

ADDENDUM 1
(Issue date: 10/7/2024)

(Please sign and return with the submittal)

CLARIFICATION:

To avoid Offeror's having to redo the spreadsheet, the City is treating the following revisions as minor informalities.

ATTACHMENT 6 - RFP Questionnaire

1. Performance Guarantees Tab – An incorrect reference was listed in 8.1 and 8.2. The correct reference should be “Attachment 7” Financial Workbook (Fee Schedule). Below is the revised Section 8 Performance Guarantees Language, changes are noted in **bold** text:
 - 8.1 Confirm you will offer competitive implementation performance guarantees as well as aggregate performance guarantees consistent with **Attachment 7**.
 - 8.2 Confirm you will place annual fees at risk for failing to maintain the performance guarantees in accordance with **Attachment 7**. Performance fees at risk will be calculated at the same frequency with which performance guarantees are reported. At no time will quarterly or monthly measurements be re-averaged to alter results.
2. Participant Services Tab – The City is clarifying 4.1.g changes are noted in **bold** text. The City does not expect the Vendor to send a separate notice after the 60-day period.
 - 4.1.g **60-day COBRA election notice.**
3. RFP Excel Attachment 6 Questionnaire, Participant Services Tab contains a couple of errors in the drop down. Due to the spreadsheet being locked, Offeror's responses cannot be captured here.

Please submit the response to this section under Submittal D, Section 8 RFP Questionnaire as a PDF attachment.

4. Submittal D – Submittal Instructions and Evaluation Requirements, corrects the references to the RFP Attachments, changes are noted in **bold** text:

Section 8 – RFP Questionnaire (Excel and PDF), RFP Page 86.

Attachment 6 – RFP Questionnaire (Submit in Excel and PDF)

Section 9 – PRICING (Submit in Excel and PDF), RFP Page 86.

Attachment 7 – Financial Worksheet / Fee Schedule (Submit in Excel & PDF)

QUESTIONS AND ANSWERS:

Note: Spelling, grammar, and punctuation of the questions are shown exactly as submitted by the potential respondents.

No.	Question	Answer
1.	Was the City handling mailing of all COBRA notifications, outside of the QEN and initial rights (i.e., late notices)?	No.
2.	Can you share the fees charged by Optum for QEN and Initial Rights, or any other portion of the COBRA administration.	See the City's Public Records website: https://www.phoenix.gov/cityclerk/services/public-records-search Vendor: ConnectYourCare, LLC (Optum Financial) Agreement #: 152642
3.	Initial Rights notices from May – present are 746. Does the City have a count on what was sent from January – April 2024?	This information is not available.
4.	Attachment 6 RFP Questionnaire, with a call out to Performance Guarantees 8.1 & 8.2 – Which refers to Exhibit 6- There is no Exhibit 6 in the RFP document nor as released as an addendum via the City's procurement portal.	See Clarification #1, page 1 of this addendum.
5.	Section 5C 1.5 Technology, with a call out to 11.1.1 - regarding file formatting. a. Is it the City's intention to work with the vendor on a mutually agreeable file format, or will the vendor be expected to data map using the City's format? b. If the latter, we are requesting a copy of the file format layout in an effort to accept the City's format.	The City's intention is to work with the vendor on a mutually agreeable file format.
6.	How many HR locations are responsible for COBRA Administration?	The City is only located in the Phoenix, Arizona metropolitan area.
7.	COBRA Statistics Questions: a. How many insured employees? b. What was the number of insured employees in 1/1/23 & 1/1/22?	a. As of 1/1/2024: Medical = 11,600, Dental = 11,500, Vision = 7,888 b. As of 1/1/2022: Medical = 11,500, Dental = 11,700, Vision = 8,507 As of 1/1/2023: Medical = 11,500, Dental = 1,600, Vision = 7,103

