



Addendum No. 2

RFP P492-24 EMPLOYEE LIFE AND DISABILITY INSURANCE

The purpose of this Addendum is to notify all potential respondents of any changes to the original RFP and to answer questions regarding the RFP. The answers provided in this Addendum hereby amend and/or modify the original RFP Document and Specifications. All Offerors are subject to the provisions of this addendum.

WRITTEN RESPONSES – QUESTIONS AND ANSWERS

Question 1. Is the group looking for group voluntary products or individually owned voluntary products?

UNMH RESPONSE: Group preferably

Question 2. Please provide a list of current benefits offered, the carrier for each and their rates.

UNMH RESPONSE: UNMH does not believe the information requested is necessary for an offeror to submit a responsive proposal. Carrier names, lines of coverage, and rates have been provided for the benefits that are out to bid.

Question 3. Do plans need to be HSA compliant?

UNMH RESPONSE: Yes

Question 4. Please provide census that includes dob, gender, salary, job title.

UNMH RESPONSE: This information was provided individually by carrier upon submission of an Intent to Bid form.

Question 5. When is open enrollment?

UNMH RESPONSE: End of October / beginning of November

Question 6. What HR/payroll system is currently being used

UNMH RESPONSE: Lawson

Question 7. What enrollment technology platform is used? Please describe how that vendor/administrator would work with us to enroll and administer our products most efficiently?

UNMH RESPONSE: UNMH is currently using the enrollment platform provided by the incumbent for Voluntary Life Insurance enrollment. Disability enrollment is done through our internal HR/Payroll System, Lawson.

Question 8. Are you requesting age-banded or composite rates?

UNMH RESPONSE: Voluntary Life is age banded, UNMH would prefer composite rates on all other lines.

Question 9. Is your enrollment platform able to accommodate composite rates and/or attained-age rates?

UNMH RESPONSE: Lawson can accommodate both, however, the Offeror is to bring the platform for the worksite benefits.

Question 10. Does your enrollment platform have the ability to store and/or provide embedded links to required compliance documents from our company?

UNMH RESPONSE: No, Lawson is not currently set up to allow embedded links. However, our voluntary product enrollment is currently done through the incumbent's software platform and they link to forms, etc. as necessary.

Question 11. Are you interested in online self-enroll on your enrollment platform?

UNMH RESPONSE: No, the UNMH is asking that the Offeror bring the platform for the worksite benefits. UNMH will not be incorporating those benefits onto the Lawson platform.

Question 12. Does your enrollment platform facilitate agent-assisted enrollments and able to provide agent information on the enrollment EDI?

UNMH RESPONSE: No

Question 13. Does your enrollment platform facilitate call center enrollment, provide appropriate admin access for call center counselors and able to provide that information on the enrollment EDI?

UNMH RESPONSE: No

Question 14. Can the enrollment system map and return election data on the custom File enrollment template? (Template may be supplied upon request)

UNMH RESPONSE: Basic Life and LTD enrollment is not be passed to the carrier, however, eligibility and salary information is passed. Vol Life and worksite benefits are on Offeror platform. Offeror will be submitting enrollment data to UNMH.

Question 15. Will enrollment be aligned with Core enrollment?

UNMH RESPONSE: Yes

Question 16. Will the incumbent voluntary benefits continue to be payroll deducted or will they be removed from payroll?

UNMH RESPONSE: The Awarded Offeror is expected to grandfather all existing participants and amounts and will take over the deductions. Only the Awarded Offeror's premiums will be payroll deducted.

Question 17. Please describe the current method used for open enrollment.

UNMH RESPONSE: Electronic enrollment through Lawson for the Core benefits. Voluntary Life and Accident are through Standard's enrollment platform.

Question 18. Will the selected vendor be allowed to conduct group meetings and meet with each employee face-to-face?

UNMH RESPONSE: Only during Open Enrollment events.

Question 19. Please describe any need for employee self-enrollment.

UNMH RESPONSE: All benefits are self-enrolled through either the Lawson system or the Standard's enrollment platform. UNMH does not currently utilize an enrollment firm.

Question 20. Please describe any need for call center enrollment.

UNMH RESPONSE: There is not a need for call center enrollment.

Question 21. Are there any specific pain points with the current carrier that are a focus for you?

UNMH RESPONSE: No. UNMH is required to follow NM Procurement laws which allows for a maximum of a 10-year agreement.

Question 22. Can you confirm the CI and HI coverages are Virgin ?

