

ADDENDUM THREE

DATE: January 25, 2013

TO: All Vendors

FROM: Mary Lanning/Michelle Musick, Buyers
 State Purchasing Bureau

RE: Questions and Answers for RFP Number 4196Z1
 to be opened February 1, 2013 2 PM Central Time

Following are the questions submitted and answers provided for the above mentioned Request For Proposal. The questions and answers are to be considered as part of the Request For Proposal.

QUESTIONS	ANSWERS
1. How long has the current carrier been in-force?	The current carrier contract has been the State's life insurance carrier since January 1, 2008. Mutual of Omaha has been the State's life insurance carrier since January 1, 2004.
2. Please provide the Rate History and plan changes for past 6 years?	The rate history for the last 6 years is shown in Attachment A Life Ins Rates 2007-2013
3. Please provide a separate break out of Waiver Claims. Separated for Basic Life as well as for Supp. Life.	The waiver of premiums break is shown in Attachment B Waiver of Premium Basic Life and Sup Life.
4. The experience report G0009118 would assume to be the supplemental life which includes dep life, is it possible to get employee and dependent premium and claims broken out?	Using the census report and the current rates, you can compute the current year premiums for each employee by type of coverage. The five (5) years historical claims report provided in Attachment G1 and Attachment G2 should provide the information needed by employee.
5. Is the current carrier exempt from state taxes?	The current carrier is not exempt from State taxes
6. Could we have a copy of a Current Billing Statement?	The current carriers billing statement information is shown in Attachment C1 Mutual of Omaha Life Insurance invoice and Attachment C2 Mutual of Omaha Life Insurance invoice report

QUESTIONS	ANSWERS
7. Do you want the Booklets provided on-line or by paper?	The State requests the life insurance booklets be provided online.
8. On the census the retiree census is missing gender, can you please add a gender column to the retiree census.	The revised life insurance census is shown in Attachment D Life Insurance Census as of 7-1-12-revised 1-15-13 with gender added for the retiree group.
9. The census has a separate row in the census for each line of coverage. Can we get a census with each employee in one row on the census and have a separate column on the census for each line of coverage?	The State does not have the ability to provide the information in the format you have requested.
10. Please provide a volume, premium, rate and a detailed claims history listing for the last five years for all Basic, Supplemental, and Dependent Life coverages separately.	See Attachment H Life Insurance Enrollment 2008-2012. See response to question #2 for the rate history. See Attachment G1 and Attachment G2 for a five year history of claims
11. Please provide a listing of open waiver claims—please include date of disability, date of birth and face amount.	See response to question 3
12. Is interest paid on death claims?	The Nebraska statute requires interest to be added to death claim benefits if payment is not made within 30 days after receiving proof of loss. The current rate for 2013 is 2.137%
13. Are any covered employees expatriates (US employees working outside of the US), foreign employees working in the United States, or third country nationals (Non-US employees working outside of the US)? If so, please provide nationality and location of each employee, as well as amounts of insurance for each coverage separately (Basic Life, Supp Life, and Dependent Life).	The State does not have employees working / living outside the country. If an employee is on active military leave whether in or out of the country, they are not covered by the State life plan.
14. Page 3 of the RFP, it notifies the bidder to respond to the Intent to Bid, Form C, by the date shown in the Schedule of Events. Please confirm if the Intent is to be done - there is no Form C with the RFP (or on their website) and there is not a date shown in the Schedule of Events.	See Addendum One.

