



# LAKE COUNTY

## FLORIDA

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### ADDENDUM NO. 2

**Date: March 6, 2008**

**RFP No. 08-0013**

**Insurance Group Life and Accidental Death & Dismemberment (AD&D)**

This addendum is being issued to make the following clarifications to the bidding document. The information in this addendum modifies and changes the original bidding documents and takes precedence over the original documents. **Respondents shall acknowledge receipt of this addendum by completing the addendum form on page 16 of the solicitation. Failure to acknowledge this addendum may preclude consideration of the bid proposal award.**

#### Questions and Answers:

1. Please provide enrollment history for the experience period (10/2005-9/2007). **Information is not available. Please provide enrollment history since 10/01/2007. Oct 2007 – 859, Nov 2007 – 863, Dec 2007 – 880, Jan 2008 – 894, and Feb 2008 – 896.**
2. Please provide 3 years of enrollment history by product by month for the basic life and the voluntary life. **Information is not available.**
3. Please provide an additional 12 months claims experience, including enrollment history by month and claims vs. premium for each product separately. **Two (2) years claims experience was included in the RFP. The attached document includes claims data going back to 2003. Enrollment and claims versus premium separate by each product is not available.**
4. Voluntary life and Basic Life experience submitted needs to be separated by product. **A Metlife PC by Product Report may be viewed by visiting our website at [http://www.lakecountyfl.gov/departments/procurement\\_services/bid\\_details.aspx?bid\\_number=08-0013](http://www.lakecountyfl.gov/departments/procurement_services/bid_details.aspx?bid_number=08-0013). It is on an annual basis, but corresponds to the monthly experience in total, as shown at the bottom of each page and also in the RFP.**

*"Earning Community Confidence Through Excellence in Service"*

DISTRICT ONE  
JENNIFER HILL

DISTRICT TWO  
ELAINE RENICK

DISTRICT THREE  
DEBBIE STIVENDER

DISTRICT FOUR  
LINDA STEWART

DISTRICT FIVE  
WELTON G. CADWELL

5. The census provided shows one employee with coverage over the Optional Life plan maximum and three spouses with amounts over the spouse life maximum. Please confirm that these individual's amounts should be capped at the plan max. If not, please explain their additional coverage.

**These are errors that have been corrected since the census was run.**

- **EE# 1418 – Has only \$50,000 of optional life.**
- **EE# 2128 – Has \$210,000 EE optional life, and only \$105,000 for spouse.**
- **EE# 2244 – Has \$190,000 EE optional life, and only \$95,000 for spouse.**
- **EE# 1095 – Has \$150,000 for spouse life.**

Emp .:	Status	Gen	Date of Birt	Date of H	Zip	Annual Salary	Code .:	Description	Coverage
1418	Active	M	5/28/1965	3/1/2004	34748	\$72,259.20	8150	METLIFE ADDL TERM LF-EMPLOYEE	350000

Emp .:	Status	Gen	Date of Birt	Date of H	Zip	Annual Salary	Code .:	Description	Coverage
2128	Active	M	12/13/1982	3/23/2003	34748	\$46,300.80	8190	METLIFE TERM LIFE – SPO	210000
2244	Active	F	10/4/1971	4/26/1999	32736	\$41,787.20	8190	METLIFE TERM LIFE – SPO	190000
1095	Active	M	5/28/1965	3/1/2004	34748	\$72,259.20	8190	METLIFE TERM LIFE – SPO	175000

6. The RFP states that the carrier selected will be required to cover the existing group of Disabled employees. However, the current plan has a waiver of premium benefit, so the standard would require the current carrier to keep the disabled liability. Confirm that the new life insurance carrier will be taking over a disabled population. **Those persons who were accepted for waiver of premium by MetLife, will remain MetLife's responsibility. Those individuals who did not apply for or get accepted for waiver of premium would become the responsibility of a new carrier.**

If yes, will the new carrier receive a reserve amount being kept by the current carrier to cover this liability? **Not available.**

7. Confirm that current annual enrollment practices allow for one level increased to the GI limit for insureds currently participating in the optional coverages only. **Correct. New hires can elect any amount up to the GI amount. Annual enrollment allows one increment increase to existing coverage annually, not to exceed the GI amount.**

8. The RFP page 12, section 2.3, states that the Voluntary Life benefit is \$10,000 increments, while page 19-20 of the certificate provided shows a Voluntary Life benefit of 1-5x salary. Which is correct? **As show in the 08-0013\_LifeADDworksheets.xlsfile – “PlanDesignVol” worksheet. The Certificate of Coverage is incorrect for Optional Life Insurance for Employees. The optional life insurance benefit is up to 5 x the employee's salary, up to \$300,000, in increments of \$10,000.**

If \$10,000 increments are currently in place, how long has that been the plan design? **Since inception of the plan.**

9. The RFP shows a GI amount of \$100,000 on the Basic Life coverage, but pg. 19 of the certificate provided show all Basic Life coverage is guaranteed issue. Confirm which is

correct. And, if the GI limit is \$100,000, how has that GI limit been in place? **It is an error. All Basic Life coverage is guaranteed issue.**

