



**RFP - Employee Benefits Insurance Broker and Consulting Services**  
**Pre-Bid Conference / Questions & Answers**  
**October 19, 2011**

1. Is it possible to receive the document and corresponding required forms in word and/or excel? [Attachments A-D are available in Word and will be posted on the website.](#)
2. Under Compliance, the District is asking for on-site training. Is there any minimum required training hours? [No – as requested or as needed. There are times when a change such as a new law or negotiated plan design will require more training than normal.](#)
3. Will the broker/consultant be requested to perform a medical marketing for those members in CalPers? [Normally, the broker would not market for CalPERS groups unless we were exploring other options.](#)
4. How long has the District been with their present broker/consultant? [January 2006](#)
5. Under what circumstances does the District consider a vendor a subcontractor and therefore would require detailed information? For example, if a firm uses outside legal counsel to prepare legislative updates, do we need to provide responses to items 15-17 of the Consultant Questionnaire? [Yes, please note what the services are.](#)
6. Does the District currently have a wellness program in place? [Some components are available through the individual health plans. Some wellness activities are planned during the school year – typically a Fall Health Fair and Spring Wellness Event.](#)
7. Is there any dissatisfaction with the services being provided by the current broker/consultant? If so, please identify. [This RFP is part of new Board directed process to look at larger contracts periodically.](#)
8. Do the benefit plans for the certificated staff renew July 1 of each year with subsequent open enrollment effective November 1? [SCTA \(teacher\) benefit plans renew July 1. Open enrollment is held typically in September with an effective date of 11/1.](#)
9. Does the District prefer to pay the broker/consultant a fee or to have commissions built into the rates with an Agreement of the dollar amount they may receive? [We are interested in exploring both options.](#)
10. How is the current broker/consultant compensated-fee? Commission? [We have done it both ways. The current broker receives commission.](#)
11. Does the broker/consultant pay BRMS or is this paid directly by the District? [The broker does not pay BRMS. BRMS is split between health plan commission share and direct pay by the District.](#)
12. How is COBRA currently handled? By the District? Or? [BRMS](#)

13. If COBRA is outsourced, does the current broker/consultant pay for this service?  
COBRA is outsourced to BRMS. The broker does not pay BRMS. BRMS is split between health plan commission share and direct pay by the District.
14. Who is your current consultant and what is the current financial agreement? Intercare – The current broker receives commission.
15. How long has the current firm been providing consulting services to the District? January 2006
16. Is the District unhappy with your current consultant or are you requesting a proposal due to the expiration of the current agreement? This RFP is part of new Board directed process to look at larger contracts periodically.
17. What initiated this RFP? Why is SCUSD out to bid? This RFP is part of new Board directed process to look at larger contracts periodically.
18. Who is the current broker/consultant to SCUSD for employee benefits? How long has this firm been providing broker/consulting services to SCUSD? Intercare, since 2006.
19. What is the biggest challenge for the benefits department? How does SCUSD anticipate a change in Benefits Consulting firms will change the operation, design, strategy, and costs of the Benefits Program? The biggest challenge is the complexity and cost of our benefits. We would not anticipate significant benefit changes without a negotiated change.
20. When was the last time SCUSD evaluated its benefits broker relationship? What was the outcome of that evaluation? Who did SCUSD work with prior to the incumbent? 2006 was the last broker change from the prior broker – ABD.
21. What is SCUSD's preference for the consultant's billing - annual fee, fee for service, commissions, override commissions, etc? (Page 12; #7 Cost/Pricing Information) We are interested in exploring both options.
22. What is the ratio of CalPERS enrollees vs. Non-CalPERS enrollees? Please provide for actives and retirees separately.  
Non-CalPERS Health (SCTA) – (January 2011) 2559 Actives, 1941 retired  
CalPERS Health (all other groups) – (January 2011) 1874 Active, 1385 retired
23. Do you provide employee benefit communication materials on a private intranet site vs. the publically available internet? If so, how detailed/robust is the benefits information on your intranet? There will soon be only one site so the information is fairly generic. Currently, there is online open enrollment on BRMS (vbas.com) site for all actives.
24. Does SCUSD have a Benefits Committee that meets regularly? How many members make up the committee? There is no separate benefit committee. Each group is done separately through their bargaining unit.
25. Dependent Verification Audit (Page 5; Compliance #5) - please provide more detail on what type of service is being requested. Is this a request to conduct the audit, or provide only communication support? Communication only if needed.

