



Accelerate Progress for Students

Charlotte L. Gensler, CPO
EXECUTIVE DIRECTOR OF PROCUREMENT & ACCOUNTS PAYABLE

Dr. Gabriella Durán Blakey
SUPERINTENDENT

DATE: 9/12/2024

RFP NUMBER: 25-011 KLL

RFP TITLE: Actuarial and Benefits Consulting Services

ADDENDUM NUMBER: 2

Please note the following changes/corrections:

- Opening Date changed from September 16, 2024 at 3:00pm to September 23, 2024 at 3:00pm (local time)

See Attached Question and Answers

Question 1: Will APS extend the bid deadline at least 10 days to provide non-incumbent bidders additional time to complete the proposal response? If agreed, please advise ALL bidders as soon as possible.

Answer 1: The deadline has been extended to September 23, 2024, 3:00 pm local time for all interested offerors.

Question 2a: Regarding Scope of Service #8. Please describe your expectations regarding the PBM market check every other year. Is this a full marketing PBM project? Or is this a review of IBAC PBM RFP results?

Answer 2a: A PBM market check is a best practice to ensure that our PBM pricing and program are competitive with market pricing. This is not a full marketing for PBM services. It is also not a review of the Interagency Benefits Advisory Committee (IBAC) PBM RFP results. As indicated in question 32 of the Scope of Work, RFP's for two or more IBAC agencies are not included in the Scope of Services of this RFP.

Question 2b: Scope of Service #9. Please confirm marketing the stop-loss on behalf of APS will be included in this contract. Is the expectation that the marketing will take place annually? Will the expectation be that the selected consultant must make payment to the stop-loss carrier on a pass-thru basis?

Answer 2b: Yes, marketing stop-loss on an annual basis will be included in the resulting contract from this RFP. The selected consultant is expected to make the annual premium payment to the stop-loss carrier on a pass-through basis (to be reimbursed by APS).

Question 2c: Regarding Scope of Service #34. Please provide clarification around the support requested regarding surveys. Are you asking the consultant to create, design, and/or administer surveys?

Answer 2c: Please refer to the Footnote to item #31 on page 27 of the RFP. We are not asking that the selected consultant create, design and/or administer employee surveys but that they advise and give input to APS on potential employee surveys.

Question 2d: Please provide a copy of the proposed Master Services Agreement the selected consultant will be asked to sign.

Answer 2d: A draft Master Agreement is attached to the bottom of this addendum.

Question 3: If vendor prefers to bid an all-inclusive, lump sum amount, do we need to complete the detail regarding hourly charges?

Answer 3: APS expects respondents to provide pricing for both alternatives.

Question 4: Please provide the following reports: a. Most recent OPEB b. IBNR which includes confidence level analysis c. Utilization, trend and data analysis d. Monthly/quarterly financial tracking e. Most recent medical claims audit f. Most recent PBM claims audit

Question 4a: Most recent OPEB:

Answer 4a: If this question is in reference to Other Post-Employment Benefits (OPEB), APS offers eligible retirees the option to continue up to \$25,000 in Life Insurance on a self-pay basis. Other than the required option to elect COBRA continuation coverage for medical, dental, vision and health care FSA and the option to port or convert life insurance, we offer no other post-employment benefits.

Question 4b: IBNR which includes confidence level analysis:

Answer 4b: As of 6/30/2024, the APS Incurred But Not Paid (IBNP) amount is \$10,045,000. This includes a 15% margin and 90% confidence interval.

Question 4c: Utilization, trend and data analysis:

Answer 4c: Please refer to our response to question #15. APS will not be providing further details as part of this RFP.

Question 4d: Monthly/quarterly financial tracking:

Answer 4d: Please refer to our response to question #15. APS will not be providing further details as part of this RFP.

Question 4e. Most recent medical claims audit:

Answer 4e: The medical plan audits are irrelevant to this RFP.

Question 4f. Most recent PBM claims audit:

Answer 4f: The PBM audit is irrelevant to this RFP.

Question 5: Please provide current annual budget projection.

Answer 5: \$118,000,000 projected spend for CY2025 (medical, Rx, dental, vision, life insurance, long-term disability insurance, stop loss and FSA administration)

Question 6: Please provide the most recent compliance audit.

Answer 6: APS has not completed a compliance audit

Question 7: What has been the total consulting compensation (fees, commission, reimbursement from vendors) for each of the last three years?

Answer 7: The offeror should determine how many hours they anticipate they would spend to complete the Scope of Service in RFP25-011KLL, and provide a cost proposal based on their calculations. Also refer to our response to question #15.

