



## **ADDENDUM II**

**SUBJECT:** Employee Life Insurance (RFP 25-025, RFx# 6100018669),  
Scheduled to Open: May 19, 2025; Date of Issue: March 26, 2025.

**FROM:** Charisma Esparza, Procurement Manager, Finance Department

**DATE:** May 12, 2025

**THIS NOTICE SHALL SERVE AS ADDENDUM NO. II TO THE ABOVE REFERENCED  
REQUEST FOR PROPOSALS**

**THE ABOVE-MENTIONED REQUEST FOR PROPOSALS IS HEREBY AMENDED AS  
FOLLOWS:**

1. **Add: RFP Exhibit 18, COSA Claim Report.** Posted as a separate document.
2. **Add: RFP Exhibit 19, March 2025-DEP.** Posted as a separate document.
3. **Add: RFP Exhibit 20, March 2025-EMP.** Posted as a separate document.
4. **Add: RFP Exhibit 21, March 2025-SUPP.** Posted as a separate document.
5. **Add: RFP Exhibit 22, Life Claim Packet.** Posted as a separate document.
6. The RFP proposal due date has been extended to **FRIDAY, MAY 23, 2025, at 11:00 A.M.** Central Time.

**QUESTIONS SUBMITTED IN ACCORDANCE WITH SECTION 007, PRE-SUBMITTAL  
CONFERENCE**

On April 7, 2025, the City of San Antonio hosted a Pre-Submittal Conference to provide information and clarification for the Employee Life Insurance RFP. No questions were asked at the pre-submittal conference.

**QUESTIONS SUBMITTED IN ACCORDANCE WITH SECTION 011 RESTRICTIONS  
ON COMMUNICATION:**

Question 1: Section 004 of the RFP – Scope of Service – states that the City will self-bill using its own SAP system based upon employee counts as of the first day of each month. Section 013 of the RFP – Award of Contract and Reservation of Rights – states that the successful respondent must be able to formally invoice the City for services rendered, incorporating the SAF-generated contract and purchase order numbers that shall be provided by the City. These two statements

seem to contradict each other. Will the City be self-billing, or is the vendor expected to be responsible for maintaining individual employee records and for generating monthly invoices?

Response: The City will continue to self-bill.

Question 2: The Employee Benefit Booklet covers the Basic Life and AD&D benefit of one-time earnings, as well as the Supplemental Life insurance of one to five times earnings to a maximum of \$1,500,000. It then states “Employees are eligible for a death benefit of \$10,000 for deaths due to a non-work-related incident. This benefit is provided at no cost to you.” This benefit is not mentioned in the basic life certificates. Please explain this additional \$10,000 benefit and when it applies. Could this be restated as the basic life benefit is one times earnings plus \$10,000?

Response: This is separate from life insurance and does not apply to this RFP.

Question 3: The life insurance certificates state that basic life is limited to a maximum of \$400,000, however the city manager’s basic life is listed as \$461,000 on the census. Please confirm this should be limited to \$400,000.

Response: The limit is \$400,000.

Question 4: The City Manager is listed with \$1,124,000 in supplemental life, which would give him over the \$1,500,000 combined maximum, whether he has \$461,000 or \$400,000 in basic life. Please confirm he should be limited to \$1,500,000 combined insurance coverage.

Response: The limit is \$1,500,000.

Question 5: There are 54 employees on census identified as “Inactive” in the Employment Status column, yet they all have coverage amounts. Does Inactive mean that they are on leave, but still covered under the life insurance plan? Please confirm that these insureds are not terminated.

Response: The employees are still on the insurance plan.

Question 6: Section 004 – Scope of Service – of the RFP states that the vendor will allow existing employees who were previously insured for voluntary life to increase coverage of an additional two times their annual salary on a guaranteed issue basis. Typically, if group life insurance plans allow coverage increases on a guaranteed issue basis, this is limited by the guaranteed issue benefit limit. For the City of San Antonio, the guaranteed issue limit is the lesser of two times salary or \$400,000. If we were to allow current participants to increase coverage an additional two-time salary, that would be at least three times salary, and above the guaranteed issue limit. Is there any limit to this annual guaranteed issue opportunity? If an employee originally elected 1x, could they increase to 3x at annual enrollment, and then to 5x at the next annual enrollment on a guaranteed basis? This does not align with the current voluntary life certificates, which state that evidence of insurability is required if the coverage amount exceeds the guaranteed issue amount. Please confirm.