	<p>c. How many COBRA active participants are there currently? Please exclude beneficiaries.</p> <p>d. What is the population of COBRA eligible former employees who have not elected COBRA continuation, but are still within their election period? Please exclude beneficiaries.</p> <p>e. What is the average number of new hires per month?</p> <p>f. What is the average number of terminations per month?</p> <p>g. What is the average COBRA premium?</p>	<p>c. 284 participants</p> <p>d. Medical = 251, Dental = 243, Vision = 287</p> <p>e. 166 for 2024 CY (Avg. new hires/ rehires)</p> <p>f. 112 for 2024 CY (Avg. Terms/retirements)</p> <p>g. See response to question #2.</p>
8.	How many COBRA qualified plans are there within the scope of the RFP? Please list their renewal dates.	<p>Medical plans (3) – Renewal date 1/1/2025</p> <p>Dental plans (3) – Renewal date 1/1/2025</p> <p>Vision plan (1) – Renewal date 1/1/2025</p>
9.	How many insurance carriers provide plans to the City?	The City in general has multiple type insurance carriers. If just medical, dental and vision, we have three vendors (4 if we include carved out prescription drug coverage).
10.	Please refer to RFP 24-0435 COBRA Administration Services, page 55, point 4.2.6. Please explain reconcile monthly premium payments. Is this for just COBRA premiums or the whole plan?	Only COBRA premiums.
11.	RFP Questionnaire Attachment 6: Tab “Credits and Allowances”, ID 6.1. Please further explain the 20% premium multiplier.	The City subsidizes some premiums by 20%, which may vary based on the qualified beneficiary’s circumstances.
12.	RFP Questionnaire Attachment 6: Tab “Credits and Allowances”, ID 6.3.d. Please explain a market check allowance.	This would be an Offeror provided allowance to the City which would allow the City to perform a mid-contract market check to ensure your costs remain competitive.
13.	RFP Questionnaire Attachment 6: Tab “Participant Services”, ID 4.1.g. Is the City wanting a vendor to provide a separate notices after the 60 day election period?	No. The City does not expect vendor to send a separate notice after the 60-day election period.
14.	RFP Questionnaire Attachment 6: Tab “Communication and Marketing”, ID 10.6. Please provide a sample welcome packet.	This information is not available.

15.	RFP Questionnaire Attachment 6: Tab "Communication and Marketing", ID 10.8. Please explain further what is being asked of the awarded vendor?	Contractor is expected to assist the City by providing the appropriate links that can be placed on the City's intranet for employees to easily navigate to the pertinent parts of your website.
16.	RFP Questionnaire Attachment 6: Tab "Reports", ID 12.5 What are City specific reports? Please provide samples.	General reports that are specific to City data, i.e. COBRA participants by plan.
17.	RFP Questionnaire Attachment 6: Tab "Reports", ID 12.5 What is the applicable performance guarantee?	The question references a question number that doesn't relate to the question itself. As such, we are unable to properly respond.
18.	RFP Questionnaire Attachment 6: Tab "Account Management", ID 12.5. Please provide a sample survey.	The question references a question number that doesn't relate to the question itself. As such, we are unable to properly respond.
19.	RFP Questionnaire Attachment 6: Please provide the following additional dates to your RFP timeline. a. Presentation date(s) b. Contract award date c. Fiscal year start & end dates	See RFP Instructions Section, paragraph 1.31 Discussions with Offerors in the Competitive Range, Page 15. a. There is not a set date for Demonstrations (presentations). This is optional to the City. The City determines during the evaluation process based on Offeror's submittals if Demonstrations will be required. b. See Professional Services Agreement, paragraph 2.2 Term of Agreement, Page 17. January 1, 2026. c. See Professional Services Agreement, paragraph 2.7.15 Fiscal Year Clause, Page 37.
20.	(Pre-proposal Q&A) Section 1.7 E states that what is written within the RFP must be met or exceeded. If items cannot be accommodated as written, is it acceptable to redline/deviate from items presented within the scope?	See RFP Standard Terms and Conditions, 1.8 Exception, Page 7. Offerors can submit an exception for the City's consideration.
21.	(Pre-proposal Q&A) Is the onshore requirement a firm requirement or can the Proposer's solution include offshore contractors?	See RFP Standard Terms and Conditions, 2.7.29 Data Protection and Exhibit A – Scope of Work, paragraph 5.4 ..."Contractor shall not perform any of the Contract services from outside of the United States, including not utilizing offshore subcontractors provided for under this Agreement."