QUESTIONS	ANSWERS
<p>15. Page 3 of the RFP, it notifies the bidder to respond to the Intent to Bid, Form C, by the date shown in the Schedule of Events. Please confirm if the Intent is to be done - there is no Form C with the RFP (or on the website) and there is not a date shown in the Schedule of Events.</p>	<p>See Addendum One.</p>
<p>16. Please advise, how long has the State been insured with Mutual of Omaha?</p>	<p>See response to #1</p>
<p>17. Please provide experience through the end of 2012.</p>	<p>See response to #10</p>
<p>18. Please advise, has there been any rate changes since 11/01/2009?</p>	<p>See response to #2</p>
<p>19. Please provide a listing of open waiver claims separated by basic and supplemental with date of disability, and insured amount.</p>	<p>See response to #3</p>
<p>20. We have not been able to access the contract or certificate related to the Permanent Employees using this link. Please provide the contract or certificate or a useable link. http://www.das.state.ne.us/personnel/benefits/2008/index_active.html#mutual_income</p>	<p>The Mutual of Omaha certificate can be seen in Attachment F Life Insurance Certificate for State employees</p>
<p>21. Please confirm the supplemental experience includes employees, spouses and children.</p>	<p>Supplemental experience does include employees, spouse and children.</p>
<p>22. Please advise of the reason for the marketing.</p>	<p>Marketing on the Life Insurance benefits will help the State to expand information available to employees to make life insurance choices based on their family situation.</p>
<p>23. Is the rate guarantee with Mutual of Omaha expiring?</p>	<p>The Mutual of Omaha rate was guaranteed for the original term of their contract.</p>
<p>24. Will the renewal information be shared?</p>	<p>See Response to question #2.</p>
<p>25. Please advise if the State of Nebraska subject to premium tax? If so, please provide the state statute for exemption.</p>	<p>The State is not subject to a premium tax.</p>
<p>26. Are part-time employees included in the census? There seems to be a discrepancy in the number of employees reported for the "Eligible Permanent Employees" group in the RFP (15,894) when compared to what is in the experience (15,028) and the census (14,990). Can you please explain?</p>	<p>Yes, part time employees are included in the census. Even though full time employees are eligible and are guaranteed basic life insurance, some have elected to decline coverage. Part time employees are eligible for basic life but it is not mandatory.</p>
<p>27. We did not receive the "Notification of Intent to Bid Form (Form C). Please advise where this form can be obtained so we can complete the Intent to Bid.</p>	<p>See Addendum One.</p>

QUESTIONS	ANSWERS
28. Please provide a copy of a monthly billing statement inclusive of volume for each product by line of coverage.	See response to #6
29. Please advise if you would like 7 hard copies of the Technical proposal and 7 hard copies of the Cost proposal which would make a total of 14 hard copies.	Yes, please provide seven (7) hard copies of each the Technical proposal and the Cost Proposal.
30. Premium Waiver - As long as an EE is disabled prior to age 60 they are eligible for premium waiver, but is there an age where PW ends? Is the waiver provision currently a lifetime waiver?	The Premium Waiver is a lifetime waiver as long as the employee and physician can validate they remain permanently disabled.
31. Premium Waiver - Please provide the PW face amounts and PW reserves for both Basic and Supplemental life.	See response to question #3
32. Please advise if there is an AD&D cert/booklet available for active NDOL employees.	See response to question #20 for the Life Insurance Certificate that includes AD&D coverage. See Attachment E for NDOL Life Insurance Certificate.
33. Please provide a detailed claim listing broken out by line of coverage.	See response to #3
34. Please confirm whether retirees are included in the first page of the experience report.	NDOL retirees are counted on a separate tab in the experience report. Retirees that are not NDOL, are not included in the first page of the experience report.
35. It does not look like dependents have been included in the experience report. Can you please provide dependent experience?	Dependent Coverage has been included in the experience (census) report.
36. Can you confirm that the inforce AD&D rate for the Permanent employees is .10 per \$1,000?	The current in-force AD&D rate for permanent employees is a flat \$0.10 per month.
37. Are there police and fire employees covered for Life insurance and if so can they be identified on the census?	The State does allow the State Fire Marshall and the State Patrol to enroll in Life Insurance Coverage. The State does not have separate police and fire departments.
38. If there is not a Waiver of Premium provision how are disabled employees handled?	The State does include a Waiver of premium. See response to question #3
39. Is it the State's expectation that we will maintain eligibility for them, or will they self-administer their eligibility?	The State will self administer eligibility.

QUESTIONS	ANSWERS
<p>40. The Request for Proposal for Contractual Services Form (the first page of the RFP) says "By signing this Request for Proposal for Contractual Services form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions (see Section III) and certifies bidder maintains a drug free work place environment." Section III states that we may indicate any exceptions to the Terms and Conditions. Can we sign the Request for Proposal for Contractual Services Form if we have exceptions?</p>	<p>The Request for Proposal for Contractual Services Form must be signed in order for the RFP response to be evaluated by the State.</p>
<p>41. The RFP outlines the following as key objectives of the project. Can you provide specifics in regards to current areas of dissatisfaction? Improve employee satisfaction with the life insurance program. Establish performance targets to assess and monitor carrier's performance.</p>	<p>There have been some issues with what information to file and the speed at which claims were processed. These can be improved through education of employees, documentation of processes and information that is user friendly, and</p>
<p>42. We are also requesting the following information: Current carrier booklets; Waiver of Premium claims; Renewal Rates</p>	<p>See Response to question #32 for current carrier booklets. See the response to question #3 for Waiver of Premiums. See response to question #2 for a history of renewal rates.</p>