UNMH RESPONSE: Confirmed

Question 23. Is there an establish or known enrollment strategy on the Acc-CI-HI coverages ?

UNMH RESPONSE: For new hires, we provide information in a self-paced, online module. The module is required to be completed by all benefit-eligible new hires within 31 days of hire. The module is also available to all employees if they would like to view it anytime. Information will also be included in the benefit guide and on the intranet.

Question 24. Can you share who present Ben Admin provider is ? I see mention of UKG on their website but not sure if that's current.

UNMH RESPONSE: UNMH uses Lawson for the core benefits. UKG is utilized only for timekeeping and feeds into Lawson.

Question 25. Are you looking for any Ben Admin or Implementation Credits to assist with the change of carriers?

UNMH RESPONSE: Service credits will be welcome but it is not a requirement. Each carrier should evaluate an amount that they feel is appropriate for the size of the group.

Question 26. Can you confirm the min hrs./wk. to be eligible for benefits?

UNMH RESPONSE: FT = 30 hours, PT = 20 hours

Question 27. Do you have the Class 2 (executive) LTD certificate you could send us?

UNMH RESPONSE: See Attached Additional Documentation

Question 28. You require us to agree “to accommodate existing administrative provisions of UNM Hospital, including any potential changes as reflected in the Scope of Services.” We did not receive a Scope of Services document. Please provide this document and explain any special handling required, by line of coverage.

UNMH RESPONSE: The existing administrative provisions are that the Awarded Offeror provide and maintain an enrollment platform for the Vol Life and worksite benefits. That system will be the system of record. The Offeror will need to manage beneficiary designations and send deduction files to UNMH for entry to payroll.

Question 29. Please provide all certificates for Life and Disability Insurance.

UNMH RESPONSE: All but one document has been provided as an attachment within the bid system. The Class 2 LTD certificate was not attached. That is being provided with this addendum.

Question 30. Life- When comparing “UNMH – Grandfathered Census” to the “Attachment A” general census, about half of the people in the grandfathered census are not included in the general census. Please explain how to identify people in the grandfathered census. Why are these people on a separate census and they don’t have basic life amounts? Please provide details of the reasons these people can elect Voluntary Life benefits greater than 5xSalary.

UNMH RESPONSE: As noted in the RFP, UNMH recently acquired SRMC. The grandfathered participants are SRMC employees who had a voluntary life amount greater than the UNMH policy allowed. Standard agreed to grandfather those employees by name. They all have basic life amounts in the census file. UNMH will not be sharing any details to match up the Basic and Voluntary amounts.

Question 31. Life- Please confirm “Approved Benefit Amount” is “Paid Benefit Amount” column K of the UNMH Claim Report. If it is not, please provide Paid Benefit Amount for each Life claim and the date it was paid.

a. Please provide the meaning of “Event Status Codes” column H of the UNMH Claim Report.

UNMH RESPONSE: Approved, Closed, Error (incorrect claim set up, this claim was not paid)

Question 32. Life- Please provide Life financial report for UNMH group for the experience periods 1/1/2020 – 12/30/2023.

UNMH RESPONSE: Premium report was included in the Standard Claim file. It includes all lines of coverage, # enrolled, volume, and premium.

Question 33. Life- Are those who ported their coverages included in the experience? If there are ports, will they remain with the current carrier?

UNMH RESPONSE: Ported coverage is not included and will be staying with the current carrier.

Question 34. Life- Was there an open enrollment or any other underwriting liberalization in the last 5 years? If so, specify the date and conditions.

UNMH RESPONSE: A true OE has not been offered since inception

Question 35. Life- There appears to be a typo. Please confirm the Voluntary life ages 45-49 rates for 2021-2024 should be \$0.197 and not \$1.97 in Attachment D.

UNMH RESPONSE: That is correct, it should be \$0.197. Apologies for the typo.

Question 36. Life- On the Basic & VT Life & ADD tab, question #9 asks about accepting “existing beneficiary cards.” Are these stored on paper? If so, approximately how many exist that would require conversion to electronic records?

UNMH RESPONSE: Beneficiary forms are collected on paper at new hire orientation. These forms are stored in hard copy employee files and not converted to electronic format. Thereafter, beneficiary updates are made online through the incumbent’s system. We only accept a paper form if there is not an electronic one on file.

Question 37. Disability- Please include total paid amounts for each claim in UNMH_LTD Open and Closed Claims Report.

