

# Cost Proposal Template

## VII. COST PROPOSAL REQUIREMENTS

### A. COST SHEET

**This summary shall present the total fixed price to perform all of the requirements of the RFP. The bidder must include details in the State's Cost Sheet supporting any and all costs.**

**The State reserves the right to review all aspects of cost for reasonableness and to request clarification of any proposal where the cost component shows significant and unsupported deviation from industry standards or in areas where detailed pricing is required.**

### B. PRICES

**Prices quoted shall be net, including transportation and delivery charges fully prepaid by the bidder, F.O.B. destination named in the RFP. No additional charges will be allowed for packing, packages, or partial delivery costs. When an arithmetic error has been made in the extended total, the unit price will govern.**

Below on the following pages 48 to 50 is the completed Cost Sheet. Please note: the completed Cost Sheet is also included in the original format on the flash drive included with our submission.

**REVISED COST PROPOSAL  
RFP 5953 Z1**

**BASIC LIFE, AD&D, SUPPLEMENTAL LIFE (DEPENDENT) AND SUPPLEMENTAL LIFE  
(EMPLOYEE) INSURANCE PLAN OPTIONS**

Bidder Name: The Guardian Life Insurance Company of America

Bidders shall fill in the proposed monthly premium amounts for each column provided below. All premium amounts specified are guaranteed by Bidder and are inclusive of all costs. Each monthly premium amount proposed should be evenly divisible by "2" with no rounding to accommodate two even deductions per month through our payroll system. Any premium amount not divisible by "2" will be reduced to the nearest lower amount that is divisible by "2" for scoring. By submitting this proposal, Bidder accepts this lower amount if a contract is awarded.

**Rates are inclusive as a package; all lines sold together; rates beyond year 4 dependent upon financial performance; may be discussed upon finalist status.**

**Rates include the following value-adds: College Tuition Benefit, EAP and WillPrep.**

<b>BASIC LIFE</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for \$20,000 per \$1,000 Per Month	\$ 0.096	\$ 0.096	\$ 0.096	\$ 0.096	\$	\$

<b>AD&amp;D</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Flat rate for \$5,000 Per Employee Per Month	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$	\$
Flat rate for \$7,500 Per Employee Per Month	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$	\$
Flat rate for \$10,000 Per Employee Per Month	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$	\$

<b>SUPPLEMENTAL LIFE - DEPENDENT</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
<b>Low Option - \$5,000</b>						
Spouse age below 70 and/or Dependent child(ren) up to age 26	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$	\$
Spouse Age 70 or Older and/or Dependent child(ren) up to age 26	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$	\$

<b>SUPPLEMENTAL LIFE - DEPENDENT</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
<b>High Option - \$10,000</b>						
Spouse age below 70 and/or Dependent child(ren) up to age 26	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$	\$
Spouse Age 70 or Older and/or Dependent child(ren) up to age 26	\$ 8.22	\$ 8.22	\$ 8.22	\$ 8.22	\$	\$

**Voluntary Life rates include Portability**

<b>SUPPLEMENTAL LIFE COVERAGE - EMPLOYEE</b>						
<b>Rate/\$1,000</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Under 25	\$ 0.022	\$ 0.022	\$ 0.022	\$ 0.022	\$	\$
25-29	\$ 0.022	\$ 0.022	\$ 0.022	\$ 0.022	\$	\$
30-34	\$ 0.029	\$ 0.029	\$ 0.029	\$ 0.029	\$	\$
35-39	\$ 0.044	\$ 0.044	\$ 0.044	\$ 0.044	\$	\$
40-44	\$ 0.066	\$ 0.066	\$ 0.066	\$ 0.066	\$	\$
45-49	\$ 0.095	\$ 0.095	\$ 0.095	\$ 0.095	\$	\$
50-54	\$ 0.160	\$ 0.160	\$ 0.160	\$ 0.160	\$	\$
55-59	\$ 0.343	\$ 0.343	\$ 0.343	\$ 0.343	\$	\$
60-64	\$ 0.656	\$ 0.656	\$ 0.656	\$ 0.656	\$	\$
65-69	\$ 1.072	\$ 1.072	\$ 1.072	\$ 1.072	\$	\$
70-74	\$ 1.458	\$ 1.458	\$ 1.458	\$ 1.458	\$	\$
75-79	\$ 3.309	\$ 3.309	\$ 3.309	\$ 3.309	\$	\$
80 and over	\$ 6.700	\$ 6.700	\$ 6.700	\$ 6.700	\$	\$