Response: This would be for the initial open enrollment with new vendor on a one-time basis.

Question 7: Please provide a premium rate history for each line of coverage for 2021 – current.

Response: No change since 2021 (Basic Life - \$.04 per \$1,000. AD&D - \$.02 per \$1,000. Dependent - \$4.00 per month)

Question 8: On Exhibit 12 – Claims Status Report, is there a way to discern basic life claims vs. supplemental life claims? If not, is this something that can be provided?

Response: Yes, please review RFP Exhibit 18, COSA Claim Report. Posted as a separate document.

Question 9: Please provide a copy of a recent monthly billing statement/premium remittance statement to compare census volumes to reported volumes.

Response: There are invoices with backup included within RFP Exhibits 19, March 2025-DEP, RFP Exhibit 20 March 2025-EMP and RFP Exhibit 21 March 2025-SUPP.

Question 10: There are five insureds listed on the census who have supplemental life coverage of \$400,000, even though they have salary over \$200,000 and have elected 2x salary. Please confirm that this \$400,000 limit was in error for the following insureds:

| Position                      | Birthdate  | Salary  | Supp Life per census | Calculated Supp Life |
|-------------------------------|------------|---------|----------------------|----------------------|
| City Attorney                 | 03/06/1959 | 357,497 | 400,000              | 715,000              |
| Fire & Police Pension         | 06/13/1966 | 255,094 | 400,000              | 511,000              |
| Aviation Director             | 08/09/1969 | 309,000 | 400,000              | 618,000              |
| Public Health Director        | 08/02/1967 | 256,526 | 400,000              | 514,000              |
| Economic Development Director | 09/21/1972 | 208,920 | 400,000              | 418,000              |

Response: \$400,000 is the guaranteed issue limit.

Question 11: We understand that uniformed personnel are not eligible for supplemental life or dependent life coverage. How many employees are eligible for these coverages?

Response: There are 12,543 authorized positions.

Question 12: Please describe any established file transfers you have in place today.

Response: Files are transmitted bi-weekly.

Question 13: Please describe your evidence of insurability process; including such things as submission, follow-up, and notification.

Response: Currently, we are in the process of upgrading our benefits management solution. The finalized process will be in electronic format.

Question 14: Please provide a description of your claim's submission process; including such items as information gathering, submission, follow up and resolution.

Response: Claims are submitted electronically via the current vendor's portal and managed

directly with vendor.

Question 15: Please provide the details of your current portability/conversion administration process.

Response: This process is paper based with the former employee submitting directly to vendor.

Question 16: What's the best way to communicate with your employees during enrollment and throughout the year?

Response: The COSA team sends out a variety of communications to employees to include but not limited to emails, post mail, in person meetings, and virtual meetings.

Question 17: Are current beneficiary designations held electronically or on paper?

- a. Who holds current beneficiary designations?
- b. What is the process to share beneficiary information with the current carrier?
- c. Are designation details (e.g., name, class, share) stored as system data, images, or both?

Response: The information is stored electronically. COSA holds the designations. COSA will provide the information to the carrier.

Question 18: I have been providing Life and AD&D insurance to another county in Texas. Can I organize the City's response in a similar way and submit my proposal?

Response: The response should be in the format requested in the RFP Section 008, Proposal Requirements.

Question 19: Can we get in-force rates for all Life Coverages including VL, Spouse, AD&D, and Child Life and of course BL rate?

Response: See response to Question 7.

Question 20: When was the last open enrollment?

Response: The last open enrollment was held in October 2024.

Question 21: Are we to include the EAP?

Response: No.

Question 22: Any implementation fee to be included?

Response: Yes.

Question 23: Are any other lines out to bid?

Response: No.

Question 24: Can you please provide current basic life/AD&D rates along with supplemental rate (by age band, if applicable) for this RFP?