UNMH RESPONSE: Total is reflected in column N

Question 38. Disability- Please provide LTD certificate for class 2 –“ members other than executives”, and amendments that describe plan changes in the past 5 years, if applicable.

UNMH RESPONSE: See Attached

Question 39. Disability- Please confirm the original effective date of the STD coverage for UNMH group. How long has the coverage been with the current carrier?

- a. If effective date is 1/1/2023, please provide premium and claims experience from 1/1/2023 to 12/31/2023 to include premium, average monthly volume, average monthly lives, claims paid and claim count.

UNMH RESPONSE: Original effective date was 1/1/2023

Question 40. Disability- Please provide STD claims lists on incurred basis from 1/1/2023 to 12/31/2023 for UNMH and for SRMC from 1/1/2019 to 12/31/2023 showing date of disability, date of birth, gender, gross and net benefits, termination date, and total paid.

UNMH RESPONSE: See Attached

Question 41. Disability- Please confirm required STD commissions. “Exhibit I – Cost Exhibits” states that standard commissions to be included on STD benefits while RFP file specifies that rates on core benefits should be net of commission. Please clarify.

UNMH RESPONSE: Net of commission.

Question 42. Disability- Is EAP being requested within the scope of this RFP?

- a. Please advise, if currently EAP cost is built into the LTD rates, or is it billed separately? How many face-to-face visits are offered currently?

UNMH RESPONSE: No. Please do not include an EAP.

Question 43. Disability- Exhibit M, Performance Guarantees, we see reference to “Payroll File Timeliness” and would like to understand how the file would be utilized as the disability appears to be fully insured.

UNMH RESPONSE: UNMH requires the Offeror to send deduction files to them for the Vol Life and worksite benefits to be included as payroll deductions. Since those benefits are enrolled and housed on the vendors platform, that information is not in Lawson for payroll purposes.

Question 44. Disability- On Tab EXH I H LTD Contract Details, you ask if our LTD plan had an EAP and what is the additional cost. How many face-to-face visits would you like included in the pricing?

UNMH RESPONSE: You may disregard that question.

Question 45. Accident- Please provide 3-5 years of experience including: average number of lives by year, earned premium by year, paid and incurred claims by year, historical claim count by year.

UNMH RESPONSE: UNMH does not believe the information requested is necessary for an offeror to submit a responsive proposal.

Question 46. Only see a census of about 400 Grandfathered Employees. Can you send us a census of all eligible that includes Age/DOB? Genders, Salary and applicable class and enrollment status?

UNMH RESPONSE: The full census file was provided under separate email to each vendor providing an Intent to Bid response. See Question 30 for a response to this question.

Question 47. What is the current/requested level of commissions for each line?

UNMH RESPONSE: Basic Life/AD&D, LTD, STD, Vol Life are all net of commission. Accident, Critical Illness, and Hospital coverage should include 20% flat commission.

Question 48. Did SRMC employees' transition to the UNMH plan designs on 1/1/2024? Or did they continue their benefits with separate plan designs?

UNMH RESPONSE: Yes. All SRMC employees transitioned to the UNMH plan designs on 1/1/2024. There are no separate plan designs.

Question 49. Can you please provide the LTD Class 2 certificate of coverage for UNMH? We were only provided with the class 1 certificate.

UNMH RESPONSE: See Attached

Question 50. Can you please provide the full experience reports for the Basic Life, Supplemental Life, and Dependent Life coverages showing premium vs claims information by month or year for the last 3-5 years? (Similar to the LTD Experience thru 12.2023 report)

UNMH RESPONSE: See Attached

Question 51. Can you please provide the VSTD experience report showing premium vs claims information by month since the policy effective date on 1/1/2023?

UNMH RESPONSE: See Attached

Question 52. Does the group currently receive a reimbursement or ongoing credit for the three services listed in the scope of work request? (online enrollment for Life and Voluntary coverages; electronic EOI process and management; beneficiary management services)

- a. If so, can you provide the current amount received or what amount is necessary to cover the expected costs?

UNMH RESPONSE: No, the group does not receive a reimbursement or credit for these services

Question 53. Can you provide a current bill/premium statement? Is the renewal available at this time?

UNMH RESPONSE: No, and no.

Question 54. I see a couple of plan amendments to the Life plans. Please confirm this is all of the plan changes made during the experience period provided?

UNMH RESPONSE: 3 additional amendments attached. Add SRMC employees to the LTD, increase Child Life to \$20,000, and Grandfather a list of SRMC employees vol life coverage.

