



HOWARD COUNTY PUBLIC SCHOOLS
PURCHASING DEPARTMENT
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ADDENDUM NO. 3
(Total Pages - 5)

March 12, 2021

Request for Proposal No. 017.21.B1

Benefits Consultant Services

Due Date: March 17, 2021 Time: 3:00 P.M.

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 add the following:

PART III SUBMISSION INSTRUCTIONS

Submission response should be prepared in a manner that follows the flow of the scope of services outlined in the RFP. Information should be clear and to the point. Any exceptions or deviations from the scope of services should be identified with sufficient details of the reason(s) for the exception and alternate solutions.

Submissions should also address and include information regarding the added criteria outlined in the evaluation section, Part IV. It is recommended that specific items such as references be identified in the table of contents as supplementary items.

An executive summary and table of contents are recommended to be included.

PART IV EVALUATION

Submissions/proposals will be reviewed based on the following criteria.

- Demonstration of Technical Abilities
 - Demonstrated ability to deliver the Service Requirements
 - Demonstrated ability to exceed scope of services
 - Demonstrated understanding of all Federal, State, and Local laws, regulations, and rules.
 - Demonstrated ability to provide the experience staffing for support
- Experience
 - Demonstrated experience in the Public PK-12 educational market, especially with school systems similar in size or larger than Howard County Public Schools.
 - Demonstrated experience and knowledge in the benefits/health care industry/market
- Responsiveness to RFP
 - Includes strength of the response addressing all items
 - Demonstrated understanding of the scope of work and methodology for providing services
- References
 - Provide at least three (3) references with current and accurate contact information with an indication of type of services provided.

Questions and responses
Second Series

The following are some questions that we would like to ask regarding the Consultant RFP process –

1. Is there a specific preferred format for the Cost Proposal Sheet? Will this be provided?
Response: There is no form to complete, the Cost Proposal is open but needs to clearly indicate what services are include or excluded and also itemize the specified services as noted.
2. Will the scoring methodology for the RFP responses be provided?
Response: Yes, to be provided.
3. Regarding the dependent eligibility audit services – are these requested to be ongoing only with no retrospective review? Please confirm the date these services will commence – will it be 6/1/2021?
Response: Prospective beginning 6/1/2021.
4. Will a summary of the current dependent eligibility audit processes and practices (including any file specifications) be provided?
Response: Yes, processes and expectations will be communicated, and the expectation is that a report of current dependents to be audited will be uploaded from HCPSS to the selected vendor's secure website or FTP site. Going forward we would like to automate the process with the selected vendor for efficiency.
5. If a new consultant is selected, will historical data relative to the actuarial services (GASB, RDS, etc.) be provided?
Response: Historical data will be provided as it is available to us.
6. Following are some questions brought up by our consultants upon review of the RFP

COST PROPOSAL SHEET, page 2 AND BENEFITS CONSULTING SERVICE REQUIREMENTS
page 13 and page 14

- Our firm would be required to use a subcontractor/partner for items #2 (f) page 13 and #10 (c) page 14; Would the proposed use of a subcontractor/partner for these services preclude HCPSS' consideration of our proposal?
 - o #2 (f) page 13, Complete ongoing Dependent Eligibility Audits. This includes various forms of employee communication including emails, mailings, collection of verification documents, tracking of documents and notification to employees and monthly status reports on the verifications conducted, for example; completed, in progress, not complete
 - o #10 (c) page 14: Complete ACA Reporting/Tracking including preparation and distribution of all ACA related forms and submission of files to the IRS (Form 1094 and 1095-B/C E-filing).**Response: No, HCPSS understands that some services may need to be carved out to subcontractors/partners. The expectation is that upon RFP submission, this information be disclosed.**
- When does HCPSS anticipate that item #2 (f) page 13, a dependent eligibility verification audit, would be required?
Response: Beginning 6/1/2021.

- For item #1 page 13, PROPOSAL PREPARATION, SOLICITATION, AND EVALUATION; our firm understands this is typically a cyclical service that occurs every few years, how should this be factored in our cost for HCPSS’ evaluation that would account for the periodic cost fluctuation considering most of the other service requirements are annual in nature?
Response: The initial term is for three (3) years not to exceed eight (8). Firms will need to determine how best to competitively allocate costs.

- For the COST PROPOSAL SHEET, page 2; our firm understands this contract is for 3 years with subsequent 5 one-year renewal options, does HCPSS’ want to see cost projections in any of the following formats?
 - Aggregate cost for the initial 3 years of the contract?
Response: This format is fine, just be specific in the time period covered. For comparison purposes, HCPSS may average the pricing.
 - Annual cost for each of the 3 years of the initial contract period?
Response: The ideal response would annualize the pricing to align with our fiscal year- July-June.
 - Aggregate cost for the entire 8 years?
Response: This format is not recommended.
 - Or is there another preference for cost/fee comparative purposes?
Response: We want to allow flexibility and competitiveness, whatever format is used, please be clear about what the numbers represent.

- For item #5 and #6 page 17, DATA ANALYTICS & REPORTING; our firm understands Claims Audits and Operational Audits are typically cyclical services that occur every few years, how should Health Care Audits be factored in our cost for HCPSS’ evaluation that would account for the periodic cost fluctuation considering most of the other service requirements are annual in nature? Can Audits be considered as Costs outside of the base COST PROPOSAL SHEET with a menu of fee/cost per Type of Audit to be available upon request by HCPSS on an as needed basis?
Response: In terms of the response, our intent is to have firms describe and inform HCPSS of how they handle these requests. If there are costs associated with them outside of the annual costs, itemize and include details of what will be included.

