



DATE: June 21, 2017
SUBJECT: Letter of Clarification #2
RE: HR Benefits Broker RFP
TO: All Prospective Proposers

It is CCSI's intent to conduct this HR Benefits Broker Request for Proposals ("RFP") process to identify the most qualified broker. Additional information regarding fees and the scope of services will be negotiated after the initial selection process. CCSI only requests a description of brokers' qualifications and services provided at this time.

This Letter of Clarification is issued as part of the referenced solicitation for the purpose of answering questions timely received in response to this RFP:

1. **Question:** Will the scope of services for the RFP be posted separately as an addendum? When will this be available?

Answer: No. The scope of services will be determined upon selection of the most qualified proposer.

2. **Question:** Who is the current payroll provider and benefits administration provider (if applicable)? Are they eligible to bid on this opportunity?

Answer: Payroll is not a part of this RFP. CCSI is accepting proposals from all vendors.

3. **Question:** How many full-time/part-time employees does CCSI have?

Answer: CCSI has a total of 226 employees. Out of 226 employees, three employees are part-time employees and 223 are full-time employees.

4. **Question:** How many temporary employees as opposed to part-time employees does CCSI have?

Answer: Temporary employees are not eligible for participation in the benefits program and are excluded from this RFP.

5. **Question:** Do you currently have any file feeds (i.e. EDI files) interfacing between payroll/HRIS and vendors? If so, what vendors are receiving eligibility files?

Answer: Relevant information will be shared with the selected vendor.

6. **Question:** Can you provide a current enrollment guide and/or benefit summaries for the program?

Answer: Please refer to the Houston First website under the “Do Business” tab to the exhibit called “Employee Benefits Guide.”

7. **Question:** Will this RFP include the 401(K) program, if applicable?

Answer: No.

8. **Question:** Are we able to participate in the RFP if we received the information from a third party rather than receiving the information from CCSI?

Answer: Yes. Houston First welcomes all proposals no matter how the proposer receives the RFP.

9. **Question:** Is there currently a minority/small business spend requirement on the carrier contracts? Is there a minority/small business requirement on the current HR broker contract? If so, can you disclose who the minority/small business partners are for each contract?

Answer: While there is no MWBE goal set for this RFP, CCSI encourages diversity participation and desires brokers to present a forward-thinking team able to provide HR benefit services to a diverse array of CCSI employees.

10. **Question:** Are we at a competitive disadvantage participating in the RFP if we are not certified as a MWBE/HUB?

Answer: No.

11. **Question:** Please provide a plan and vendor information matrix.

Answer: Please see the answer to question #6.

12. **Question:** Is CCSI openly accepting proposals from brokers located out of state as long as they are able to provide onsite support as needed? If so, is there a preference for Houston or Texas based brokers?

Answer: CCSI is accepting proposals from all vendors.

13. **Question:** Please confirm the number of participants (or percentages) in your existing medical benefit plan.

Answer: Out of 226 employees, 209 employees participate in our existing medical benefits plan.

14. Question: Please confirm the amount your organization contributes towards the cost of medical insurance by coverage level:

Answer: Please see the answer to question #6.

15. Question: What ancillary benefits are offered (disability, life insurance, etc.)?

Answer: Please see the answer to question #6.

16. Question: How many medical plans do you provide to your employees?

Answer: Please see the answer to question #6.

17. Question: What are the deductible and co-insurance options for your plans?

Answer: Please see the answer to question #6.

18. Question: Will a census of employees be provided?

Answer: An employee census will be provided to the selected proposer.

19. Question: Will a copy of your current medical bill be provided?

Answer: No.

20. Question: When does your current medical and dental policy renew?

Answer: The medical policy will renew December 1, 2017. The dental policy will renew January 1, 2018.

21. Question: When would you like to see coverage begin following the RFP process?

Answer: Please see the answer to question #20.

22. Question: Would you pay your invoices via an automated clearing house (ACH)?

Answer: Broker invoices are not paid via ACH. CCSI will pay its broker within thirty days on the basis of invoices submitted to CCSI.

23. Question: What is the selection criteria?

Answer: Please see the Manner of Selection included in the RFP.

24. Question: Would you consider doing a sole-source justification if a unique healthcare management solicitation can be provided that would include HR services and benefits?

Answer: No.

25. **Question:** Please confirm the percentage increases you have experienced for medical/dental/vision insurance over the last 2 years?

Answer: This information may be provided to the selected proposer.

26. **Question:** Do you carry Workers' Compensation insurance for your operation?

Answer: Yes.

27. **Question:** Would you enter into a co-employment relationship with a PEO?

Answer: No.

The following paragraph has been added to Section 3, "Fees" under the **HR Benefits Broker Services Agreement:**

The Brokers' only source of income, revenue or compensation earned or received by the Broker in connection to CCSI's account is the annual total fixed flat fee paid to the Broker by CCSI. Any other source of income, revenue, consideration, or compensation, including, but not limited to, commissions and overrides received by the Broker in connection to CCSI's account, must be disclosed and reimbursed back to CCSI. At any time, CCSI shall have the right to obtain and audit the Broker's books and records related to compensation for CCSI's account. These records include but are not limited to: Form 5500s, Form 1099s, Commission Statements, Compensation Statements, and Account Statements provided directly by Insurance Carriers, Managing General Agents, and/or compiled by the Broker's internal account management systems.

When issued, Letters of Clarification automatically become a part of the RFP and supersede any previous specifications and/or provisions in conflict therewith. By submitting a proposal, Proposers shall be deemed to have received all Letters of Clarification and to have incorporated them into their proposal.