10. The Basic Life has a \$200,000 maximum but a guarantee issue of only \$100,000. Does the group desire to have the full amount of the benefit guarantee issue or do they prefer to keep the current \$100,000 limit? **\$200,000 max is for basic and the \$100,000 GI if for optional/additional life. The basic \$200,000 should remain as GI, and the optional should have a GI of \$100,000. Please match as current.**
11. For the Voluntary Life and AD&D amounts, are employees allowed to elect different amounts of coverage for each or does the Voluntary AD&D election have to match the Voluntary Life election? **It is required to be matched, although there were some people in the past who had made different elections. These were grandfathered, but going forward this is not allowed. If those grandfathered make any changes to their coverages in the future, they are required to align all coverages so that optional life and AD&D are in equal matching amounts. The County is expecting proposals to allow for the grandfathered amounts to remain intact.**
12. The RFP shows no age reductions for AD&D coverage, but page 24 of the certificate shows age reductions at both age 65 and age 70. Which is correct? And if there are no age reductions for AD&D coverage, how long has that been in force? **There is no age reduction on voluntary coverage since it's already age rated. The age reduction on page 24 of the policy/certificate refers to Basic Life and AD&D...“Your Basic Life and Accidental Death and Dismemberment insurance...”**
13. The RFP shows spouse AD&D is electable in \$5,000 increments and Child AD&D in \$2,500, but page 25 of the certificate show that the Dependent AD&D coverage is a matching benefit. Which is correct? **The certificate states that AD&D matches the corresponding dependent life insurance amount, which is different for spouse and children. Spouse is \$5,000 increments to a maximum of \$150,000 (not to exceed 50% of the employee's combined basic and optional life amounts. AD&D amount must equal the life insurance amount. The child life benefit is in \$2,500 increments to a maximum of \$10,000, and the AD&D amount must equal this amount. The increments are not stated in the certificate, but that is how Lake County administers it and how it is presented to employees during Annual Enrollment. Rates are per \$1,000 of coverage.**

If the coverages electable in increments and is not a matching benefit, how long has that plan design been in place? **The plan design has not changed.**

14. The current Rates & Rate History sheet provided in the RFP shows spouse life rates for ages over 70, and the rate response pages show volume for spouse life coverage over 70. Page 25 of the certificate shows that spouse coverage terminates at age 70. Can spouses have coverage over age 70? **That is an error. Coverage, both Life and AD&D, ends at age 70 for spouses.** If spouses can have coverage over age 70, are there age reductions? **N/A** If spouses can have coverage over age 70, how long has that plan design been in place? **N/A**
15. Provide a copy of the most current portability application. What is the portability

maximum? **The Life Portability Application may be obtained by visiting our website at [http://www.lakecountyfl.gov/departments/procurement\\_services/bid\\_details.aspx?bid\\_number=08-0013](http://www.lakecountyfl.gov/departments/procurement_services/bid_details.aspx?bid_number=08-0013).**

**Employees can port optional life and convert basic life at the existing levels of coverage or less.**

Are employees able to increase coverage when they port? **No, they can keep what they have or decrease what they have for optional coverage, but they cannot increase it.** If so, is evidence of insurability required? **N/A**

Must employees be actively at work in order to port coverage? **Employees can port their optional coverage if their employment ends or they cease to be in a position/class that is eligible for such insurance, see page 38 of the policy/certificate.**

16. Have there been any significant plan design changes within the past three (3) years (i.e. change in benefit schedules, acquisitions mergers). **No.**
17. Will the plan be self-administered (employer maintains employee records; self-bills)? **Yes.**
18. How many enrollment meetings will the life insurer be expected to attend? How many different locations will these meeting be held at? How many employees will be at each location? During what time period will these meetings held (i.e. October 12 – 14, etc.)? **Open enrollment is held mid July through mid August at various locations. Participation is open and there are about two (2) dozen sessions.**
19. Confirm whether the chosen carrier will be required to mail SPDs to participant's homes or whether the employer will distribute the information to each employee. **The County can distribute.**
20. Confirm whether or not the group is looking for an initial open enrollment and or any possible ongoing enrollment events on the Supp life? **Open enrollment only.**
21. Provide life waiver amounts, as well as the date of disability for the waiver claims. **Information has been requested from our current carrier and will be made available upon receipt.**
22. The RFP makes reference to the fact that Disabled employees are included as referenced in the census listing of Disabled Lives. Provide Face Value of the Life Benefit for each member listed on the Disabled Life census. Do these members only have basic life or do they also have additional life? If they have both, what are the amounts of the BL Vol. and AL Vol. for each product? **The waiver would be for whatever they have at the time that they are approved for the waiver, could be both Basic and Optional coverage. Additional information has been requested from our current carrier and will be made available upon receipt**
23. What are the number of hours an employee must work to be eligible for benefits? **Thirty (30) hours, and be in a benefits eligible position.**
24. Provide a census that identifies the employee occupations. **An occupation/Job Title census that includes employee ID numbers (same as those in the RFP) and**

corresponding job title (occupation) is provided by visiting our website at [http://www.lakecountyfl.gov/departments/procurement\\_services/bid\\_details.aspx?bid\\_number=08-0013](http://www.lakecountyfl.gov/departments/procurement_services/bid_details.aspx?bid_number=08-0013) . Vendors will need to match up the unique EE numbers from the original censes, for the particular RFP that they are working on and match it up to this census.

25. What employee access conditions exist with regard to enrollment and communications? **Vendors will not have direct access to employees. All communications and enrollment is through the Office of Employee Services.**
26. Is an all in one enrollment solution currently in place? If not, would the County welcome it? **The County is not looking for an external enrollment solution. Some of the services requested are current products and some will be new products to employees.**
27. Is the County seeking to replace the existing carriers? **In cases where there is currently a product and provider, it is possible that the carrier will be replaced.**
28. Would the County welcome a Voluntary Permanent Life product? **The County is requesting a group life product and not a voluntary permanent life product.**

If you have any questions regarding this Addendum you may contact Susan Dugan at (352) 343-9768.

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Office of Procurement Services