefits materials you have. This can include new hire enrollment packets, summary plan descriptions, enrollment forms, other plan documents.

A: Information is available on the Pinal County website

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49) Q: Page 14-D – Explain in further detail what is meant by a “calculator” for use in calculating qualifying event charges.

A: Currently done in Excel-all changes in benefits and enrollment worksheets are automatically calculated on a “what if” basis.

50) Q: Page 14-F – What format does Pinal County require in order to accept the data electronically?

A: Various to currently feed into the J.D. Edwards system, but current preference is a fixed width ASCII text.

51) Q: Page 15-E#2 – Please clarify what is meant by Open Enrollment Administration, i.e. online enrollment portal.

A: The RFP asks that each firm describe its online capabilities, including an online enrollment portal, if available.

52) Q: Page 15 – E#4 – Please clarify what is meant by On-line billing, i.e. the ability to pay online or just view.

A: The RFP asks that each firm describe its capabilities in this area.

53) Q: Page 20 – H#5 – Please clarify FSA expenditures by type, i.e. Medical vs Dental care.

A: See sample reports.

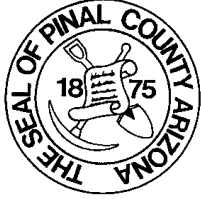
54) Q: Page 20 – H#6 – Please clarify Refunds and voids by type, i.e. Line of coverage.

A: See sample reports.

55) Q: Page 21 – PPO’s B – Would you like us to include contracted PPO networks for dental as well as medical?

A: No, as indicated in the RFP, this contract is for TPA services exclusively.

56) Q: How many participants are enrolled in the FSA Program?

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A: 450

57) Q: What are the frequencies of “open enrollments” in a plan year?

A: Open enrollment is once a year, however, in order to reach all employees the open enrollment online system and enrollment meetings are held over a one-month period.

58) Q: Will the fund consider retaining the incumbent custodial bank?

A: Yes

59) Q: Does the fund have an incumbent FSA provider and would they consider retaining the vendor?

A: FSA is currently being outsourced by the TPA and includes a Benny Card.