

Washington County Schools

May 13, 2019

INVITATION TO BID

Qualified Licensed Insurance Carriers For Life and Disability Insurance

1. Overview

The Washington County Board of Education is seeking bids from qualified licensed insurance carriers for all the following plans to be effective July 1, 2019:

1. Employer Paid Group Life and Accidental Death and Dismemberment
2. Employer Paid Group Short-term Disability Insurance.

At this time, the School District workforce consists of approximately 1,200 active full-time employees and their dependents. Currently, the School District purchases Employer Paid Group Life/AD&D and Employer Paid Short-term Disability from Dearborn National.

Benefit Planning Advisors will be coordinating this Invitation To Bid (ITB) for the School District.

2. Purpose and Evaluation Method

The school district feels it is prudent to seek bids at this time to ensure that it is receiving the best product, service, and price for life insurance and short-term disability coverage. A Contract will be awarded to the bidder on the basis of recognized competence, integrity and cost.

1

The school district will determine whether a Bidder is responsive by evaluating the completeness of the Bid submission (including the Bid Quote Form and the information and documents produced) and the acceptance, without exception or limitation, of the required terms and conditions of the coverage provisions specified in this life and short-term disability insurance agreement. The School District will determine whether a Bidder is responsible by evaluating financial strength (as reflected by standardized ratings and insurance coverage); experience (as reflected by references and industry reputation); and adherence to legal obligations (as measured by litigation history and regulatory agencies). The School District and its consultant may conduct such investigations as they deem necessary to establish the responsibility, qualifications and financial abilities of Bidders and will award the contracts to the most qualified Bid that is in the best interest of the School District.

The School District reserves the right to reject any and all Bids, all bids or parts thereof and award on what is determined as best dollar value for employee protection which may not be that of low bid. Further, award may be made for Items 3.3 I/II or III grouped, or separately. The decision reached and any action taken by the Board will remain conclusive. The successful bidder(s), if any, will be notified by letter of committal following Board action of award.

Bidders should respond to all questions in this Invitation to Bid and complete the Bid Quote Form. Please provide Bids for one or both of the options on the Bid Quote Form.

Washington County Board of Education has selected Benefit Planning Advisors, LLC as their broker of record, participation by brokers or commissioned agents will not be allowed during the proposal process or during the term of the proposed contract.

A Letter of Intent to Bid should be emailed to Mike Ankrum (see contact information in section 4.11) no later than **Monday, May 20, 2019**. The Intent to Bid may be sent in the form of an email message or a Word document attachment that is emailed. Briefly state the Bidder's understanding of the work to be done. Bidders may withdraw their Letters of Intent to Bid at any time before the deadline for submittal of Bids. Submittal of a Letter of Intent to Bid is not a prerequisite for submitting a Bid, but it is necessary to ensure a Bidder's receipt of amendments and other communications regarding the ITB.

Please note the following:

- Specific questions concerning the ITB should be emailed and to Mike Ankrum (see contact information in Section 4.11) by **Wednesday, May 22, 2019**. No questions should be submitted directly to the School District.
- The School District will prepare responses in writing to questions received by **Wednesday, May 22, 2019**. The responses will be sent to Bidders by **Friday, May 24, 2019**.
- Additional questions shall be entertained at any time throughout the ITB process prior to the Bid submission deadline; however, responses may be deferred, and are not guaranteed to be provided by the Bid submission deadline.

The School District will accept replies from Bidders until **Tuesday, May 28, 2019 at 2:00 P.M. local time**. Bids received after that time will not be considered. The School District is requesting an effective date of **July 1, 2019**.

Final contracts are expected to be presented to Board of Education for approval on **Thursday, June 6, 2019**.

The following attachments are available upon request to Mike Ankrum (see contact information in Section 4.11):

- a) Employee census (de-identified)
- b) Claims experience
- c) Current rates
- d) Current commission levels
- e) Current Benefits Summary for:
 - i. Employer Paid Life and AD&D
 - ii. Employer Paid Short-term Disability

A sample of the Bidder’s contract is required as part of the Bid, in addition to written responses to the ITB and the completed Bid form. All questions or requests for clarification should be directed to Mike Ankrum at the contact information listed below. No other persons should be contacted regarding this ITB.

Mike Ankrum Benefit Planning Advisors
615-243-2311 mankrum@benefitpa.com

INVITATION TO BID SCHEDULE

| Activity | Target Date |
|--|--------------------|
| School District Issues Invitation to Bid | 5/13/2019 |
| Submittal Deadline for Letter of Intent to Bid | 5/20/2019 |
| Deadline to Submit Written Questions | 5/22/2019 |
| District Issues Responses to Written Questions | 5/24/2019 |
| Deadline to Submit Bids | 5/28/2019 |
| Final Contract Presented to School Board | 6/6/2019 |
| Broker Notifies Selected Bidder | 6/7/2019 |
| Contract Effective Date | 7/1/2019 |

3. Specific Requirements

3.1 Individuals Covered

Bidders must agree to the following:

- All pre-existing condition restrictions should be waived for current insureds to the extent of the current plan.
- Agree to waive all medical evidence requirements and allow School District’s current enrolled employees in Group Life and AD&D and Short-term Disability participants to maintain current coverage amounts.