26. Annual Renewal Process and Evaluation – who develops communication materials for SCUSD today? What level of communication support is being provided by your current broker? Please elaborate on what SCUSD is looking for as it pertains to communication support. (Page 6, #10) [We currently prepare all our open enrollment material. We would be open to better ways to communicate with employees and exploring any online options. We depend on our broker for compliance issues to include in any open enrollment materials.](#)
27. What is the current administration process and is an online system being used? If so, what system or vendor is being used for online enrollment and administration? Is SCUSD looking to evaluate the current enrollment system and is this part of the scope of this RFP? (Page 7; Other Service Requirements #15) . [Currently, there is online open enrollment on BRMS \(vbas.com\) site for all actives. There is not very high participation. We hope to move to enrollments online for all active and retired employees. Evaluation on the BRMS system online enrollment is not part of the scope of this RFP.](#)
28. Please describe the client communications services received currently by the District’s actives and retirees. Is this question referring to a Call Center? (Page 12; #6 Client Communication). [Currently, there is only communication between benefit staff and broker but we would be open to any other input or recommendations.](#)
29. As shown in Appendix E to the RFP, SCUSD has historically developed the liability associated with the retiree medical benefits provided by the District as required by GASB 43/45. Is the District requesting that the successful bidder provide the development of the liability and the required supporting financial information as part of the core services? If so, does this also include assisting the District in analyzing funding options, program design options and other changes to help manage the liability? . [In recent years, the District has contracted separately for actuarial services to determine retiree liability. Broker knowledge and input in this area is appreciated due to our large retiree population.](#)
30. What is the current broker compensation level (commission and/or fees)? [Commission.](#)
31. Page 11, #3 “Qualifications of the Firm” – Please elaborate on what information is necessary regarding project costs with other clients. Typically, we provide overall consulting services rather than specific projects and adherence to a schedule and project budget do not apply. [In most years, that would be true. Have you ever assisted a large employer with a project moving all \(or a large group of employees/retirees\) to another plan?](#)
32. Page 11, #5 “Services” requests a description of the premium volume that our firm handles. We are able to provide an overall premium level but do not track this data by line of coverage. Will this be acceptable? . [It would be helpful to separate medical coverage out.](#)
33. Who is the District’s current Broker/Consultant? [Intercare](#)
34. What is the current method of compensation to current Broker/Consultant (i.e. fees, commissions, etc.)? [Commission.](#)
35. What is the total annual compensation to current Broker/Consultant? [At least \\$200,000 was paid in 2010/2011.](#)

36. What are the effective dates of each of the plans? [SCTA plans 7/1 and CalPERS plans 1/1, DVL 7/1.](#)
37. How many employees are enrolled in each of the plans?  
[Non-CalPERS Health \(SCTA\) – \(January 2011\) 2559 Actives, 1941 retired](#)  
[CalPERS Health \(all other groups\) – \(January 2011\) 1874 Active, 1385 retired](#)
38. What is the current annual premium on each plan?  
[Estimated Annual Premiums for 2010/11:](#)  
[HNET: \\$28.3 M](#)  
[KAISER: \\$19 M](#)  
[CalPERS: \\$22.7 M](#)  
[Delta Dental SISC/ VSP: \\$9.5 M Self Insured](#)  
[Premier Access Dental: \\$.080M](#)  
[LIFE: \\$.233M](#)
39. Does the District currently participate in any wellness programs or initiatives? If so, please describe. [Some components are available through the individual health plans. Some wellness activities are planned during the school year – typically a Fall Health Fair and Spring Wellness Event.](#)
40. Does the District offer any voluntary benefits? If so, what voluntary benefits are offered, and who are the carriers? [Yes, many which are typical of a large school district.](#)
41. How does the District handle enrollment? [Benefit staff handle enrollment.](#)
42. Does the District offer online enrollment? [Working toward that option with online offered for open enrollment past three years.](#)
43. Does the District currently have a benefits web portal or intranet? [Have internet/intranet informational benefit information posted. Portal through BRMS during open enrollment.](#)
44. How many meetings would the selected Broker/Consultant need to attend during a twelve month period, and are the meetings with staff, board, joint labor management committee or with employee groups? [Varies by year based on bargaining, legislative changes, budget, etc. Typically, twelve meetings per year would be an average – it could be more or less.](#)
45. What are the top Health and Benefit issues facing the District? [Benefit complexity, cost and retiree benefit liability.](#)
46. Should Attachment D, Consultant Questionnaire, be completed in its original grid/table format? Or, can it be completed in a Word document Q&A, where the answer is provided directly below the question? We are asking this question because we believe it will be easier for the reader to view detailed responses (longer than one page) in a full page format as opposed to grid/table format. [Yes.](#)
47. How many hours have your current consultants billed, for attorney services, in the 2011-2012 year? [Paid on commission not by hours.](#)

48. Who is the current broker and/or consultant? [Intercare](#)
49. Did the incumbent consultant/broker assist in writing this RFP? [No](#)
50. What are the fees for the broker and/or consultant for the 2011-2012 year? [The current broker receives commission.](#)

Questions asked at Pre-Bid Conference:

51. Clarification of Question #28. Is there a Call Center for retirees? What is volume of calls? [Benefits staff \(2\) currently handle the large volume of calls from retirees regarding benefits. We have over 3,000 retirees who call with questions.](#)
52. Can we get a rough breakdown of the number of participants in HealthNet & Kaiser (Non-CalPERS)? (Question #37)  
[Non-CalPERS Health \(SCTA\)](#)  
[2,559 Actives \(Kaiser = 1,232; HN = 1,327\)](#)  
[1,941 Retired \(Kaiser = 650; HN = 1,062; AARP = 140; 89 Waiver\)](#)
53. Is the RFP broader in scope than the current contract? [The intent of the thorough RFP was to show the complexity of plans the district utilizes.](#)
54. Clarification of Question #24. Is a Benefits Committee with labor organization participation possible in the future? [The District has always envisioned collaboration with the various labor organizations on such a committee, but this has been hard to establish.](#)
55. Is your Flex Plan administered by BRMS? [No, by CBA.](#)
56. What is the Union's role in the selection process? [The Unions will be invited to participate in the selection process - either Tier I, the initial evaluations; or Tier II, interviewing the top three-four candidates.](#)
57. What selection criteria will be used? [Please refer to the RFP, Section VII, page 13.](#)
58. Does the current Broker have contact with CalPERS? [Some limited contact.](#)
59. Do some groups contribute to their own benefits? [Yes, the Management/Supervisor group pay 100% of their benefits cost.](#) Do any of them opt out? [Yes, approx. 20-30% opt out after providing evidence of other coverage.](#)