22.	(Pre-proposal Q&A) Will the City consider non-City specific Performance Guarantees?	Please complete the City provided Performance Guarantees. The City may consider non-City specific Performance Guarantees. See Response to Question #20.
23.	(Pre-proposal Q&A) Does the requested administration include State administration or only federal COBRA administration? Inquiry stems from section 5B.2	Refer to 5.B Eligibility & Data Integration, 5B.2.
24.	(Pre-proposal Q&A) a. Are custom communications and cobranding accommodated for the City today at no cost charged by the incumbent today? b. Are custom reports accommodated at no cost as well?	a. While custom communication is not cobranded today by incumbent, the City may be interested in cobranding communication at no additional cost to the City. b. No additional cost to the City.
25.	(Pre-proposal Q&A) Is the City expecting the selected vendor to receive the files in the City's current format as is, or is the City willing to revise the file to fit the vendor's system? If the vendor is to accept the files as is, is the City agreeable to associated fees with this?	See response to Question #5.
26.	(Pre-proposal Q&A) Attachment 6 RFP Questionnaire, with a call out to Performance Guarantees 8.1 & 8.2 – Which refers to Exhibit 6- There is no Exhibit 6 in the RFP document nor as released as an addendum via the City's procurement portal.	See Clarification #1, page 1 of this addendum.
27.	What would be the number of awards you intend to give(approximate number)?	One award.
28.	What are the estimated funds that are estimated to be allocated for this contract?	The City does not have a specific budget and estimates costs would be comparable (+-) to the existing contract.
29.	What is the tentative start date of this engagement?	See Response to Question #19b.

30.	What is the work location of the proposed candidates?	Refer to Exhibit A, Scope of Work, paragraph 9. Account Management Team (page 63), for the City's requested Account Management Team.
31.	Is this a new contract or are there any incumbents? If there is an incumbent, could you please let us know the incumbent name and pricing and are the incumbents eligible to submit the proposal again?	This is not a new contract. The incumbent can submit an offer. See Question #2 for the existing contract details.
32.	Are there any pain points or issues with the current vendor(s)?	This information is not available at this time.
33.	Could you please share the previous spending on this contract, if any?	See Question #2 for the existing contract details.
34.	Is there any mandatory subcontracting requirement for this contract? If yes, Is there any specific goal for the subcontracting?	No mandatory subcontracting required.
35.	How many positions were used in the previous contract (approximate)?	Refer to response to Question #2.
36.	How many positions will be required per year or throughout the contract term?	Refer to response to Question #30.
37.	If the resources we provide at the time of proposal submission are not available at the time of a potential contract award could vendors replace them with equally qualified resources?	Refer to response to Question #30.
38.	Can we provide hourly rate ranges in the price proposal?	No.
39.	Is it entirely onsite work or can it be done remotely to some extent / Does the services need to be delivered onsite or is there a possibility for remote operations and performance?	Refer to response to Question #30.
40.	Are resumes required at the time of proposal submission? If yes, Do we need to submit the actual resumes for proposed candidates or can we submit the sample resumes?	See Minimum Qualifications, page 84 Attachment 2 - Key Personnel Resumes (PDF).

41.	Could you please provide the list of holidays?	Refer to Exhibit A, Scope of Work, paragraph 5A, Participant Services, 5A.2 (Pages 57-58).
42.	Are there any mandated Paid Time Off, Vacation, etc.?	Not applicable. The City is interpreting this question as mandatory time off resulting in a "reduction of hours", the City does not mandate paid time off, vacation.
43.	Section 5C 1.5 Technology, with a call out to 11.1.1 - regarding file formatting. Is it the City's intention to work with the vendor on a mutually agreeable file format, or will the vendor be expected to data map using the City's format? If the latter, we are requesting a copy of the file format layout in an effort to accept the City's format.	See Response to Question #5.
44.	Are all 15,000 employees benefit eligible? If not, how many of the active employees are eligible for medical, dental, and vision benefits at the City of Phoenix?	Approximately 14,000.
45.	Of the benefit eligible employees, how many active employees are insured under a medical, dental, and/or vision group plan?	See Response to Question # 7.
46.	Is the City marketing due to contract termination, and if so, have all applicable renewals been leveraged with the incumbent?	Yes.
47.	What is going well today with the City's COBRA administration?	Refer to Question #32.
48.	What are two to three areas for enhancement with the current COBRA administration experience?	Refer to Question #32.
49.	How many qualifying events overall occurred in 2023?	This information is not available.
50.	How many General/Initial Rights Notices did the City send in 2023?	This information was not tracked.
51.	Are there any reasons the 2023 numbers would not be reflective of the 2024 estimated overall	This information is not available.

