



**GLENDALE UNIFIED SCHOOL DISTRICT, PROCUREMENT AND CONTRACT SERVICES**

*"Preparing our students for their future"*

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## **ADDENDUM NO. 2**

September 20, 2019

Request for Proposal: EMPLOYEE BENEFIT BROKER/CONSULTING SERVICES  
RFP NO. P-15-19/20  
GLENDALE UNIFIED SCHOOL DISTRICT

This addendum forms part of the Contract documents and may modify the original Bidding Documents. Any revisions, clarifications, deletions and/or additions shall be made to the bid documents for RFP #P-15-19/20. It is mandatory to acknowledge receipt of this addendum with your Proposal.

### **RESPONSE TO QUESTIONS:**

1. Question: How would you like the quote to be submitted? Do you require that the fee proposal be included in the body of the proposal or under a separate submission.  
Answer: Fee proposal(s) must be part of the proposal, refer to Section C, #3 (pg. 9) and Section C, #9, letter K (pg. 11).
2. Question: How long has Glendale Unified School District (GUSD) worked with the current broker/consultant?  
Answer: Since 2011.
3. Question: Are there any consulting service issues GUSD is looking to improve upon with the issuance of this RFP?  
Answer: Providing information to the Benefits Committee with enough time prior to meetings.
4. Question: Is this RFP being released due to procurement policy (i.e., required after a set number of years)?  
Answer: No. A decision was made by the District administration to issue an RFP for services since it has been numerous years since the District issued an RFP for these services.
5. Question: Can the GUSD provide the current Active and Early Retiree medical enrollment by plan and coverage tier (i.e., single, two-party, family)?

Answer: Below you will find the count for active employees for each group. These numbers are as of 07/01/2019 and do not include open enrollment changes. Open enrollment was 08/2019.

	HMO11000	HMO11001	PPO11000	PPO11001
Individual	169	327	255	157
Individual + 1	105	127	237	70
Family	399	173	190	15
	673	627	682	242

Answer: The numbers below are for the retiree groups. These numbers are as of 07/01/2019.

	HMO11005	HMO11004	HMO11002	HMO11006	PPO11005	PPO11009	PPO11006	PPO1101A	PPO1103A	PPO11002
Individual	28	0	1	0	53	2	0	11	1	5
Individual + 1	31	2	1	5	23	1	4	1	0	1
Family	3	0	0	0	0	0	0	0	0	0
	62	2	2	5	76	3	4	12	1	6

6. Question: Can GUSD provide the gross premium rates by plan and by coverage tier, before District and employee contributions?

Answer: See attached PDF document – Glendale USD 2019-2020 Final Rates.

7. Question: Over the past two plan years, what were the total dollars paid to the current brokers/consultants for Health and Welfare Benefit Consulting including all commissions and fees?

Answer: 2018 = \$139,754 and 2019 = \$141,151; no commissions or fees paid directly from GUSD.

8. Question: Over the past two plan years, what was the average number of service/consulting hours recorded to service GUSD?

Answer: 520 hours (GUSD estimate)

9. Question: Are all of GUSD’s Health and Welfare benefit plans currently net of commissions?

Answer: The current agreement allows for “Indirect Income”, but GUSD does not directly pay any commissions.

10. Question: Is GUSD required (by procurement rules) to bid each coverage within a certain number of years? If so, how many years?

Answer: No – the district is not bound by procurement rules to bid each coverage within a certain number of years. It behooves the District to bid coverage for best value and cost comparison.

11. Question: What is the average number of total onsite meetings specified by type and quantity (Meetings with GUSD’s Staff, Employee Benefits Committee, Board of Education, Open Enrollment, and other meetings) the consultant/broker should plan to attend annually? How

many hours are each of the types of meetings? Please specify the number of “known” meetings and separately estimate the “unknown” meetings. (Detailed meeting information will allow us to provide the most accurate and competitive pricing.)

Answer: Benefit Committee Meetings – approximately 10 per year; 2 hour meetings  
Open Enrollment Meetings – approximately 5 per year; half day  
Occasional Prep Meetings – approximately 2 per year; 2 hour meetings

12. Question: What materials does the Consultant prepare for the Monthly Employee Benefits Committee Meetings?

Answer: Monthly self-funded pharmacy claims, health plan utilization and benchmarking, marketing and renewal information, claims analysis, trends, and all other reporting traditional to this service industry.

13. Question: Can you provide copies of recent monthly and annual Employee Benefits Experience Reports?

Answer: These reports are unavailable at this time. Reports will be provided to the awarding consultant at a later date.

14. Question: What is the frequency of vendor presentations and can you provide copies of recent reports?

Answer: Vendor presentations occur as needed. Copy of reports are not currently available.

15. Question: Has GUSD established an individual health management program to promote participant wellbeing and mitigate future health plan costs? If so, please provide details.

Answer: Yes, the District currently has a wellness program in place with our current provider. Wellness incentives are received by the District from our insurance provider and our Benefits Committee decides which programs to offer our staff.

16. Has GUSD conducted an audit of the self-insured Pharmacy Benefit Plan since inception?

Answer: An audit has not been performed by GUSD for the self-insurance Pharmacy Benefit Plan in recent years.

17. Question: What Open Enrollment support is necessary? Who currently creates the Open Enrollment booklets? Would the consultant be required to create (including graphics, etc.) the employee booklets, or only perform technical reviews of booklets? Does it mean creating and delivering the presentations?

