



City of El Segundo

May 19, 2021

Addendum No.1

Request for Proposal 21-01

Benefits Broker Services

Issued Date: May 3, 2021

Proposal Due Date: June 2, 2021 1:00 PM PST

The City would like to respond to questions received for the abovementioned RFP from two of the potential proposers. The response to each question is provided here and made available to all prospective proposers.

Questions from Gallagher

1. Is the City of El Segundo interested in exploring medical options outside of CalPERS?
We are satisfied with the medical options provided by CalPERS.
2. Are there any upcoming marketing /RFP projects being planned in the next year?
The City administers billing for COBRA, Retiree Dental and Retiree Vision. City is seeking to transition these billings to a third-party administrator upon selection of benefits broker. Currently there are 17 COBRA participants and 95 Retirees participating in dental and vision plans.
3. What is the expected meeting frequency, in person and virtual?
First meeting with broker would be in person. Initially, expected meetings would be every two weeks virtually. Over time, meetings would reduce to monthly or as needed. Broker will be expected to meet with members of the bargaining groups regarding benefits plans, in-person or virtually, likely twice per year.
4. Does the incumbent broker create and print open enrollment materials for employees?
The broker will be expected to create a Benefits Guide and provide other open enrollment resources for employees for a virtual health fair.
5. What is the enrollment system used, if any?
At this time, enrollment process is manual.
6. What was the compensation (including commissions) paid to the incumbent broker (USI) in the last full plan year? *Incumbent broker was compensated by the plans at the following rates:*

Delta Dental PPO.....	5%
Delta Dental HMO.....	10%
Standard Insurance (all products).....	10%
MHN EAP.....	10%

HealthComp FSA..... 0%
UNUM LTC.....10%
VSP10%

7. What is the City's preference with regard to paying compensation – fee or commission?
For this project, the City is seeking proposals that are typically represented by a flat annual administration/management fee with no commissions provided to the broker above the contract compensation.

Questions from Burnham

1. Does Human Resources work with a Benefits Committee?
City does not currently have a formal benefits committee, but meetings will be held with members of the bargaining groups regarding benefit plans.
2. Would you please provide a sample benefits communication kit?
Attached is the Open Enrollment 2021 memo to employees.
3. Will your selected broker be assisting the City with 2022 open enrollment communications activities and materials? (CalPERS open enrollment runs September 20 – October 15)
Yes, the selected broker will be expected to provide a Benefits Guide and open enrollment resources for employees for a virtual health fair.
4. What is the monthly premium per line of coverage?
Delta Dental May 2021 \$24,305.15 TOTAL - PPO \$23,617.81, HMO \$687.34
VSP May 2021- \$9,295.00 TOTAL (\$6,467.50 Actives, \$2,340 Retirees Exec & Mgmt Confidential, \$487.50 Retirees Police)
Health Comp HRA May 2021- \$333.80 Actives, April 2021 \$313.65 Retirees
Unum Long Term Care- May 2021- \$266.10 TOTAL
The Standard – May 2021 \$7,680.28 TOTAL
MHN EAP
April 2021- \$512.05 TOTAL (245 actives at \$2.09)
5. What is the current active/retiree enrollment per plan by tier?
Delta Dental HMO
Actives: EE Only 7, EE + 1 7, EE + 2 or more 8
Retirees: none
Delta Dental Premier/PPO
Actives: EE Only 105, EE + Spouse 63, EE + Family 100, EE + 1 child 15, EE + Children 8
Retirees: EE Only 23 EE + Spouse 30 EE + Family 7
VSP
Active employees 240: EE Only 87, EE+1 44, EE + children 1, EE + family 108
Retirees Exec & Mgmt. Confidential 72: EE Only 41, EE+1 24, EE + children 0, EE + family 7
Retirees Police 15: EE Only 4, EE+1 5, EE + children 0, EE + family 6
HealthComp
Actives 47: FSA 42 EEs at \$6.90 per EE, 4 EEs with DCA, FSA at \$6.90 per EE, 1 EE with DCA at \$6.40 per EE
Lost/stolen debit card \$10
Retirees 51 at \$6.15 per retiree
Unum Long Term Care

EE only -7, Spouse- 2

The Standard

Life insurance - 249

Supplemental Life Insurance - 60

Long Term Disability Executive - 148

MHN EAP

Actives- 245

6. When were the plans last actively marketed?
Vision (VSP) plan was converted from Teamster's plan in September 2019.
7. Are there any consulting/service issues the City is looking to improve?
The City administers billing for COBRA, Retiree Dental and Retiree Vision. City is seeking to transition these billings to a third-party administrator upon selection of benefits broker. Currently there are 17 COBRA participants and 95 Retirees participating in dental and vision plans.

All other specification, terms and conditions remain unchanged.

Thank you for your consideration

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