REQUEST FOR PROPOSALS

TO INSURE GROUP LIFE BENEFITS FOR

FULTON PUBLIC SCHOOLS

September, 2019
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BACKGROUND

Fulton Public Schools (FPS) has provided group life insurance, AD&D coverage, voluntary life, and dependent group life benefits for a number of years. Hartford is the current carrier since January 1, 2017.

FPS has remained diligent with efforts to provide quality benefit plans and to ensure that benefit programs remain competitive, efficient, and reflect the needs of the workforce.

Currently, there are approximately 300 employees covered under the plan.

OBJECTIVES

FPS has several objectives in requesting proposals. These are to:

- replicate and update the current schedule of benefits;
- select an insurer who can offer competitive rates;
- select an insurer who can offer reasonable guarantee issue amounts during an open enrollment.
- obtain competitive, high-quality service;
- obtain multi-year cost guarantees;
- maintain competitive and efficient benefits;
- select an insurer who is now compatible or is willing to become compatible with BSwift administration and enrollment system
- reflect diverse workforce needs;

It is important that all participants have a willingness and ability to enter into this venture with a commitment to excellence in the administration of the plans.

INFORMATION

Electronic files:

- RFP document
- Employee census
- Copy of current group life benefits
- Experience summary
REQUIREMENTS

Selection of Vendors

Final selection of vendors will be made by FPS.

Services

This RFP is primarily focused on group life protection. Either free standing coverage or combined coverage options will be considered.

Installation

The successful bidder(s) will be required to prepare communication materials, prepare employee booklets or certificates and otherwise be available to assure a timely and trouble-free transition. Bidders must agree to use existing enrollment and beneficiary designation forms currently maintained by FPS.

Claims

The bidders will be responsible for the direct certification of eligibility and will receive claims directly from plan participants or FPS.

Commissions

Any and all compensation to brokers or consultants must be fully disclosed. Compensation includes any broker or consultant commissions, bonus, or fees.

Underwriting

Please duplicate the current plan design.

The district pays 100% of the cost for employee group life and matching AD&D. Voluntary life and dependent life is contributory.

Current participants are not to lose benefits due to transition to a new carrier. On January 1, 2017, any actively-at-work requirement will be waived for currently enrolled and insured employees.

Claims incurred prior to January 1, 2020, will be the responsibility of the prior carrier. This includes any incurred waiver of premium disability claims. New waiver of premium claims (after December 31, 2019) will be the responsibility of the new carrier.
Premium rates should be quoted on a fully insured, nonparticipating funding approach.

Multiple-year rate/fee guarantees are encouraged.

The carrier shall provide at least the following services:

- Creating and maintaining claim files.
- Periodic claim data report showing all claim transactions.
- Evaluating claims to determine if they have been properly filed and advising claimants in meeting the requirements for additional information and proper completion of claim forms.
- Issuing checks to the appropriate beneficiary entitled thereto.
- Discussing claims, where appropriate, with physicians and other providers of service as appropriate.
- Investigating claims as appropriate.
- Preparing, printing and distributing claim forms and other administrative forms required for the successful operation of the plan.
- Notifying claimants or beneficiaries of rejected claims and the specific reasons for the rejection.
- Preparing administrative manuals.
- Printing of plan booklets for distribution.

FPS will be responsible for:

- Initial and ongoing enrollment of employees.
- Distribution of plan booklets and SPDs.
- Maintaining enrollment and beneficiary records.

FPS or its designee retains the right to periodically audit the claim files maintained by the carrier.

The carrier must have a current, minimum financial stability rating by two or more of the following organizations:
♦ Standard & Poor’s
♦ Moody’s
♦ A.M. Best
♦ Duff & Phelps
♦ Weiss
TIMETABLE

The following table indicates the anticipated timing of the various steps in the selection and implementation process.

<table>
<thead>
<tr>
<th>Task</th>
<th>Planned Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Release RFP</td>
<td>September 13, 2019</td>
</tr>
<tr>
<td>Proposal responses due from bidders</td>
<td>October 4, 2019</td>
</tr>
<tr>
<td>Evaluation of proposals completed and selection of finalists</td>
<td>October 15, 2019</td>
</tr>
<tr>
<td>Vendors selected</td>
<td>October 2019</td>
</tr>
<tr>
<td>Coverage effective</td>
<td>January 1, 2020</td>
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</tbody>
</table>

HOW PROPOSALS WILL BE EVALUATED

Your proposal should consist of the completed financial exhibits and the completed questionnaire. The evaluation of all proposals will be based on the following criteria:

♦ adherence to the RFP Requirements;

♦ experience;

♦ compliance with requested plan design;

♦ claims administration capabilities;

♦ financial:
  ♦ company financial ratings;
  ♦ contractual arrangements;
  ♦ ability to provide alternative, participating funding arrangements;
  ♦ financial arrangements for routine and special services;
  ♦ multi-year guarantees;
  ♦ overall competitiveness; and
  ♦ willingness to provide performance standards and guarantees.

♦ data and management reporting capabilities:

♦ communication:
  ♦ employee communications;
  ♦ additional capabilities.

