



**CITY OF MEMPHIS**

**REQUEST FOR PROPOSAL**

**#119755**

**LIFE AND DISABILITY INSURANCE, ADA AND ABSENCE  
MANAGEMENT**

### **Addendum Three**

This Addendum will become part of the Contract Documents. In case of difference with previous Addenda or communications, this Addendum takes precedence. Receipt will be acknowledged by inserting the Addendum number and its date in the RFP Response.

1. Clarifications to Vendors

Questions & Answers

Except to remove vendor names and addresses, questions are provided exactly as submitted.

#		Section	Question / Answer
1	Q		It was stated that as of 1/2021, the Active Death Benefit is a Flat 10K with no reductions for age. In the claims listing, there are active employees in 2021 receiving 5K. Are these retirees that are mislabeled as actives
1	A		These are active employees that were not actively at work on the effective date of the plan change but passed after this date would only be eligible for the 5k benefit.
2	Q		Certs and Q&A say Retirees do not have contributory life. Census has a contributory retiree column. Please clarify which is correct?
2	A		Retirees do not have contributory life coverage. These are legacy retiree coverage amounts from when the \$5,000 death benefit was split between the City and the insurer. In all but 5 instances, the sum of the Death Benefit column and the Life Retiree Contributory column add to the \$5,000 death benefit.  We do not have a clear answer for the 5 instances where the sum of the Death Benefit column and the Life Retiree Contributory column add to \$8,000. Please assume they are eligible for the standard \$5,000 Death Benefit.
3	Q		Q&A Question 9 says all 5,830 retirees should be receiving the 5K Death Benefit. Q&A question 20 says retirees without a listed death benefit volume are disability or widows, indicating they would not be covered. Which is correct
3	A		The second statement is correct. Because this is not a voluntary benefit, the enrolled (i.e. show a Death Benefit amount in the census) and the eligible numbers are the same. If there is no Death Benefit listed in the census file N3, those individuals are not eligible for the benefit.
4	Q		The census files for BTL classes 3, 4, 5, and 6 do not have all the information needed to use in our rating and analysis. They only have benefit volume and class – no age, gender, or salaries. Can you please provide updated files for the individuals in these classes?
4	A		Class 3 - City Center (Attachment N6 - Life & TAM RFP - City Center Add. Census) Class 4 - Credit Union (Attachment N7 - Life & TAM RFP - Credit Union Add. Census) Class 5 - Airport Authority (Attachment N8 - Life & TAM RFP - Airport Authority Census)

			Class 6 - Sworn Policy Reserves
5	Q		Q&A says City Pension employees do not pay into social security. Are all active employees city pension employees? The only EEs listed as "City Pension" in the job description are retirees who would not be eligible for disability. Can you please clarify on who is paying into SSDI from the active LTD population?
5	A		Social Security Plan - 457 (b) Contributions for certain AFSCME and social security only employees. Since July 1, 1995, the City of Memphis has funded a deferred compensation plan for City employees who are not eligible for the City's pension plan due to social security coverage.  AFSCME Solid Waste workers pay into SSDI.
6	Q		To build on this, our internal PERS documents list the state of TN PERS plan as SSDI eligible, so it would appear this is different than the state plan.
6	A		For City employees who do not participate in Social Security, the City has their own retirement program separate from the State Plan.
7	Q		For the Pricing Form, please confirm if our Life and STD rates should be bi-weekly (our standard is to communicate these rates on a monthly basis)
7	A		This was not asked in the initial round of questions. Please provide quotes on the basis stated in the pricing form.
8	Q		For the Pricing Form, please confirm requested LTD rates are per 1,000 (our standard is to communicate LTD rates on a per \$100 basis)
8	A		This was not asked in the initial round of questions. Please provide quotes on the basis stated in the pricing form.
9	Q		In reviewing the updated census provided yesterday (N3) and comparing it to the 1/2023 reported volumes the active basic/contrib life is off by 13.2%. In order to complete our proposal, we need to receive clarification on the lives/volume discrepancy, or our quote will be illustrative.
9	A		The Census N3 is as of 3/1/23. Please include the additional census: Attachment N6 - Life & TAM RFP - City Center Add. Census Attachment N7 - Life & TAM RFP - Credit Union Add. Census Attachment N8 - Life & TAM RFP - Airport Authority Census  The difference between the collective census files and U8 (March) is less than 1% and have slightly different dates of data pull/calculation.
10	Q		

10	A		
11	Q		
11	A		