Question 8: For "Describe" responses as outlined in the INSTRUCTIONS FOR RESPONDING TO THIS RFP section, are we limited to a single page for our response per question, including the text from the Scope of Services?

Answer 8: There is not a size limitation on responses to the "Describe" questions. As noted in the instructions on pages 22 and 23 of the RFP, please provide a detailed narrative in response to the "Describe" questions. As indicated on page 33 of the RFP, your entire proposal should not exceed 60 pages.

Question 9: Question regarding addendum released 8/30/24. Addendum states the opening date changed from September 8, 2024 at 3:00pm to September 16, 2024 at 3:00pm (local time). Does this mean the RFP due date is now September 16th at 3:00 (local time)

Answer 9: Per addendum #1 the due date was extended to September 16, 3:00 pm local time. Per addendum #2 the due date has been extended to September 23, 2024 3:00 pm local time.

Question 10: Question: please confirm if acknowledgement of addendums should be submitted prior to RFP response submittal.

Answer 10: Acknowledgement of addenda should be submitted with your RFP Response.

Question 11: delete - duplicate

Question 12: Are you able to provide the historical annual hours and/or fees for your incumbent consultants for each of the major items included in the scope of services, namely: 1) actuarial consulting services (including IBNR estimates, attestations, and other reports); 2) benefit benchmarking reports; 3) monitoring performance standards; 4) claims audits; 5) brokerage services for stoploss insurance coverage; 6) legislative consulting services; 7) review of employee notices; 8) support for employee wellness programs; 9) review of vendor and carrier contracts; 10) recommendations for value-based initiatives and point solutions; 11) data warehousing services; 12) communication strategies; and 13) assistance with RFP specifications.

Answer 12(10-13):

As indicated on page 29 of RFP #25-011KLL, APS may elect to contract with the awarded consultant on an hourly basis, or on an annual, all-inclusive lump sum basis. The awarded consultant will not receive commission from any APS carrier or plan.

Our current consultant is paid on a lump-sum basis. The agreed upon annual amount is paid in 12 monthly installments throughout the year.

APS is a large, public employer with approximately 14,600 members enrolled on our medical plan. Our medical, prescription drug, dental and vision plans are self-insured. We also offer Basic, Supplemental and Dependent Life Insurance, Long-Term Disability Insurance (life and LTD on a fully-insured basis) and health care and dependent care Flexible Spending Accounts.

The offeror should determine how many hours they anticipate they would spend to complete the Scope of Service in RFP25-011KLL, and provide a cost proposal based on their calculations.

Question 13: What consulting style do you prefer? Examples include project-based support and staff extender. What are some of the attributes of your existing consulting relationship that you want to keep? What are some areas you would like to improve? Do you intend to make a change to your benefit offering or contracting approach following the award of this contract?

Answer 13: Respondents are expected to assess the RFP Scope of Work and provide their best response for the requested services. In consultation with the selected consultant, APS is open to considering options that control costs, and that improve or expand our members' access to care and programs.

Question 14: Item 5 in the scope of work asks offerors to provide examples of pertinent monthly, quarterly, and year-end reports. Is APS able to provide sample reports to give offerors an indication of the desired report contents?

Answer 14: PS is a large, public employer with approximately 14,600 members enrolled on our medical plan. Our medical, prescription drug, dental and vision plans are self-insured. We also offer Basic, Supplemental and Dependent Life Insurance, Long-Term Disability Insurance (life and LTD are fully-insured), and health care and dependent care Flexible Spending Accounts.

The offeror should provide sample reports for a client of our size and complexity.

Question 15: Item 29 in the scope of work asks offerors to describe their data warehousing services. What data warehousing service is APS currently using?

Answer 15: See response to question #35.

Question 16: Do you have specific challenges with your benefits programs or broker/consultant you are trying to solve?

Answer 16: Respondents are expected to assess the RFP Scope of Work and provide their best response for the requested services.

Question 17: How do you measure the ROI or success of your programs?

Answer 17: Respondents are expected to assess the RFP Scope of Work and provide their best response for the requested services.

Question 18: Can you please share the reason(s) for conducting this RFP/motivation for finding a new partner?

Answer 18: The consulting and actuarial services related to this procurement is a four contract due to expire in January 2025.

Question 19: Through this process, is APS willing to share any benefit plan data or high-level plan information?

Answer 19: As noted on page 22 of the RFP, APS benefit plan information for 2024 is posted on our webpage at <https://www.aps.edu/human-resources/benefits>.

Benefit plan data will not be provided as part of this RFP.