OPEN ENROLLMENT, #9 page 14 and COMMUNICATIONS, page 16

- Of course, Covid-19 has affected every aspect of our lives, including benefits communication and enrollment. How did you approach 2020 enrollment and how would you summarize that experience?
- **Response: For the most part, very little about our Open Enrollment process changed in 2020. The only major difference was that in lieu of in-person Benefits Open House events, we utilized an online platform with great success. We plan to continue to offer the online option in the future.**
- A great deal of internal communication has moved online. What have been strengths and challenges for email distribution and virtual formats?
- **Response: Our existing process prior to 2020 greatly relied on employees engaging through our existing virtual platforms. As a result, with the exception of our Benefits Open House events, there was minimal change in 2020. A strength of this year has been our ability to offer this event in virtual space.**

- What was your previous budget/spend on communication? How much is budgeted for 2021? Are you looking for the best value within that budget or simply the best value to accomplish your objectives?
- **Response: The level of communication will vary, firms should highlight any unique or high-ticket efforts with an associated costs not included as part of their annual fees.**
- Do you have a preference for (virtual) group meetings or individual advisors?
- **Response: Both.**

BENEFITS AUDITS, #1 and #2, page 17

- These items seem to suggest Benefits Administration requirements for 1 and 2 rather than Benefits Consulting Services requirements; was that the intention of HCPSS? Is HCPSS actually looking for Benefits Administration/HRIS services for these 2 components or any other items as part of this RFP?
 - o #1, page 17; Please list categories of dependents and rules related to those dependents and how those are defined on your system?
Response: Answered in prior set of responses.
 - o #2, page 17; Describe how you detect and communicate to an employee that a dependent is going to be termed for age before the event occurs?
Response: Answered in prior set of responses.

CONTRACTUAL, page 21-27

- Will HCPSS be willing to negotiate a contract in the offeror/bidder's standard contract format or will the winning bidder be required to use the HCPSS standard contract? Or is there a preference for HCPSS?
Response: There is a preference to use the standard HCPSS agreement. However, responses may include any proposed agreements for review.
- Will HCPSS be willing to negotiate any of the terms and conditions in the HCPSS standard contract?
Response: HCPSS may consider alternative terms. Please include any exceptions or deviations in your response.
- On page 6 of the RFP document, it states, "any deviation from the terms of the basic contract must be submitted for contractual action to the above contract" Should bidders include proposed deviations and/or exceptions as part of the proposal response?
Response: Yes, please reference the original language, etc. and proposed alternates.
- If bidders want to recommend changes/edits to the Employee Data Sharing Agreement: Applicable to Howard County Public School System Users and Vendors, should bidders include them as part of their proposal response?
Response: Yes, and if possible include an explanation or reason for the suggested change.
- In section, 4. BUDGETING it reads: (a) Make recommendations for annual pricing, budget development, and determination of employee and retiree contribution amounts and prepare annual six-year projections to be used for planning purposes.
- During your talk, you mentioned the school board is looking to trim fat any way possible and that you all are fully self-insured. The question, would you all be open to self-funded plans if they are more cost-effective?
- **Response: We only have on dental HMO plan that is fully insured, and all medical, dental and vision plans are self-funded.**

ACTUARIAL SERVICES, #5 (c) page 13

- The HCPSS FY2018, FY2019, and FY2020 CAFRs have included the GASB 74/75 information on HCPSS' retiree medical and life insurance plan liability and Trust assets.
 - o Please confirm that HCPSS is requiring the preparation of another Postemployment Benefits (OPEB) Actuarial Valuation on an annual (or biennial) basis as well as preparation of the required GASB 74/75 annual disclosures under Scope of Work item 5 (c) which was listed as "Provide GASB calculation upon request"?

Response: This work is already being completed at the county level, HCPSS would only be looking for the "pay-as-you-go" calculation to be provided. That being said, it is necessary for our selected vendor to be proficient with OPEB and GASB 74/75 annual disclosures.

- Dependent Audits- if this currently done on a monthly, quarterly or yearly basis. What is the current process as you know it to be?

Response: Dependent eligibility audits (DEA) are on-going. The current process is that HCPSS sends a monthly report to the current provider that conducts DEA on behalf of HCPSS that list the dependents that needs to be verified. The DEA provider will then mail a DEA information packet to the employee. Employees are to respond to the verification within 30 days. During this time period, the DEA provider will send several reminder emails, missing information emails to the employee. As the final step, the vendor will inform HCPSS of any terminations as a result of not complying with the audit.

- How many of the current 8,000 employees have dependents covered on your plan?

Response: Not able to provide a count at his time.

- How is over age dependents handled currently? Does HCPSS handle, carrier or consultant(s)?

Response: Over age dependents are handled by HCPSS.

- What current system do you use for eligibility? How is the eligibility communicated to carriers?

Response: HCPSS uses Workday. Eligibility is communicated to carriers via electronic eligibility files.

- How are clinical audits handled on the past? Did HCPSS hire outside firm or was it done by the current carrier or consultant?

Response: N/A. HCPSS did not hire an outside firm.

- When are your insurance plans up to be bid based on current contracts?

Response: The terms will vary starting from 2023 to 2028.

- How much was the current consultant(s) paid last year?

Response: Not determined at this time.

- Who is the current consultant?

Response: Kelly & Associates

- Who is your current PBM? Carve in or carve out?

Response: Express Scripts, carve out.

- When is the PBM agreement up?

Response: Extensions are allowed up to Dec 2024.