Answer: Currently, our consultant does not proofread booklets for open enrollment. GUSD Benefits Department/Financial Services prepares and sends out the open enrollment letters.

18. Questions: What department within GUSD is responsible for benefit communications?

Answer: Both Human Resources Department and Financial Services Department send out communications regarding benefits.

19. Question: What support with the development of plan documents is necessary? Will the broker/consultant be asked to create revised documents from scratch, or only perform consultative and technical reviews?

Answer: Our providers develop and revise plan documents. Our current consultant performs consultative and technical reviews.

20. Question: If the District decides to explore the alternatives available under an insurance pool or JPA, will the District procurement rules require that an RFP be issued?  
Answer: No, there are no District procurement rules that require an RFP in this situation.
21. Question: May the bid include an isolated charge per RFP in its bid under retainer services such that fees would be lower if an RFP is not issued and each RFP would be billed at a separate amount?  
Answer: No. Please list any additional fees separately for services not performed annually.
22. Question: The District has requested a flat fee cost proposal for all years of the contract. As an alternative, will the District consider a time and charges fee proposal with a guaranteed cap or not to exceed amount, so that if actual fees are less, the District will pay the lesser amount?  
Answer: That would be acceptable.
23. Question: Will the consultant be required to perform an actuarial valuation of the liabilities as required under GASB Statement 74 and 75 for the District Retiree Medical plans?  
Answer: No
24. Question: Understanding the organization just complete a comprehensive medical marketing, what are the insurance committee's goals and expectations for marketing/education in the upcoming plan year?  
Answer: Consideration of joining a pool or becoming completely self-funded are among the long-range topics recently discussed.
25. Would Glendale USD be open to evaluating solutions aimed at reducing claims experience and overall utilization?  
Answer: Yes.
26. Question: How do district employees go about enrolling for benefits as new hires and/or open enrollment? Does the district you an HRIS / Ben Admin platform such as AF Enroll, EASE, or other? If so, does the district pay directly for the system or is it subsidized through a carrier partner or your consultant. Please explain.  
Answer: No, we currently do not have a system in place. We process forms manually and enter the information directly into the carrier websites.
27. Question: Does the District currently have an employee wellness program. If so, please describe the program, costs, and employee engagement.  
Answer: Yes, the District currently has a wellness program in place with our current provider. Wellness incentives are received by the District from our insurance provider. Our Benefits Committee decides which programs to offer our staff. Cost is approximately \$200,000/year.
28. Question: Why is Glendale USD requesting an RFP for a benefits consultant at this time – any compelling reason?

Answer: There was no compelling reason. This was a recommendation by the Employee Benefits Committee since an RFP has not been issued by the District since the 2010-11 fiscal year.

29. Question: Are there specific service, cost or other concerns with the current consultant that should be addressed in the RFP?

Answer: There are currently no specific service concerns. The goal is to guarantee that GUSD receives true “owner’s representative” type service, where the consultant receives no commissions, fees, compensation, or non-monetary compensation.

30. Question: Over the past 2 plan years, what was the base consulting fee paid to the incumbent consultant?

Answer: See response to question #7.

31. Question: Can you confirm that the incumbent consultant does not accept additional commissions or overrides from your existing carriers today?

Answer: We do not believe so, but there is language in the contract about “Indirect Income.”

32. Question: How much has Glendale USD spent on special consulting projects related to the benefits program over the past 2 years?

Answer: Nothing more than the incumbent consultant.

33. Question: What are the top 3 challenges Glendale USD is facing today that they would like the consultant to help address?

Answer: Long-term future – join a pool/JPA, become completely self-funded, adding Kaiser. These are a few of the most recent topics discussed.

34. Question: During the last RFP for medical carriers, which pools/JPAs did Glendale USD evaluate?

Answer: Blue Shield, Kaiser, SISC, CVT, and VEBA.

35. Question: What are the most important attributes Glendale USD values when working with a consultant?

Answer: Completely unbiased guidance and consultation service. Accurate and timely information. Deep knowledge of the industry and the ability to negotiate on behalf of all of the employees of GUSD.

36. Question: Is Glendale USD currently satisfied with the services from the incumbent consultant?

Answer: Yes.

37. Question: Does Glendale USD participate in any conferences to learn about the current healthcare landscape?  
Answer: Not organized for our entire Employee Benefits Committee.
38. Question: Based on the 30 insurance committee members mentioned during the mandatory proposal meeting on September 9<sup>th</sup> – can you clarify if they all have a vote in the committee?  
Answer: There are only three votes; one from each of the three unions: GTA, CSEA and GSMA.
39. Question: What improvements are you looking to make (if any) on your current employee benefits offering?  
Answer: To ensure the employees of GUSD have access to the best, most comprehensive benefits package possible at the most competitive price.
40. Question: What kind of employee wellness programs are being offered today for your district? Are you looking to make any improvements?  
Answer: We are currently active in the Walkadoo program. We also hold an annual Health Fair. We are always looking for areas of improvement.
41. Question: What is the preferred method of communicating with your employees?  
Answer: Email and by survey.
42. Question: Who are you using for your benefits administration today?  
Answer: Alliant Insurance Services.
43. Question: Who is administering your payroll system?  
Answer: The District has an internal payroll department administered through the Los Angeles County Office of Education financial system.
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**END OF ADDENDUM**