**DEPARTMENT OF LABOR ACTIVE EMPLOYEES (Grandfathered Group)  
BASIC LIFE, AD&D AND SUPPLEMENTAL LIFE (DEPENDENT) INSURANCE**

<b>BASIC LIFE</b> Rate for base annual salary adjusted to next higher \$1,000 plus \$2,000. \$10,000 salary minimum. \$60,000 salary maximum. High age reductions.	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$	\$

<b>AD&amp;D</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Rate for base annual salary adjusted to next higher \$1,000 plus \$2,000. \$10,000 salary minimum. \$60,000 salary maximum. High age reductions.	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$	\$
<b>SUPPLEMENTAL LIFE - DEPENDENT</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Spouse - \$2,000; Child - \$500 (3 days - 6 months) \$1,000 (6 months - 19 years)	\$ 0.38	\$ 0.38	\$ 0.38	\$ 0.38	\$	\$

**DEPARTMENT OF LABOR RETIRED EMPLOYEES (Grandfathered Group)  
BASIC LIFE INSURANCE**

<b>BASIC LIFE</b>	Initial Contract Period				Optional Year 1	Optional Year 2
	Year 1	Year 2	Year 3	Year 4		
Varies depending on amount in force at retirement. Refer to Attachment C: Census Report	\$ 0.19	\$ 0.19	\$ 0.19	\$ 0.19	\$	\$

**Rate Notes**

- We are including a four-year rate guarantee; rates beyond year four are dependent upon financial performance; we are happy to discuss this further upon finalist / won notification.
- Rates are inclusive of all lines selling together.

**Contract Deviations:**

- We are unable to match the retiree cutbacks: Reduces 2% per month after retirement to a minimum of 25%, Guardian standard of no cutbacks would apply.
- The current accelerated life language lists terminal within 24 months. Guardian standard language of six months would apply.
- Our intention is to match current benefits. We have completed a preliminary contract comparison and are happy to discuss our contract upon finalist / won notification.

**Value-added services included with our offer:****College Tuition Benefit**

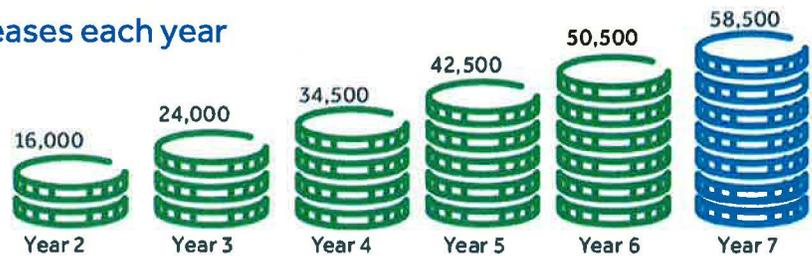
Included with the proposed Guardian Basic and Voluntary Life coverages is our College Tuition Benefit.<sup>7</sup> Now, the State eligible members can earn a college tuition benefit that's exclusive to the marketplace. As the cost of college continues to rise, we are offering this benefit in arrangement with SAGE College Tuition Benefit as an added incentive for your members and to help the State attract and retain talent. Highlights of this benefit include:

- Members enrolled in Guardian Basic and Voluntary Life coverages are eligible to earn 2,000 Tuition Rewards each year for each coverage (plus 500 when they register).
- One Tuition Reward point = \$1 in tuition reduction.
- Members can share the benefit with relatives, including children, nieces, nephews and grandchildren, subject to certain restrictions.
- Tuition Rewards can be used at over 380 institutions, with 80% ranked among "America's Best" by U.S. News and World Report.<sup>8</sup>

Some of the schools that may be of interest to members include: Creighton University, Hastings College, Midland University, Nebraska Wesleyan University and York College of Nebraska. Visit <https://guardian.collegetuitionbenefit.com> for a complete list of participating schools.

**A college tuition benefit that increases each year**

Example of how a member with Guardian Dental, Life, Hospital Indemnity and Critical Illness can help a 12-year old reduce his/her tuition by \$58,500,



Guardian Insurance Product	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Dental	2,000	2,000	2,000	4,500 <sup>9</sup>	2,000	2,000	2,000	16,500
Life	2,000	2,000	2,000	2,000	2,000	2,000	2,000	14,000
Hospital Indemnity	2,000	2,000	2,000	2,000	2,000	2,000	2,000	14,000
Critical Illness	2,000	2,000	2,000	2,000	2,000	2,000	2,000	14,000
<b>Total</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>10,500</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>58,500</b>

**Example of College Tuition Benefit Rewards potential accumulation. Only applies if added to four lines of coverage.**

<sup>7</sup> Program is provided by College Tuition Benefit. Guardian does not provide any services related to this program. College Tuition Benefit is not a subsidiary or an affiliate of Guardian. The College Tuition Benefit is not an insurance benefit and is not available in all states.

<sup>8</sup> 2016 U.S. News and World Report

<sup>9</sup> Year 4 = bonus year with dental

**Employee Assistance Program**

WorkLifeMatters<sup>10</sup> is a confidential employee assistance program that provides employers, employees and their families with expert support services to help with a range of issues employees face. By using our program, the State can potentially benefit from increased morale, reduced employee downtime and less medical costs. Services available to the State include:

- Toll-free phone access to knowledgeable human resource (HR) consultants to help with conflict resolution and performance;
- Advice on implementing a drug-free workplace program;
- Training resources to manage and develop your organization (i.e. webinars, videos, presentations);
- Communications materials promoting the program to employees (i.e. posters, newsletters); and
- Semi-annual utilization reports.

Services available to employees include:

- Phone access to an experienced counselor to help with issues related to education, work, caregiving, lifestyle, fitness, and pet care;
- On-site crisis management at \$250 per hour;
- Up to three face-to-face office visits with a behavioral health professional for each family member per year;
- Phone consultations with expert financial professionals, certified public accountants (CPAs), and
- Attorneys to help with will preparation and tax planning (discounts for additional legal services may also be available).
- College Planning Resources — Expert assistance in finding the right college that fits your child academically, socially and financially, provided by College Planning USA
- ID Theft — Free consultation with a trained Fraud Resolution Specialist that will assist with ID theft resolution and education; ID theft educational materials available online.
- Will Prep — Online self-service documents available on EAP website; 30-minute consultation (part of Legal Consultation offering) can be used for estate planning/will preparation

Plus, our dedicated WorkLifeMatters website provides 24/7 access to information on family and caregiving, health and wellness, and more.

<sup>10</sup>Work Life Matters Program services are provided by Integrated Behavioral Health, Inc., and its contractors. Guardian does not provide any part of WorkLifeMatters program services. Guardian is not responsible or liable for care or advice given by any provider or resource under the program. Guardian and IBH reserve the right to discontinue the WorkLifeMatters program at any time without notice. Legal services provided through WorkLifeMatters will not be provided in connection with or preparation for any action against Guardian, IBH, or your employer. WorkLifeMatters is not an insurance benefit and may not be available in all states.