	numbers (significant changes in staff, etc)?	
52.	Is the City's current COBRA administrative fee model per event based, or on a per covered employee per month basis?	Per employee Per Month Admin fee.
53.	What are the COBRA fees today?	See response to Question #2.
54.	Is there a preference on a per event or per covered model?	See response to Question #52.
55.	Does the requested administration include State regulation administration, or only federal COBRA administration? There is mention of State laws throughout the RFP including the questionnaire. Some states have specific mandates that apply to different populations or grant different periods of time beyond the federal COBRA regulations. One area of reference to state laws is section 5B.2.	See response to Question #23.
56.	Can you share with us a list of all customizations that incumbent supports for the City today? This would be anything deemed outside of the standard practices/processes of your incumbent.	This information is not available.
57.	The RFP states that premium payments cannot have additional fees associated with them. We charge a convenience fee for one-time payments including via card and/or ACH. Recurring payments by card/ACH or payments made by mailed check do not incur an additional please. Please confirm if the City is agreeable to this, considering members have a fee-free option available to them.	The City may consider an additional convenience fee for one-time payments.

58.	Does the City's incumbent send Open Enrollment communications today? If so, what does the communication entail? Is there an additional fee for the communication?	The incumbent does not send Open Enrollment communication, therefore no additional fees are incurred, the City is open to consider said service.
59.	Does the City expect the selected vendor to communicate during 2026 Open Enrollment taking place at the end of 2025 to COBRA members who have not paid through December?	No.
60.	Is the scope included within the RFP the City's current experience with the incumbent, or does the scope of services outlined include desired-state practices and offers?	Refer to Question #23.
61.	Are custom communications accommodated by the incumbent today at no cost?	See Response to Question #2.
62.	Is cobranding accommodated by the incumbent today at no cost?	See Response to Question #2.
63.	Are custom reports accommodated by the incumbent today at no cost?	See Response to Question #2.
64.	Is the City expecting the selected vendor to receive files in the City's existing file format, or is the City willing to revise the file to fit the vendor's file specifications?	See Response to Question #5.
65.	If the vendor is to accept the files as is, is the City agreeable to associated fees? Additionally, please provide the file specifications for our review.	See Response to Question #5.
66.	Will SSNs be provided alongside the employee unique identifier number?	Yes.

67.	Does the City utilize Oracle/Peoplesoft for their files?	Yes.
68.	Are the file builds supported by an internal team at the City or outsourced to a third-party?	Supported by an internal City team.
69.	Is the City requesting a SSO between the City's website and the Contractor's portal, or simply for the City's website links to be pasted on the COBRA portal?	No Single Sign On request (SSO). Simply for the City's website links to be on the COBRA portal.
70.	Is onshore a firm requirement, or can the Proposer's solution include offshore contractors for customer service and back-office processing purposes?	See response to Question #21.
71.	It was stated that offshore vendors could not have access to HIPAA information, which our offshore vendors would have. It was also stated that data cannot be stored offshore, which our data is not, it is stored onshore but accessed by our offshore subcontractors. Please clarify what the City is agreeable to in regard to offshore support.	See response to Question #21.
72.	Is 24/7 live customer service provided by the incumbent today, or what are the hours of service?	See response to Question #41.
73.	Is their flexibility with invoicing being monthly versus every other week?	See response to Question #20.
74.	Please confirm acceptance of the implementation team supporting more than three implementations. Bandwidth is always monitored and taken into consideration to ensure proper support.	The City may consider acceptance of the implementation team supporting more than three implementations.
75.	Are files established between the City's carriers and the COBRA incumbent to communicate carrier eligibility updates?	Yes.

76.	Are the Performance Guarantees included within the RFP the existing Performance Guarantees offered by the incumbent? If not, are they relatively the same?	They are not identical to the current contract, but they cover similar areas of performance.
77.	Are the existing Performance Guarantees offered by the incumbent specific to the City, or the incumbent's book of business?	Specific to the City.
78.	Does the City grant permission for the use of their logo for the purpose of a demonstration of our cobranding and customization abilities during a finalist?	No. The City may allow prior approval to utilize the City's logo if awarded a contract. The use of the City's logo is not a requirement for the finalist presentation.
79.	Please provide the City's Tax ID and the most appropriate physical address for the City for contracting purposes?	86-6000256 See RFP 2.6.12 Notice, page 31.
80.	Would the City be interested in leveraging OMNIA and/or Sourcewell for contracting ease? We understand the City leverages both of these solutions today for partnerships.	No.

The balance of the specifications and instructions remain the same. Offeror must acknowledge receipt and acceptance of this addendum by signing below and returning the entire addendum with the proposal submittal.

Name of Company: _____

Address: _____

Authorized Signature: _____

Print Name and Title: _____