3.2 Actively at Work Provision

Bidders must agree to the following:

- Wasive its standard “Actively at Work” provision on the effective date of coverage to the extent that an individual is not covered by the “Continuation of Benefits” clause of the current policy.
- The actively-at-work (AAW) needs to be waived on all plans to cover any claims not covered under the insured extension of benefits and waiver-of-premium provisions.
- Those who are out on disability and are over age 60 must be covered under the new insurance plans to the extent they would have been covered under the prior plan. Also, those who are currently receiving partial disability benefits must also be covered.

3.3 Current Coverage

Bidders must match, or exceed, the coverage requirements described in this section.

1) BOARD FUNDED GROUP LIFE INSURANCE FOR PROFESSIONAL PERSONNEL

- a) Group life coverage in the amount of **\$25,000** for each professional certificated employee will be considered.
- b) Monthly premium will be determined by the number of professional employees on the payroll for that month.
- c) Members remaining in active service beyond age 70 will realize reduction in benefits (age 70 to realize 50% of original benefit, age 75 30% of original benefit).
- d) There are no conversion privileges.
- e) At the option of the Washington County Board of Education, the plan will be for a three-year period. Coverage on this group life, if awarded, will be resecured by bid at the end of that three-year period.

2) BOARD FUNDED GROUP LIFE INSURANCE FOR SUPPORT PERSONNEL

- a) Group life coverage in the amount of **\$15,000** for each support employee. The decision for which value of coverage will be made by the Board of Education.
- b) Monthly premiums will be determined by the number of support employees on the payroll for that month.
- c) Members remaining in active service beyond age 70 will realize reduction in benefits (age 70 to realize 50% of original benefit, age 75 30% of original benefit).
- d) There are no conversion privileges.
- e) At the option of the Washington County Board of Education, the plan will be for a three-year period. Coverage on this group life, if awarded, will be resecured by bid at the end of that three-year period.

3) BOARD-FUNDED GROUP DISABILITY FOR PROFESSIONAL PERSONNEL

- a) Group coverage at 70% of basic weekly earnings at a maximum amount of **\$90** per week for each professional certificated employee will be considered.
- b) The plan will pay for a maximum of 26 weeks benefit for sickness or injury to age 70.
- c) Pregnancy to be covered same as sickness.
- d) Disability benefits to begin after a 15-day elimination period regardless of teacher's accumulated sick days pay or summer pay from 10 months salary (should such be divided into 12 monthly pay increments).
- e) Monthly premium will be determined by the number of professional employees on the payroll for that month.
- f) There are no conversion privileges.
- g) At the option of the Washington County Board of Education, the plan will be for a one-year term. Coverage on this group disability, if awarded, will be resecured by sealed bid at the end of that three-year period.

3.4 Description of Organization

State the full name and address of your organization, including all branch offices that will be responsible for performing the services included in this Bid. Submit a copy of your Tennessee license.

Submit information about your financial performance rating from A.M. Best and Standard and Poor's. Bidders shall hold at least an A rating or better at the time of Bid submission with A.M. Best in order to submit a Bid.

Submit a copy of your sample contract.

3.5 Processing

Describe your claim processing standards for turnaround time, procedural accuracy and financial accuracy. Describe your appeals process. Describe system edits for detecting fraudulent claims.

Self-billing is required for Group Life Insurance and Group Short-term Disability.

3.6 Thoroughness of Response to Invitation to Bid

In addition to submitting the attached Bid Quote Form, all Bids must be submitted in writing and specifically address all of the requirements listed above.

4. General Requirements

4.1 Approval by Regulatory Authorities

Bidder shall be approved by the appropriate regulatory authorities in the State of Tennessee to provide the services herein described.

4.2 Compliance with Laws

Bidder's contract shall comply with applicable Federal, State, and Local statutes, rules, and regulations.

Bidder must disclose any other names or former names under which it has operated.

4.3 Insurance

The successful Proposer shall maintain at least the following commercial insurance policies for the duration of the Contract in the amounts specified:

- Professional liability (errors and omissions) insurance affording professional liability insurance – To a limit of \$1,000,000 each claim, and \$2,000,000 aggregate.
- Technology Errors and Omissions insurance - to include data breach and loss of personally identifiable information – To a limit of \$1,000,000 each claim, and \$2,000,000 aggregate.

The selected Proposer must provide School District with the required insurance certificates and endorsements prior to contract execution.