### WillPrep Services

The proposed Voluntary Life plan includes our WillPrep Services<sup>11</sup> to help employees prepare wills and other planning documents. Administered by Integrated Behavioral Health (IBH), these services provide employees with online support and guidance to help them properly prepare the documents that will help preserve their family's financial security. WillPrep Services will provide eligible members access to estate planning documents, estate planners, attorney-assisted will preparation,<sup>12</sup> and a resource library.

#### Below is a summary of plan limitations and exclusions:

##### Basic Life Plan

- In order to be eligible for coverage, employees must be legally working (a) in the United States or (b) outside the U.S. for a U.S.-based employer in a country or region approved by Guardian.
- Employees must be working full-time on the effective date of coverage; otherwise, coverage becomes effective after the completion of the specific waiting period
- Evidence of insurability is required for all late enrollees. Benefit increases may require underwriting.
- Please refer to certificate of coverage for full plan description; plan documents are the final arbiter of coverage.
- GC-Life-15-1.0 (Life 2016)

##### AD&D Plan:

Accident does not include:

- Willful self-injury, suicide, or attempted suicide while sane or insane;
- Sickness, disease, mental infirmity, or result of any medical or surgical treatment;
- Infection, except pyogenic infections which result from a bodily injury or bacterial infections which result from the unintentional ingestion of contaminated substances;
- The intentional or voluntary inhalation or ingestion of gas, chemical, solvent, poison or other substances not intended for internal consumption;
- An injury the Covered Person suffers while taking part in a riot or other civil disorder; or in the commission of or attempt to commit a felony, as defined per the laws in the jurisdiction in which the felony was committed or attempted, or as defined under federal law if the offense charged was a federal offense;
- Injury suffered while travelling on any type of aircraft if the Covered Person is an instructor or crew member; or has any duties at all on that aircraft;
- Injury suffered in declared or undeclared war or act of war or armed aggression;
- Injury suffered while the Covered Person is a member of any armed force;
- Injury suffered while the Covered Person is a driver in a motor vehicle Accident, if his or her driver's license has been suspended, revoked or has been expired for more than 90 days, or if the driver is unlicensed;

<sup>11</sup> WillPrep Services are provided by Integrated Behavioral Health, Inc., and its contractors. The Guardian Life Insurance Company of America (Guardian) does not provide any part of WillPrep Services. Guardian is not responsible or liable for care or advice given by any provider or resource under the program. This information is for illustrative purposes only. It is not a contract. Only the Administration Agreement can provide the actual terms, services, limitations and exclusions. Guardian and IBH reserve the right to discontinue the WillPrep Services at any time without notice. Legal services will not be provided in connection with or preparation for any action against Guardian, IBH, or your employer. WillPrep Services are not an insurance benefit and may not be available in all states.

<sup>12</sup> The option of an attorney prepared will is available for a small fee.

- Injury suffered while the Covered Person is legally intoxicated; or
- Injury suffered while the Covered Person is voluntarily using a controlled substance, unless: (A controlled substance is anything called a controlled substance in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended from time to time.)
  - It was prescribed for the Covered Person by a doctor; and
  - It was used as prescribed.
- GC-ADD-15-1.0 (ADD2016)

**Voluntary Life Plan**

- In order to be eligible for coverage, employees must be legally working (a) in the United States or (b) outside the U.S. for a U.S.-based employer in a country or region approved by Guardian.
- We pay no benefits if the insured's death is due to suicide within two years from the insured's original effective date. This two-year limitation also applies to any increase in benefit. This exclusion may vary according to state law.
- Employees must be working full-time on the effective date of coverage; otherwise, coverage becomes effective after the completion of the specific waiting period.
- Evidence of insurability is required for all late enrollees. Benefit increases may require underwriting.
- This proposal is subject to satisfactory financial evaluation.
- Please refer to certificate of coverage for full plan description; plan documents are the final arbiter of coverage.
- GC-Life-15.1.0 (VLife 2016)

