



RFP 23MCO612

In response refer to RFP NO. 23MCO612 Addendum 1 and Response to Questions July 31, 2023

Gentlemen/Ladies:

This addendum is being issued to include the following attachments.

- 2023 Schedule of Medical and Dental Benefits
- Express Scripts Agreement
- Health and Dental Rates 2022-2023 with TABS-24 Periods
- Stop Loss Agreement

The following questions have been asked according to the instructions of the bid and are hereby answered:

1. Does the County's plan continue coverage for retirees once they reach Medicare eligibility age (Medicare becomes primary)? If so, how many retirees are covered, what is the County's monthly subsidy and provide a brief overview of the product(s) offered?

Yes, Midland County does continue coverage for retirees who reach Medicare eligibility. The coverage option does not change from the normal coverage offered to all other employees or retirees. The only change is that Medicare becomes the primary coverage. The latest count of retirees over 65 is 157. The County covers 100% of the premium for health once a retiree reaches age 65. The retiree still pays the premium for dependents, dental and vision if applicable.

2. What carrier writes the current insurance stop-loss contract? What type of contract is used (12/15, Paid)? What is the current individual stop-loss deductible? What is the aggregate corridor of expected claims? (e.g. 125%)

See attached document entitled "Stop Loss Agreement".

3. We are preparing our proposal and had a question around the insurance requirements on page 5. Would the county be amenable to the following changes? Our legal team feels they do not apply to the services being proposed and would like to clarify that. Thank you!

INSURANCE:

The awarded Vendor will maintain such insurance as will protect the Vendor and the County from claims under the Workers' Compensation Acts, and any amendments thereof, and from ~~any other~~ claims for damages from personal injury, including death, which may arise from operations under this agreement, ~~whether such operations be by themselves or by any sub-contractor, or anyone directly or indirectly employed by either of them.~~ Current Certificate of such insurance shall be furnished to Midland County and shall show all applicable coverage(s).

Other insurance requirements are:

- General Liability (including completed operations) with a \$1,000,000 per occurrence limit and \$2,000,000 general aggregate. ~~Coverage should also apply within the general liability or by separate pollution liability policy for the liability arising out of the use of herbicides or other chemicals.~~
- Commercial Automobile Liability with a limit of no less than \$1,000,000. The coverage will also extend liability to hired and non-owned autos.
- Workers' Compensation with limit of \$1,000,000 for Employers Liability.
- We also require a minimum umbrella (or follow form excess policy covering over general liability, auto liability and workers compensation) of no less than \$2,000,000.

Midland County will require the selected Vendor to name Midland County as an additional for both the general liability and auto liability. A waiver of subrogation in favor of the County is required for the workers compensation. If the additional insured status or waiver of subrogation is not blanket, please send a copy of the actual endorsements prior to commencement of any work.

Midland County will require the selected Vendor to name Midland County as an additional insured and provide a waiver of subrogation prior to making a contract.

The first paragraph should remain as published. We can remove the sentence regarding pollution exposure.

4. Does Midland County currently utilize the services of a consultant? If so, who? And how are they compensated? Monthly flat fee or a per employee/retiree monthly fee? Or do they receive a commission on any products like stop loss or voluntary benefit products?

Midland County does not currently use a consultant for our employee benefits. We utilize a TPA, Boon Chapman, and they advise on benefits as necessary.

5. It is my understanding that Midland County has a prescription rebate/discount plan through ESI (Express Scripts). Is it possible to have a copy of that contract provided? Gallagher has a couple of very competitive pharmacy collectives as well and we would like to make some comparisons.

See attached document entitled "Express Scripts Agreement."

6. We would like to have a copy of your current Employee Benefit Guide (booklet) with plan details and contribution (payroll deductions) requirements. Any information on your Retiree benefits would be helpful.

See attached document entitled "2023 Schedule of Medica and Dental Benefits". The County only provides one benefit plan. Current employees and retirees receive the same coverage plan.

7. What is the current County payroll system and/or the underlying technology? And do the County have a separate HR Information System too?

Midland County utilizes New World ERP for the finance and HR management. This is a product of Tyler Technologies. The County has been on this system since 2015.

8. The RFP notes (153 Retirees). Does the (153) include total members EE/Dependent CH-SP or qualified EE only beneficiaries?

Correction on the count of retirees; our covered retirees is currently 219. This count is for eligible retirees only, and does not include covered dependents.

9. Can qualified retirees/dependents stay on the primary ASO health plan? See CAFR Annual Report note (#7) below:

CAFR Note 7 on the Midland County 2022 annual CAFR Report Other Post-Employment Benefits

A. Plan Description In addition to providing pension benefits (described in Note 6), the County provides certain post-employment health care benefits (OPEB). County employees qualify for OPEB if they are considered retired or disabled. Retired employees who have 30 years or service, are at least age 60 with 8 years of service, or their age and service years sum to 75. Disabled employees have at least 8 years' service and incurred a work-related injury or are disabled with 30 years of service. Employees who qualify may elect OPEB for their spouses and dependents under age 26. Spouses and dependents may elect to continue under the County's plan if retiree dies. The County assumes \$619 of the monthly premium and the individuals under the plan assume the remaining premium. Midland County, Texas Notes to Financial Statements 51 B. Funding Policy Local Government Code Section 157.1010 assigns the authority to establish and amend benefit provisions to the Commissioners' Court. The County is under no legal obligation to pay these premiums, and the decision to provide these benefits is made by the Commissioners' Court on a year-to-year basis.

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10. We assume that retired qualified beneficiaries/dependent are covered post 65 due to Midland County population well over 75,000-Chapter 175 Local Gov Code. Is this true?

Correct.

11. What is the benefit coverage of retirees Post-65? Does the County offer an insured Medicare Supplement plan post 65? Part A, B, or a Medicare Part C? Do Post 65 Benefits secure Part D (RX) via the County Plan? Who is the contracts Post 65 plan vendor?

See question 1. Medicare becomes primary for retirees over 65, and the plan pays as if they have parts A and B. Prescription coverage is covered by the County.

12. There is language under Midland Count RFP Specifications (#8) above activities for GASB 45. Does the County want the consultant to provide a cost/service for filing the bi-annual GASB report?

The County would ask the consultant to be able to provide requested information related to GASB 45, but would not be responsible for the actual filing of the report.

13. It does not state in the SPECIFICATIONS Scope of Services SECTION the oversight of Premise Health EE Clinic. Will this benefit be managed by the Consultant as part of this proposed contract AND included in an vendor RFP work?

The County operates a clinic for eligible employees and retirees. This clinic is managed by Premise Health. We would like the chosen consultant to provide an analysis of this benefit, and provide recommendations. It is not expected that the consultant would take over management.