Question 55. How long have the current rates been in effect? Can you provide prior rates?

UNMH RESPONSE: Rates were provided to match the claim data. No additional rates will be provided.

Question 56. Can you confirm the Ben/Admin vendor for the Life coverages?

UNMH RESPONSE: Selerix

Question 57. Please confirm your annual enrollment requirements for the Supp Life plans. How are requested increases in coverage handled?

UNMH RESPONSE: Employees are required to log into The Standards enrollment system and complete the process in that system. All increases require EOI to be completed.

Question 58. Is the intention to bring the SRMC benefits in line with the UNM benefits for 1/1/25? Are we looking to quote the current UNM benefits for all employees, including SRMC?

UNMH RESPONSE: The SRMC employees are all under UNMH policies now. That occurred as of 1/1/2024. There are some employees with grandfathered Vol Life amounts (see separate Grandfathered census). This was due to the SRMC policy having a higher maximum amount.

Question 59. Can you include the Premium vs claim experience exhibit for the Life plans?

UNMH RESPONSE: See Attached

Question 60. It appears UNM does not currently have a Voluntary AD&D plan. Are you requesting we quote one? If so, what plan design are you requesting?

UNMH RESPONSE: That is correct. We are not contemplating adding a Vol AD&D plan.

Question 61. Provide the Sandoval Life rates for 2024.

UNMH RESPONSE: \$0. All the SRMC policies termed 12/31/2023.

Question 62. Are the Employees in the Grandfathered Census Greater than 5x included in the Master census? If not, please provide Gender and DOB on the Grandfathered census.

UNMH RESPONSE: Yes. An amendment was provided with this addendum that includes employee id numbers. This can be used to match up to the census information.

Question 63. There are 5 Basic ADD claims and 1 Optional Life claim coded with a \$0 for a volume. Is this correct?

UNMH RESPONSE: 5 Are AD&D where Basic Life was paid but Basic AD&D was not payable. One shows Additional Life as \$0 as this claim was not payable but the Basic Life claim for this member was payable.

Question 64. Provide total Covid claims by year and by coverage.

UNMH RESPONSE: Life: 1 Covid life claim and that was paid in 2021. \$32,000 was paid out in BL and \$50,000 was paid out in AL. LTD: 2 Covid LTD claims, those are the 2 claims you will see on the LTD Open and Closed report in column R (respiratory)

Question 65. The census shows the CEO UNM Hospitals with a Basic Life benefit of \$1,450,758 but the Life booklet shows a maximum of \$1,250,000. Please confirm they should be capped at the \$1,250,000.

UNMH RESPONSE: The amount should be capped per the contract. We will want to look at potentially increasing it for 1/1/2025.

Question 66. Provide the DOB for the Chief Financial Officer - SRMC Campus.

UNMH RESPONSE: This person is a new hire. Data was not available at the time the RFP was released. Date of hire is 3/11/2024; date of birth is 11/20/1968. Gender is male.

Question 67. Provide a current Life Invoice.

UNMH RESPONSE: UNMH is self-billed, the carrier does not provide an invoice.

Question 68. Life- Please provide Life/AD&D premium paid data for UNM Sandoval for the period prior to 1/1/2023.

UNMH RESPONSE: This has been provided.

Question 69. Disability- Are the hospital Physicians part of the University group (and therefore not part of this submission)?

UNMH RESPONSE: UNM Hospital does not employ any physicians. UNM Medical Group and School of Medicine physicians are not part of this effort.

Question 70. Disability- Can we please get VSTD experience for both UNMH and SRMC?

UNMH RESPONSE: See Attached

Question 71. Disability- What did the UNMH employees have for STD prior to 1/1/23?

UNMH RESPONSE: Major sick leave bank for each employee and two programs administered in-house: a catastrophic leave donation program and a medical crisis leave bank (also donation based). These programs still exist and are offered for employees who want to utilize these programs for dependents or use them prior to starting their STD claim. Leave accruals do have to be exhausted prior to before becoming eligible for STD.

Question 72. Disability- 194 UNMH employees employed for over 1 year are marked as having no LTD, along with 147 SRMC employees. Shouldn't they all have coverage?

UNMH RESPONSE: Yes, all employees should have LTD coverage. You can ignore the Yes/No column Q for LTD. Also, to confirm, the LTD plan is a gross up plan the intent is to continue that.

Question 73. Disability- Were there any plan and/or rate changes in the past 5 years?

