



Office of Purchasing  
10910 Clarksville Pike, Ellicott City, Maryland 21042-6198  
(410) 313-6723, fax (410) 313-6789

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**ADDENDUM NO. 2**

October 7, 2020

**Request for Proposal No. 006.21.B1  
Consolidated Omnibus Budget Reconciliation Act (COBRA), Retiree, and Leave of  
Absence Administration and Billing**

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The following shall be incorporated into the captioned solicitation as though included in the original documents issued.

The Board of Education authorizes the following changes, clarifications and or attachments to the solicitation documents; however, such changes shall not relieve the firm of their responsibilities as otherwise required by the solicitation documents. Please be sure to **acknowledge receipt** of this addendum in the submission or as noted below.

Submissions were due October 13, 2020 at 10:00 A.M.

The due date has been extended to **October 14, 2020 at 10:00 A.M.**

Please see the attached list of questions and responses. If a submission has already been made, please acknowledge below, sign and submit this document to the same email as your submission. Please be sure to title/label the acknowledgment. If this addendum causes you to make changes to your submission, please resubmit you submission clearly indicating/titling/labeling it that it is a revised submission and that it replaces the prior submission.

**ALL RESPONSES (SUBMISSIONS AND ADDENDA ACKNOWLEDGEMENT) MUST BE RECEIVED PRIOR TO THE DATE AND TIME LISTED ABOVE.**

There are no other changes.

**Note:** It is the firm's sole responsibility to monitor the HCPSS Purchasing website to ensure that they download any additional addendums or clarifications prior to submitting their proposal and duly acknowledge receipt of and full understanding of said addendums on the proper proposal submittal form. Failure to do so may result in non-receipt of important information prior to the closing date and may render the proposal non responsive and ineligible for award. It is highly recommended that the submitting proposer/bidder ascertain if they have received all the addendums posted prior to submitting their proposal. Failure of any proposer/bidder to obtain any such addendum or interpretation shall not relieve the proposer/bidders company from any obligation under his/her proposal as submitted.

**Acknowledged Receipt:** \_\_\_\_\_  
Signed

**Date:** \_\_\_\_\_

\_\_\_\_\_  
Printed

## REQUEST FOR PROPOSALS

### Consolidated Omnibus Budget Reconciliation Act (COBRA), Retiree, and Leave of Absence Administration and Billing

RFP No. 006.21.B1  
Addendum No. 2

#### Questions and Responses

1. Can you provide the total number of HCPSS benefits-eligible employees?  
**Response: Approximately 8,800.**
2. Please provide the total number of enrolled COBRA continuants today or as of your last billing.  
**Response: Currently 40 COBRA participants are direct billed**
3. Please provide the total number of Direct Bill enrolled participants today or as of your last billing? If you have this broken by Retirees and LOAs, it would be helpful to know these counts.  
**Response: Currently 54 retirees are direct billed and 18 LOA participants are directly billed**
4. Approximately how many average COBRA Qualifying Events do you experience in a given month or year? Approximately how many New Hires in a given month or year?  
**Response: No response.**
5. What is the pricing model used by your current administrator? Is it a **Per Eligible Per Month** pricing model whereby a flat fee is charged monthly for each active employee enrolled in at least 1 COBRA-eligible benefit plan or is it an **Activity Based/Event Based** pricing model whereby a fee is charged for each Qualifying Event notice sent, each New Hire Notice sent, each enrolled COBRA continuant, etc.?  
**Response: Use a Per Eligible Per Month pricing model with billing on a quarterly basis.**
6. Will the administrator be permitted to retain the 2% COBRA administrative fee collected from COBRA enrollees?  
**Response: Yes, but please specify in your submission if in an escrow account, etc.**
7. **RFP PAGE 5. S.1: DESCRIPTION OF SERVICES AND CONTRACTOR DUTIES:** Accept Qualifying Event Information from Howard County Public School System via fax, e-mail or electronic transfer with the required information to process the COBRA event(s). **QUESTION:** Bidder accepts QE information via electronic transfer using secure file protocols or the HCPSS HR/Benefits Representative may input QE information directly via the employer portal. Will these methods for receipt of QE information be acceptable to HCPSS as an alternative to fax or unsecured e-mail?  
**Response: Yes**
8. **RFP PAGE 5. S.13: DESCRIPTION OF SERVICES AND CONTRACTOR DUTIES:** Provide letter of Creditable Coverage if unable to obtain one from benefit carrier(s). **QUESTION:** Can HCPSS advise the number of Letters of Creditable Coverage issued during the most recent plan or calendar year? **QUESTION:** Will HCPSS consider removing this requirement since Federal law no longer requires issuance of Certificates of Creditable Coverage?  
**Response: Please include this request in your response.**
9. **RFP PAGE 5. S.14: DESCRIPTION OF SERVICES AND CONTRACTOR DUTIES:** Notify continuants ninety (90) days prior to conclusion of COBRA to enable them to obtain other coverage. **QUESTION:** Bidder notifies continuants sixty (60) days prior to conclusion of COBRA coverage. Will this 60 day notice be acceptable to HCPSS and meet this requirement for notice?  
**Response: Yes.**

**10. RFP PAGE 11. J. COST PROPOSAL SHEET (APPENDIX F).** We reviewed Appendix F but are not able to locate a specific cost proposal form/worksheet to be completed. **QUESTION:** Are bidders free to use their standard pricing sheet provided annual costs are reflected?

