

Answers to Clarification Questions for
RFP for Benefits Broker & Consulting Services
Received on 5/29/19

1. Has the District looked at self-funding its medical plans in the recent past? **NO**. If so, what was the reason to maintain the existing fully insured arrangement? **Over 70% of employees are covered under the Kaiser plan which is 100% District fully paid. Kaiser is not open to self-funding.**
2. How long have the three medical plan vendors been offered at the District? **Kaiser, Health Net, and Anthem Blue Cross plans have been offered at the District for over fifteen years. The Health Net of California plan was discontinued in December 2018. Health Net was replaced by Sutter Health Plus plan effective January 1, 2019.**
3. Are the active and early retiree plans for all three medical carriers rated separately or blended for rating purposes? **Kaiser and Sutter Health Plus plans for actives and early retirees (not eligible for Medicare) are blended for rating purposes. EBMUD does not have information on how renewal is rated for the Anthem Blue Cross plan as it is a self-insured plan through the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA), a partnership of water agencies dedicated to avoiding the high cost of commercial insurance.** Are the CDHC plans also included in the blended rates? **No, Consumer Driven Health Plans are rated separately from the traditional health plans.**
4. Is the “cash in lieu” benefit payment amount the same for all labor groups? **YES**
5. Are retirees provided vision coverage? **NO** Or life coverage? **NO**
6. For retirees, how are plans/rates handled in split coverage situations where District family participants include an active and a retired member? **There are no separate plan rates in split coverage situations where District family participants include an active employee and a retiree. The active health plans have three coverage tiers (employee only, employee plus one, and employee plus two or more). If an active employee covers a retiree under his/her plan, the appropriate coverage tier and plan rates are applied.** Or a retiree family comprised of non-Medicare and Medicare eligible members? **Anthem Blue Cross and Kaiser retiree health plans offer mixed Medicare rates for family members with Medicare coverage and others not eligible for Medicare. Sutter Health Plus plan is only for active employees and non-Medicare retirees and family members under age 65. Anthem Cal Care is only available for retirees and dependents that are eligible for Medicare.** Are retiree benefit designs subject to labor negotiation? **NO**
7. Is the District willing to consider implementing a mutually acceptable limitation of liability and/or an exclusion of indirect damages commensurate with the level of assistance being provided to the District? **The District’s preferred language is noted in the sample contract that was included in the RFP. It is not in the Districts best interest to modify this language.**
8. How are consulting fees paid under the current District arrangement? **The current broker provides services on a lump sum fixed annual price and are paid on a monthly basis.** Can commissions be used to offset fees? **NO** Do any of the current District plans provide commissions that can be used to offset the quoted fees? **NO** Are these commissions all transferrable to a new broker/consultant that accepts commissions?
N/A

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9. Are all benefit offerings provided under all labor MOUs or are some benefit offerings only available to certain groups of employees? (excluding the CDHC information provided in the RFP). ***The District's health and welfare benefits are collectively bargained. Benefit offerings are the same for all four labor groups. Employees are offered appropriate benefit offerings based on their job status. For example, part-time and temporary employees are not eligible for health benefits.*** If so, can you provide a summary by labor group?
10. Does the District have an RFP (marketing) timeline schedule for the medical, dental, vision, disability, life, etc. plans? ***NO*** If so, can that be provided? Are COBRA, online administration and Spending Account RFP projects part of the broker responsibility as well? ***Our current timeframe is to host a Pre Renewal meeting with Brokers in April for the following calendar year benefits and then receive final rates by late July in time for open enrollment each October. The District currently contracts with third party administrators for benefits administration, COBRA and Flexible Spending Accounts administration. The District may seek support and assistance from the broker for preparation and release of request for proposals for COBRA and FSA as directed by the District.***
11. How many meetings are held in person with the current broker during the year? ***In person meetings are held with the current broker at least 3-6 times a year – for benefits renewal and open enrollment meetings. In 2018 when rolling out a new health plan District's broker were on-site nearly 20 days.*** And how often does the current broker meet with labor? ***Typically, the broker meets with the unions once during labor negotiations (every four years). Occasionally, at the request of union reps, the broker may meet with the union for informational meetings on topics related to health plan design alternatives or options. Usually this happens during or in preparation for labor negotiations which run every 4 years.*** Does the broker meet with the District Board? ***NO, but broker may meet with District management in preparation for labor negotiations.***
12. How long has the current broker been providing services to the District? ***Since June 2015 – to present*** Are there any new service requirements in the current RFP? ***NO***
13. Why is this RFP being issued? Is it due to procurement requirements or for some other reason? ***As a public agency, the District solicits proposal from competitive bidders prior to expiration of a current contract. Competitive bidding is encouraged to ensure fair and open competition and that contract is awarded to the bidder that best meets the District's needs.***
14. What are the three most important strategic goals for the District regarding the direction of its benefit programs? ***The District strives to offer competitive benefit programs as a tool to recruit/attract qualified talents and retain employees from leaving to better jobs, and to keep costs as low as possible while meeting these goals.***