- a. It appears the LTD Executive plan possibly changed from 50% to \$25,000 to 60% to \$22,500? Was a rate change associated with this?

UNMH RESPONSE: Rates are provided on the Rate History attachment. The benefit of 60% to \$22,500 has been in place since 2015.

Question 74. Disability- Can we please get the most recent 2024 invoice?

UNMH RESPONSE: UNMH does not believe the information requested is necessary for an offeror to submit a responsive proposal. Carrier names, lines of coverage, and rates have been provided for the benefits that are out to bid.

Question 75. Disability- Are 1/1/25 renewal rates available?

UNMH RESPONSE: No

Question 76.Supplemental- What is the current Accident Insurance participation rate?

UNMH RESPONSE: Accident enrollment is included on the census.

Question 77. Supplemental- Will the supplemental health plans be self-administered/self-billed by the employer or TPA, or will the insurance carrier be responsible for maintaining individual employee records and for generating monthly invoices?

UNMH RESPONSE: The latter. All supplemental plans are housed and administered on the vendors platform. The vendor will provide reports to UNMH to add deductions to their payroll system.

Question 78. Supplemental-Who is the TPA for this group?

UNMH RESPONSE: The Standard.

Question 79. Supplemental-How will the coverage be enrolled (e.g. TPA/HRIS, carrier platform, via one-on-one meetings with an enrollment firm, etc.)?

UNMH RESPONSE: The Awarded Offerors enrollment platform.

Question 80. Supplemental- Will coverage be enrolled alongside the core medical benefits on the same platform?

UNMH RESPONSE: Yes, at the same time, no on the same platform. Core benefits are enrolled in Lawson, voluntary benefits are enrolled on the voluntary vendor's platform.

Question 81. life and AD&D coverages only- Please update the Waiver of Premium claims to include date of disability and gender if available.

UNMH RESPONSE: The report includes date of disability in column "H"

Question 82. life and AD&D coverages only- Please confirm the intent is to combine the UNMH and SRMC plans/rates into one, or if they were combined as of 1/1/2024.

UNMH RESPONSE: Confirmed. SRMC employees are already enrolled in UNMH plans.

Question 83. life and AD&D coverages only- Have there been any significant plan design changes in the last several years (i.e. change in benefit schedules, acquisitions, mergers) other than dependent child amendment?

UNMH RESPONSE: Other than adding in the SRMC employees as of 1.1.2024, no.

Question 84. life and AD&D coverages only- Please describe any established file transfers you have in place today.

UNMH RESPONSE: UNMH sends eligibility, demographic, and salary information to the voluntary vendor. For the voluntary life deductions, the current voluntary vendor posts a payroll file to their site for UNMH to match up to their system.

Question 85. life and AD&D coverages only- Please describe your Evidence of Insurability process; including such things as submission, follow-up and notification.

UNMH RESPONSE: This is all handled by the current vendor. Employee receives a link and UNMH receives a letter with the approval amount or declination.

Question 86. life and AD&D coverages only- Please provide a description of your claims submission process; including such items as information gathering, submission, follow up and resolution.

UNMH RESPONSE: The employee starts the claim by calling The Standard. The Standard then reaches out to UNMH for additional information.

Question 87. life and AD&D coverages only- Please provide the details of your current portability/conversion administration process.

UNMH RESPONSE: This is handled by The Standard

Question 88. life and AD&D coverages only- What's the best way to communicate with your employees during enrollment and throughout the year?

UNMH RESPONSE: See question #23. We also host three benefit fairs during Open Enrollment where vendors are able to staff an informational table. For current participants, the winning vendor will be able to provide claims determination, EOI determination, etc. directly to the participant.

Question 89. life and AD&D coverages only- Are current beneficiary designations held electronically or on paper?

- a. Who holds current beneficiary designations?
- b. What is the process to share beneficiary information with the current carrier?
- c. Are designation details (e.g. name, class, share) stored as system data, images or both?

UNMH RESPONSE:

- a. The Standard
- b. See question #36
- c. Both. Refer to question #36.

Question 90. life and AD&D coverages only- Please provide a description of the current EAP program.

- a. Who is eligible for EAP?

UNMH RESPONSE: N/A. We are not looking for an EAP program to be included with any coverage.

If there are any questions or inquiries in relation to this Addendum, Offerors may contact Shannon Rodgers at (505) 272-9571 or by email at sjrodgers@salud.unm.edu.