



CITY OF HOUSTON
FINANCE DEPARTMENT
Strategic Procurement Division

Annise D. Parker

Mayor

Carolyn Hanahan
Acting Chief Procurement Officer
P.O. Box 1562
Houston, Texas 77251-1562

T. 832.393.9127
F. 832.393.8755
<https://purchasing.houstontx.gov>

September 8, 2015

SUBJECT: Letter of Clarification No. 1 Voluntary Supplemental Insurance for the City of Houston Human Resources Department

REFERENCE: Request for Proposal No. S69-T25538

TO: All Prospective Proposers

This Letter of Clarification is issued for the following reason:

- 1. To Add Exhibit XIX – Sample Contract-Voluntary Supplemental Insurance**
- 2. To provide proposer's with a response to the following:**

1. Are the existing AFLAC policies coming off of payroll deduction if a new carrier is selected?

Answer: The current policy holders will have an option to maintain their current policies or select from the new policies that will be effective May 1, 2016.

2. How many policies are in force per product (Hospital, Accident, Cancer) with AFLAC today?

Answer: Please refer to the Experience report in Exhibit XVII.

3. Will only one carrier per product be selected to offer the benefits?

Answer: Yes, one vendor per product or one vendor for all three products.

4. *Would you be open to discussing the possibility of the plans being built onto your core enrollment system if carrier funds the expense of the build-out and data interface?*

LETTER OF CLARIFICATION 1
VOLUNTARY SUPPLEMENTAL INSURANCE
SOLICITATION NO. S69-T25538

Answer: No. The City of Houston previously removed these plans from the core enrollment system and assigned full administrative accountability to the vendor. The vendor manages and administers all components of the program: employees' enrollment, processing of employees' elections and providing an electronic file to the city with the employee's payroll premium amounts. The city deducts premiums from the employees' payroll checks, then includes their elections on subsequent eligibility files sent to the City of Houston. All customer interfaces are handled by the vendor.

5. Why are Attachments and XII and XIV not available on the system?

Answer: Several exhibits have been intentionally omitted as attachments. These documents are embedded in the Request for Proposal on ProposalTech at www.ProposalTech.com. Please go to this website to locate the information in the exhibits below and to complete the RFP.

- ***EXHIBIT X- GENERAL QUESTIONNAIRE***
- ***EXHIBIT XI- COST QUOTATIONS***
- ***EXHIBIT XII- PERFORMANCE GUARANTEES***
- ***EXHIBIT XIII- BENEFITS CHARTS***

EXHIBIT XIV is the "sample contract" which was posted on 9/4/15 and updated on 9/8/15 in the Reference Exhibits section on ProposalTech.

When issued, Letter(s) of Clarification shall automatically become a part of the proposal documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the proposers to ensure that it has obtained all such letter(s). By submitting a proposal on this project, proposers shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this proposal.

If you have any questions or if further clarification is needed regarding this Request for Proposal, please contact me.

Regards,

Regina Spencer

Regina Spencer
Senior Procurement Specialist
Strategic Purchasing Division
832-393-8707

END OF LETTER OF CLARIFICATION 1

Partnering to better serve Houston