

***** Addendum #2 *****

RFP # 23-021 - Insurance Brokerage and Related Services

February 24, 2023

The attention of bidders submitting proposals for the above-referenced project is called to the following Addendum to the Request for Proposals indicated above. The items set forth herein, whether of omission, addition, substitution or other change, are all to be included in, and form a part of the proposed Contract Documents for the work.

Inclusion of this Addendum must be acknowledged in the spaces provided in the document entitled "Request for Proposals 23-021 - Insurance Brokerage and Related Services". Failure to acknowledge any and all addenda in the above specified bid form may be cause for rejection of the bids by the Owner on the grounds that it is not responsive.

This addendum consists of three (3) pages and one (1) Attachment

Item 1: Questions and Answers:

Q1: In the scope of services description #'s 12 and 13, what has the City done in the past in terms of an audit – all claims, random sample, complete repricing, etc.?

A1: Item 12 - *“Perform an annual prescription audit, which is the fastest growing piece of overall medical spending for the City and Schools”* – This service is a comparative analysis of our actual prescription costs versus our expected costs from our provider. Its purpose is to ensure that the provider is properly applying rebates and/or discounts according to our contract.

Item 13 – *“Perform an annual audit on medical claims”* – The City is looking to expand its claims analysis, and will use this RFP to explore all options. We also understand that this is a possibly costly addition to the Scope of Work. To that end, we leave it to the respondents to present us with options that they will consider to work best for the City. More specifically, we have added a field to the pricing proposal (see Attachment A to this Addendum which replaces pages 20-21 of the original RFP) for bidders to provide their cost for one (1) comprehensive medical claims audit during the three (3) year term of the eventual contract, based on the options they provide.

Q2: Does the City currently contract for its medical, dental, prescription drugs and stop loss individually or does it receive all/any benefits through the Trust or the WB currently??

A2: Individually. The City does not currently receive any of these benefits through the RI Interlocal Trust or WB Community Health.

Q3: What is the City's current renewal date?

A3: July 1, 2023

Q4: Who is the City's current insurance broker/consultant?

A4: Health Benefit Advisors (Keith Demty, Principal)

Q5: What is the total annual compensation received by the current insurance broker/consultant to perform the requested scope of services?

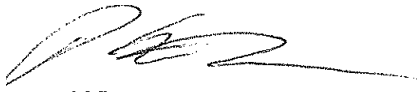
A5: Current fees are 7.5% of Stop Loss rate. Also, \$1.75 per employee per month (PEPM) for all other services related to medical/dental/pharmacy support.

Q6: Can we provide a signed copy of the attached pricing proposal referencing a separate proposal format? Essentially, not completing the format in the RFP, but designing and submitting a format that encompasses all benefits outlined in a different layout?

A6: Yes. As long as the alternative provides the information required by the RFP, and is signed, then that is acceptable.

Q7: If the City is currently in the 2nd year of a 3 year agreement with the Rhode Island Municipal Insurance Corporation, does it anticipate any penalties should it opt for a new contract this year?

A7: Yes, the City is factoring any possible penalties into its overall evaluation



Peter Wingate

Purchasing Director

ATTACHMENT A TO ADDENDUM 23-021A2**Pricing Proposal****23-021**

Having examined RFP # 23-021, Insurance Brokerage and Related Services, we propose to enter into a contract to perform services per the bid specifications for the costs listed below:

Pricing Proposal – Year 1			
Insurance Line	Percentage Premium		Fixed Price Premium
Health Insurance	%	Or	
Prescription Drugs	%	Or	
Dental Insurance	%	Or	
Stop Loss Insurance	%	Or	
			TOTAL:

Pricing Proposal – Year 2			
Insurance Line	Percentage Premium		Fixed Price Premium
Health Insurance	%	Or	
Prescription Drugs	%	Or	
Dental Insurance	%	Or	
Stop Loss Insurance	%	Or	
			TOTAL:

Pricing Proposal – Year 3			
Insurance Line	Percentage Premium		Fixed Price Premium
Health Insurance	%	Or	
Prescription Drugs	%		
Dental Insurance	%		
Stop Loss Insurance	%		
			TOTAL:

Triennial Audit (see item 13 on page 8 of this RFP under Services Required):

On the line below, please provide your cost for one (1) comprehensive medical claims audit during the three (3) year term of the eventual contract.

\$ _____

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Check here and add on a separate sheet if any additional pricing proposals

Bid Form Signature

(Bidder Name – Please Print)

By: _____
(Signature) (Print)

Title: _____ **BID FORM MUST BE SIGNED**