**Response: Yes, but the model is Per Eligible Per Month invoiced on a quarterly basis. Please identify any other fees or costs to be charged.**

**11. SECTION I.D.1. INDICATES:** “An individual with authority to bind each proposed subcontractor or joint respondent must sign a statement to the effect that the subcontractor or joint respondent has read and agrees to abide by Consultant’s obligations under the Contract. The Consultant’s submittals must include originals of these statements.” **QUESTION:** If no subcontractors are being retained specifically for this contract, but the bidder (consultant) plans to utilize certain subcontractors that are already being utilized in connection with bidder’s entire book of business, must the bidder still obtain the referenced statement from such subcontractor?

**Response: Yes.**

**12. SECTION I.P 1. INDICATES:** “Signatures shall be under seal, i.e.: indicated by word “(Seal)” following signature of individual and partner bidders, and indicated by affixing the Corporate Seal at corporate signatures.” **QUESTION:** If bidder is a corporation, but does not have a seal or does not have access to it because of COVID, can that requirement be waived?

**Response: Yes, a facsimile of signatures are acceptable given the current environment.**

**13. SECTION II.H.2. INDICATES:** “Respondents should include in their response the plan and/or efforts made to achieve MBE participation with the expectation of a 25% subcontracting goal.” **QUESTION:** Due to the type of services solicited, we are not able to seek supplier diversity for any component of work. Will we be disqualified from bidding on these services?

**Response: No, but please respond to the request as appropriate.**

**14. SECTION III.E.1. INDICATES:** “Every consultant or joint venture will be required to submit a financial statement, and other financial data, upon request, in a separate sealed envelope labeled ‘Financial Statement and Data.’ Requested information shall be provided within 48 hours of the request.” **QUESTION:** In the event the bidder will be utilizing a wholly owned subsidiary to perform the services, and in the event the bidder (parent) prepares consolidated financial statements that includes the wholly owned subsidiary, will the consolidated financial statements of the parent satisfy this requirement? Or must the bidder also submit separate financial statements for the wholly owned subsidiary?

**Response: No financials are required to be included in your response at this time.**

**15. SECTION V.V. INDICATES:** “All employees, agents, or representatives of the awarded Contractor who will be performing work on any phase of the contract arising out of this Bid may be subject to a criminal history background check by the school system. Such persons, if requested by the school system, must provide fingerprints and other required information to facilitate such a check, as well as the necessary fees to obtain such a check from the federal or state government.” **QUESTION:** Does this apply only to personnel that will be on school grounds or do you see this as a requirements for all personnel that will be working on this contract?

**Response: This applies to any employees or subcontractors only on school property.**

**16. SECTION V.CC. INDICATES IN PART:** “Contractor agrees to indemnify and hold harmless the Howard County Public School System and its Board of Trustees, Employees, Agents and Students from any claim, damage, liability, expense, and/or loss, including defense costs and attorney fees, arising directly or indirectly out of the Contractor’s performance under this agreement.” **QUESTION:** In several other sections of the RFP, the indemnity only seems to apply to Contractor’s negligent or wrongful performance or failure of performance of the services of the Consultant under this agreement. Please clarify whether the indemnity will apply to (i) all performance under the agreement or (ii) just negligent or wrongful performance?

**Response: It applies to all performance.**

17. **APPENDIX C, SECTION 1.2 INDICATES:** “The Contractor shall require all Subcontractors to maintain during the term of this agreement, commercial general liability insurance, business automobile liability insurance, and Workers' Compensation and employers' liability insurance, in the same manner as specified for the Contractor. The Contractor shall furnish Subcontractors' certificates of insurance to the Board of Education of Howard County Maryland immediately upon request.”

**QUESTION:** If the bidder's insurance covers the acts of its subcontractors, will it still be necessary to supply the subcontractor's certificates of insurance?

**Response: No, but evidence of that coverage may be requested.**

18. **APPENDIX C, SECTION 1.3 INDICATES:** “All insurance required hereunder shall include the following provision: ‘It is agreed that this policy is not subject to cancellation, non-renewal, material change, or reduction in coverage until sixty (60) days prior written notice has been given to the Board of Education of Howard County Maryland.’ The phrases ‘endeavor to’ and ‘... but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives’ are to be eliminated from the cancellation provision of standard ACORD certificates of insurance.” **QUESTION:** If this particular provision is commercially unavailable from an insurance carrier, does the School District have an alternative provision that would be acceptable?