Response: See response to Question 7 and page 10 of RFP Exhibit 10-Employee Benefit Booklet.

Question 25: Can you supply us with the current employer paid Basic Life and AD&D rates?

Response: See response to Question 24.

Question 26: Can you provide a recent monthly bill/invoice with covered lives and volume by product and age band?

Response: See response to Question 9.

Question 27: Please provide the rate history since 2021.

Response: See response to Question 7.

Question 28: Do you have any plan change history or information?

Response: There have been no plan changes.

Question 29: Could we receive confirmation that the V Life rates listed in the RFP are bi-monthly, or would it be possible to provide the monthly rates instead?

Response: See response to Question 7 for semi-monthly rates.

Question 30: May we have the basic life, AD & D and Dependent basic life history rates?

Response: See response to Question 7.

Question 31: Can we receive confirmation of the basic life rates for all the experience periods provided, back to 2021? (In order to determine the appropriate adjustment to our loss ratio, we need to know if rates went up or down during the experience period.)

Response: See response to Question 7 and review RFP Exhibit 12-Claims (2021-2024) and RFP Exhibit 13-Experience Package (2021-2024).

Question 32: Can we find out if there were any AD&D claims during the experience period that influenced the loss ratio?

Response: Please review RFP Exhibit 13-Experience Package (2021-2024).

Question 33: Can we ask for an individual claim certificate report that shows each claim, DOB, DOD, amount for the 5-year experience period, so we can see if there were any high amount claims that can be adjusted in the experience? With this data, we can also see if the demographic risk is improving with this information.

Response: See response to Question 8.

Question 34: Could you please provide a current invoice from BCBS?

Response: See response to Question 9.

Question 35: Could you please provide current rates and rate history?

Response: See response to Question 7.

Question 36: Please confirm you wish us to handle beneficiary management. If yes, would you like us to be able to offer beneficiary claim submission telephonically?

Response: See response for Question 17.

Question 37: Please confirm you can provide a termination file for port/convert services.

Response: We currently do not send a termination file.

Question 38: Please confirm who distributes claim forms to beneficiaries, and how the carrier is notified of a claim.

Response: The COSA Team distributes the forms to beneficiaries and notifies the carrier.

Question 39: Please provide a copy of your current beneficiary claim packet.

Response: See RFP Exhibit 22-Life Claim Packet. Posted as a separate document.

Question 40: Are there any value adds that are highly utilized by your employees?

Response: As it pertains to life insurance, no.

Question 41: Please confirm whether your life carrier is providing call center support outside of beneficiary questions.

Response: No, the life carrier is not providing call center support outside of the beneficiary questions.

Question 42: Please confirm if the proposed rates should include any credits payable to the City and/or Benefit focus.

Response: Yes.

Question 43: Please confirm if any credits or fees are included in the current rates?

Response: Yes.

Question 44: How long has the current disability provision been in effect? If the current disability provision has been in effect for fewer than 5 years, what was the prior provision? What changes, if any, to the current disability provision are being proposed?

Response: The provision has been in place since 1985. There are no changes being proposed to the disability provision.

Question 45: Please provide rates for Basic Life and AD&D Coverages (only supplemental rates appear to be provided).

Response: See response to Question 7.

Question 46: Please provide a listing of covid claims by date paid, amount, coverage, and population.

Response: We do not have clear death related cause to COVID if this was the intent of the question.

Question 47: Is 5 years of claims by date paid (2021-2024 provided) separated by line of coverage (and by population, if applicable) available? Please also provide interest paid, conversion/portability charges, and claim counts, as well as reserves as of the end of each year: pending, IBNR and Waiver of Premium (if applicable).

Response: See response to Question 8.

Question 48: Are paid claims shown in the experience on an incurred or date paid basis? If on and incurred basis, please provide them on a date of payment basis.

Response: See response to Question 8.

Question 49: Is a recent invoice available including the lives and volume by age bracket?

Response: An invoice is available, but it does not reflect the age bracket. You can also review RFP Exhibit 19-March 2025-DEP, RFP Exhibit 20-March 2025-EMP and RFP Exhibit 21-March 2025-SUPP.