4.4 Consequence for Unsatisfied Requirements

Failure to meet specifications as outlined or failure to provide any of the information asked for or addressed in this Invitation to Bid in a manner which will permit thorough assessment of a Bidder's program will be grounds to reject the Bid.

4.5 Rejection

The School District reserves the right to reject individually or collectively all Bids and to accept Bids in full or in part as deemed to be in the best interest of the School District.

4.6 Assignment

The successful Bidder shall not assign, transfer, convey, sublet or otherwise dispose of any contract award or any or all of its rights, title or interest therein, without prior written consent of the School District. Such consent by the School District shall not relieve the assignor of liability in the event of default by the assignee.

4.7 Indemnification

The successful Bidder shall defend, indemnify, save harmless, and exempt the School District, its officers, agents, servants, and employees from and against any and all such suits, actions, legal proceedings, claims, demands, damages, costs, expenses, attorney fees and any and all other costs or fees incident to any work done as a result of the Invitation to Bid and as a result of award of the contract and arising out of a willful or negligent act or omission of the successful Bidder, its officers, agents, servants, and employees.

4.8 Venue

Venue shall be in the applicable court for Washington County, Tennessee.

4.9 Applicable Law

The laws of the State of Tennessee shall govern any Agreement entered into as a result of this Invitation to Bid. No rights, remedies, and warranties available to the School District under any agreement or by operation of law will be waived or modified unless expressly waived or modified by the School District in writing.

4.10 Contract Term and Effective Date

The contract for the School District will commence on **July 1, 2019**. The School District wishes to receive a three-year contract with the option to extend up to two additional one year periods. The contract can be terminated by the School District with at least thirty (30) days' prior written notice of termination. The contract can be terminated by Bidder only for the School District's failure to pay after 60 days have passed from written notification to the School District of failure to pay.

4.11 Contact Information

Any questions regarding any of the terms above should be directed to:

Mr. Mike Ankrum
Benefit Planning Advisors
PO Box 1923
Spring Hill, TN 37174
615-243-2311 Email address: mankrum@benefitpa.com

No persons other than Mike Ankrum should be contacted in regard to this ITB.

4.12 Address and Bid Submission

Five sealed hard copy Bids and one electronic version should be marked “Washington County Board of Education Life and Disability ITB” and submitted to:

Wendy Mobley
Washington County Board of Education
405 W College Street
Jonesborough, TN 37659
423-753-1100

In addition, **one sealed hard copy of the Bid and one electronic version** should be marked “Washington County Board of Education Life and Disability ITB” and submitted to:

Mr. Mike Ankrum
Benefit Planning Advisors
PO Box 1923
Spring Hill, TN 37174
615-243-2311 Email address: mankrum@benefitpa.com

Bids should arrive at the above addresses no later than 2:00 P.M. local time on **Tuesday, May 28, 2019**. One sealed hard copy proposal sent to the School District should be labeled “Original” and the other sealed hard copies sent to the School District and Mike Ankrum should be labeled “Copies”.

Any proposals received after the deadline of **2:00 P.M. local time on Tuesday, May 28, 2019** will be returned unopened.

Any changes to this ITB or its schedule will be sent to Bidders who completed a LOI.

BID QUOTE FORM
Group Life and Disability Coverages
for Professional Certificated and Support Employees
To be selected, June 6, 2019

Bidder has read Invitation to Bid with Specifications, understands and by submitting this proposal hereby agrees, upon receiving letter of committal as notification of award, to provide life and/or disability insurance coverage for professional and support employees of

The Washington County Board of Education
Jonesborough, Tennessee

to commence at 12:01 a.m., July 7, 2019, as specified, described, reasonably implied and awarded from the following detail of Bid:

I. GROUP LIFE INSURANCE to be paid by the Washington County Board of Education for all PROFESSIONAL PERSONNEL:

ANNUAL PREMIUM PER EMPLOYEE for \$25,000 coverage \$ _____

II. BOARD FUNDED GROUP LIFE INSURANCE for all SUPPORT PERSONNEL:

ANNUAL PREMIUM PER EMPLOYEE for \$15,000 coverage \$ _____

III. BOARD FUNDED GROUP DISABILITY INSURANCE for all PROFESSIONAL PERSONNEL:

ANNUAL PREMIUM PER EMPLOYEE for \$90.00 per week benefit \$ _____

EXCLUSIONS and/or CONDITIONS to be detailed on the following page:

Are SPECIMEN POLICIES enclosed? yes _____ no _____

NAME of INSURANCE COMPANY represented by these quotes _____

CLAIMS will be PROCESSED from _____
address

BID WILL BE HONORED THROUGH _____ - _____ - _____
Month day year

printed name of bidder agency

signature of representative address

date

phone (toll free, if available) FAX #