**Response: Please provide at least 30 days' notice.**

19. How many HR locations are responsible for COBRA Administration?

**Response: There is one central HR division for the entire school system. Within HR, the Benefits Office is solely responsible for COBRA Administration.**

20. What is the estimated number of administrative users or HR contacts?

**Response: There are four contacts within the Benefits Office.**

21. Is there a 3<sup>rd</sup> party consultant aiding in the decision process?

**Response: No.**

22. How many insured employees?

**Response: As of June 2020, approximately 7,000 employees enrolled in medical plans, 6,500 enrolled in dental plans.**

23. What was the number of insured employees in 1/1/18 & 1/1/19?

**Response: Approximately 6,700 in 2018 and approximately 6,800 in 2019.**

24. What is the average number of COBRA qualifying events per month?

**Response: On average approximately 30.**

25. What is the average number of new hires per month?

**Response: No response**

26. How many qualifying events have been processed in 2020 so far?

**Response: No response**

27. How many qualifying events have been processed in the prior year?

**Response: No response**

28. Are there any plans for downsizing?

**Response: No.**

29. Will the awarded vendor be billing retirees for COBRA premiums or for group benefits?

**Response: Group benefits.**

30. What are the current leave of absence participation statistics?

**Response: Currently 18 participant on a LOA are being directly billed.**

31. How many Medical, Dental, and Vision plans are there? Please list their renewal dates.

**Response: There are three medical plan options under two vendors, two dental plan options under two vendors and one vision plan. Their renewal dates vary because they have options for a number of yearly extensions within each of their contracts.**

32. How many insurance carriers provide plans to HCPSS?  
**Response: Two medical insurance providers, two dental insurance providers and one vision insurance provider.**
33. Who is the current administrator for the requested services?  
**Response: Jasper**
34. What is the current pricing for administrative services?  
**Response: We projected going forward the total cost will exceed the bid threshold of \$25,000.**
35. Why is HCPSS going out to market? Are there specific pain points that need be addressed?  
**Response: The current provider's contract expires on 12/31/2020, and we have begun the competitive bid process for a new contract effective 1/1/2021.**
36. Will detailed evaluation feedback and scoring be released after the award has been made?  
**Response: Requests for review (debrief) of individual submissions will be available after award.**
37. Please provide a RFP timeline. If applicable, please include the following dates:  
**Response:**
- a. Pre-proposal meeting date – Not applicable
  - b. Proposer short list date – 2-3 weeks after due date
  - c. Presentation date(s) – If requested, 3-4 weeks after due date
  - d. Contract award date – Anticipated in November
  - e. Implementation dates – January 2021.
38. What is the collection frequency for your leave of absence population?  
**Response: Monthly billing and collection.**
39. How many benefit eligible for COBRA? For Retiree? For Leave of Absence?  
**Response: This number can fluctuate a great deal from month to month.**
40. Can you confirm the reasoning behind the RFP? Is this a market check?  
**Response: The current provider's contract expires on 12/31/2020, and we have begun the competitive bid process for a new contract effective 1/1/2021.**
41. Are there any issues with the current carrier?  
**Response: No, end of contract renewals.**
42. Is the carrier the same for COBRA, Retiree and Leave of Absence?  
**Response: Yes.**
43. Can you clarify questions #1 and #3 below as one asks us to provide, then the other indicates we would have 48 hours to present if asked.  
For Section III – E. Financial Information/Capability - #1 says Every consultant or joint venture will be required to submit a financial statement, and other financial data, upon request, in a separate sealed envelope labeled "Financial Statement and Data." Requested information shall be provided within 48 hours of the request.  
But #3 – tell us to provide most recent audit or certified financial statements.  
**Response: Firms are not required to submit financials with their proposals, but may be requested at a later date and should be prepared to respond within the timeframe given.**
44. Can you clarify how questions 4 and 5 pertain to the RFP/scope of services?  
#4 – Can you provide additional information for question #4? List funds available to the agency:  
A. in banks. Include bank name, address, phone number and amount.  
B. by loans. Include service, address, phone number, and amount.  
C. by sale of assets. Include description, market value, and amount of mortgages or liens.  
D. other. Please describe.  
#5 Additional information required – Provide a list of bank references.  
**Response: This information speaks to the responsibility of the firm's financial ability to perform. The school system will investigate as necessary to confirm the capability of a selected firm.**

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45. Section III.E. – Is “agency” considered the School System? We are unsure what is being asked and why. Can you provide further explanation?

**Response: The reference to Agency is the firm submitting a proposal. See response to #47 above.**

46. Section III.F. – What is the School System expectation for this request?

**Response: We expect a confirmation that the responding firm is technologically current – meaning able to automate and integrate with other software systems, etc.**

47. Section III.G. – If there are no minority/MBE participation opportunities for this contract, how should we respond?

**Response: See response #13 above.**

48. What are the average terminations per month?

**Response: No response.**