Question 50: Are premiums expected to be paid within a 30-day grace period?

Response: Yes.

Question 51: Have there been any plan design changes over the past 5 years? If so, please provide the details and dates of any change(s).

Response: No.

Question 52: Does the City of San Antonio currently partner with or have plans to partner with a third-party entity that will assist in their benefit administration? Please include the name(s) of the entity partners(s) being considered and explain the scope of services they will provide.

Response: No.

Question 53: Is it possible to get a Waiver of Premium listing by coverage that includes the date of disability, birthdate, gender, face amount, ultimate amount, and reserve currently being held?

Response: See response to Question 8.

Question 54: Was there an open enrollment or a “free one up” or any other underwriting liberalization in the last 5 years? If so, specify the date and conditions.

Response: No, this has not occurred previously in the last 5 years.

Question 55: Under “Additional Requirements” in the RFP the following is noted as a requirement: “Vendor will allow existing employees who were previously insured for voluntary life to increase coverage of an additional two times their annual salary on a guarantee issue basis”. The current contract states the Guarantee Issue Level as “\$400,000 or 2.00 times Annual Salary, whichever is less. This request, noted as a requirement, would not comply with the current contract Guarantee Issue limit. Please explain how this can be done with the current contract GI and why this is being requested?

Response: This would be for the initial open enrollment period with the new vendor on a one-time basis.

Question 56: Please share any current challenges you would like to resolve.

Response: There are no current challenges at this time.

Question 57: Will you accept an electronic signature from the appropriate executive at our company in lieu of a manual signature?

Response: Yes, an electronic signature from the person authorized to submit a proposal on behalf of your company is acceptable on the RFP Attachment H-Signature Page.

Question 58: Is your most recent bill/invoice available?

Response: See response to Question 9.

Question 59: What are the current rates for each line of coverage?

Response: See response to Question 7.

Question 60: Are Employee and Spouse Supplemental Life Step-rated (or age banded)? If so, please provide the age bands and their applicable rates/volume/premium.

Response: Employee is age banded. See response to Question 7. There is no age band for a Spouse.

Question 61: Are Dependents able to be identified by Spouse and Child on census?

Response: No.

Question 62: Please include the insurance coverage for Dependent Life on the census. It currently has \$0 for all dependents.

Response: The coverage is \$10,000 for children and \$25,000 for the spouse.

Question 63: Census doesn't specify "Municipal Judge" in the Occupation column. Can you confirm which occupations should be considered Class 2?

Response: Our current policy has two classes, one that covers judges and one that covers the remaining employee population.

Question 64: What is the reason for having 2 classes if all the plan provisions are the same?

Response: The municipal court judges are appointed officials unlike other employees.

Question 65: Is a claim listing available with Benefit Amount and Incurred Date on the same table?

Response: See response to Question 8.

Question 66: Are claims able to be identified by Basic Life, Supp Life, Dependent Life, and Basic ADD? If not, please add approved claim counts per year on summary tables for Paid Claims and Waiver Reserves.

Response: See response to Question 8.

Question 67: Is a claim listing available with Life Waiver of Premium face amount?

Response: See response to Question 8.

Question 68: How does the client educate and communicate to their employees about benefits and benefit changes?

Response: The COSA Team uses various methods to educate employees about benefits to include but not limited to monthly webinars, trainings, and townhalls. The communication is distributed via verbal or written communication.

Question 69: When was the last open enrollment?

Response: See response to Question 20.

Question 70: What is the current enrollment method on all voluntary lines?

Response: The current enrollment methods are done by paper and done electronically.

Question 71: What Benefits Administration vendor or platform does this client use for: Enrollment, Eligibility, Payroll and Timekeeping?

Response: Benefitfocus is used for Enrollment & Eligibility. SAP is utilized for Payroll & Timekeeping.

Question 72: If using an HCM (Human Capital Management) system, please provide name.

Response: Employee Central – SAP is the system that is used.

A handwritten signature in black ink, appearing to read "Charisma Esparza".

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Charisma Esparza  
Procurement Manager  
Finance Department-Procurement Division