♦ references and past performance:
- employer clients;
- satisfied employer clients, members; and

◆ implementation:
- ability to meet FPS’s requirements;
- implementation team.

◆ responses to questionnaires.

In addition, the following stipulations apply to this RFP:

◆ FPS reserves the right to selectively negotiate for those services it deems to best address its benefit needs.

◆ FPS will not be responsible for any expenses incurred in the preparation of any proposal or presentation.

◆ Neither this RFP or any response thereto shall create a legal contract. FPS reserves the right to:
  - accept any one or more proposals submitted; and/or
  - reject any and all proposals submitted; and/or
  - modify or amend any proposal prior to acceptance; and/or
  - enter into any agreement(s) as it may deem in the best interest of FPS and its employees.

◆ Proposals not meeting desired requirements will not be considered.

◆ All information represented in this RFP or subsequently disclosed during the proposal process must be used exclusively for the purpose of responding to this request.

◆ FPS, its employees, and agents will be indemnified and held harmless with respect to any and all claims, suits, actions, liabilities, and costs of any kind arising from the activities of the insurance company or administrator as agreed under contract.

◆ Representation and warranty that all services performed under contract with FPS will be in compliance with all applicable federal, state and local laws, statutes, ordinances and codes.

◆ If any information provided in response to this request is considered proprietary, please clearly indicate in your response.
FPS reserves the right to waive technicalities, to reject any or all proposals, and to select the proposal, which in its opinion, is the most advantageous to FPS.

Your proposal should respond fully yet succinctly to all elements of the RFP. Attachments should be kept to a minimum.

MAILING AND INQUIRIES

Please direct written questions, correspondence, and proposals to:

Don Tatman, Managing Principal
Tatman Benefit Advisors, Inc.
2901 W. 86th Street
Leawood, KS 66206

Telephone: (913) 909-3738
Email: dtatman@tatmanbenefits.com

Your proposal (data files) must be received in our office by 4:00 p.m. Central Daylight Time, October 4, 2019.

Noted.

PLEASE DO NOT CONTACT FPS DIRECTLY REGARDING THIS RFP
- Monthly Rates per $1000 of coverage amounts (separate group life from AD&D).
- Assumed face amount of coverage.
- Rate Guarantee.
- Guaranteed issue amounts
- List in detail all conditions and/or assumptions used in developing your proposed costs.
- Are there any other costs in addition to those listed above? If yes, list and describe them.
- Clearly separate any optional benefits or alternative benefit designs and costs you feel should be considered by FPS.
QUESTIONNAIRE

In preparing answers to this questionnaire on behalf of the company you represent, please show both the questions and the response. Any supporting material to an answer may be attached as required. All questions must be answered.

General

1. Provide the name, address, telephone number, facsimile number, and email address of the primary contact responsible for your proposal.

2. Please confirm your no-loss/no-gain provision specifying that no employees or disabled participants will have coverage or benefits eliminated or reduced as a result of a change in carrier.

3. Confirm that the contracts offered under your proposal are non-cancelable by the carrier except for nonpayment of premiums. Explain how the employer could terminate the contracts including the notice required.

4. Please confirm your acceptance of the enrollment and beneficiary records currently maintained by FPS.

5. Does your proposal contain premium rate and contract guarantees? Please describe them.

6. Specify any deviation in your quote from the requested plan designs.

7. Please describe any deviations from the administration and underwriting requirements.

8. Indicate any conditions or limitations for employees who travel, live, and/or work outside the United States of America.

Client References

Provide the names, addresses, and telephone numbers of three current client references. Also provide the same information for three clients who have recently terminated your services.

Implementation

What is the minimum amount of time necessary to implement the plans efficiently and effectively?

Financial

1. For a current client, what conditions would cause you to change the rate at renewal? Describe your renewal formula.
2. How much credibility would you assign to claim experience at FPS to your manual rates when calculating prospective rates?

3. Describe your disabled life reserve formula.

4. Please provide your most recent ratings from the following organizations:
   - A.M. Best Company
   - Duff & Phelps Utilities Income Inc.
   - Moody’s Investors Service, Inc.
   - Standard & Poor's Ratings Services
   - Weiss?

**Administration**

1. Please describe your approach to account management. Is there a single contact that serves as the focus for all communications or is there a variety of contacts, each covering a specific functional responsibility?

2. Please describe how and when a claim request is initiated. Where are claim requests reviewed? What is the procedure for obtaining documents that may be required from employees or physicians?

3. Please describe your claim investigation process. Are outside vendors utilized? If so, please identify them.

4. Does your contract contain any exclusions? Please describe any exclusions or coverage limitations in detail.

5. What is your average claim turnaround?

6. What standard management reports will you provide? How frequently will the employer receive these reports? Please describe any nonstandard reports that are available and any additional associated costs.

**Quality**

1. Please describe how you differentiate yourself in the industry. Describe your management capabilities, including staffing, experience, process, unique aspects of your approach, etc.
2. Describe conversion policies or portability available to participants upon termination of their coverage.

3. Please describe any innovative ideas or benefits available through your programs.