Question 20: Will you provide contribution data – both employer and employee – for all your employee benefits plans?

Answer 20: APS benefit plan information and employee contribution information for 2024 is posted on our webpage (refer to our response to question #39 and page 22 of the RFP).

Question 21: Is APS interested in offering a high-deductible health plan with an HSA?

Answer 21: Not at this time

Question 22: Who will be on the committee to evaluate proposals and ultimately make a selection?

Answer 22: That information is not available at this time

Question 23: What was the Open enrollment process for 2024? Did you use a call center? Benefits website? Onsite enrollers?

Answer 23: APS does not use a call center or onsite enrollers, and would not require support from the selected consultant for those services. We communicate with our employees through email, the benefits office webpage, and School Messenger (a phone message system). APS does not generally require assistance with these items from our consultant.

Question 24: How is Open Enrollment communication conducted (in-person meetings, virtual webinars, recordings)?

Answer 24: APS communicates Open Enrollment via email, the Benefits webpage, and School Messenger (a phone message system). We have a two-day wellness fair as part of Open Enrollment, with representatives from our plan administrators in attendance to answer questions, and APS Benefits staff on hand to assist with our online Open Enrollment process. For those employees who are unable to attend the wellness fair, we post videos about each of the plan offerings and instructions for online enrollment on the APS YouTube channel.

Question 25: Describe your expectations around broker support for Open Enrollment, employee education and communications throughout the year. What is your preference (digital, written, in-person etc.)?

Answer 25: The APS benefits consultant does not communicate directly with APS employees. Our consultant works directly with a limited group of APS Employee Benefits staff on needed support for Open Enrollment, etc. The mode of support will be determined based on the type of support needed at the time of the needed support.

Question 26: Does APS utilize an enrollment firm to communicate and enroll employees in benefits today?

Answer 26: No, and we have no plans to do so.

Question 27: What are the current wellness initiatives and programs and how important is wellness to your overall employee benefits strategy?

Answer 27: The APS Wellness Program is a very important detail in the APS employee benefits offerings. Please see www.aps.edu/wellness to review the currently posted information about wellness offerings.

Question 28: What compensation structure is APS currently using to compensate the current broker/consultant? Is there a preferred compensation structure (fixed fee, hourly billing, commissions, mix of these)?

Answer 28: Our current consultant is paid on a lump-sum basis. The agreed upon annual amount is paid in 12 monthly installments throughout the year. As indicated on page 29 of RFP #25-011KLL, the awarded consultant will not receive commission from any APS carrier or plan.

Question 29: Can you please provide a current census and/or enrollment file?

Answer 29: APS will not be providing a census as part of this RFP.

Question 30: How is leave/FMLA administration currently handled?

Answer 30: This is not part of the Scope of Services for this RFP.

Question 31: Does APS currently offer any enhanced/executive benefits?

Answer 31: No, and we have no plans to do so.

Question 32: Besides Public Education, are there other industries you typically benchmark against?

Answer 32: In addition to other large school districts, APS's preference is to be benchmarked against large employers in Albuquerque, and to public employers in New Mexico.

Question 33: Does APS have point solutions for issues like mental health, fertility, diabetes, etc?

Answer 33: Yes, APS benefit plan information and point solutions are posted on Benefits webpage (refer to question #39 and page 22 of the RFP) and Wellness webpages at <https://www.aps.edu/staff/employee-wellness>

Question 34: Do employees travel internationally for work?

Answer 34: No.

Question 35: Do you have international faculty/student populations that need employee benefits support?

Answer: No.

Question 36: Are there any specific legal, regulatory, or compliance issues that you are currently encountering?

Answer 36: No.

Question 37: : Is APS currently utilizing any stop-loss, pharmacy, or other purchasing coalitions?

Answer 37: We are not currently utilizing any purchasing coalitions.

Question 38: Is APS willing to share benefits-specific data, such as:(This will allow us to benchmark your plan to market and offer more custom recommendations in the RFP response.)

Question 38a: De-identified census for ALL employees (not just benefits-eligible), including date of birth, gender, salary, state of residence, benefits eligibility indicator and plan elections:

Answer 38a: APS will not be providing a census as part of this RFP.

Question 38b: Current plan summaries, Summary Plan Descriptions (SPDs), and or Summary of Benefits and Coverage (SBCs) for medical; summaries or SPDs for dental, life and disability.

Answer38b: APS benefit plan information is posted on our webpage (refer to our response to question #39 and page 22 of the RFP).

Question 38c: Total premiums and employee contribution structures for employer-paid benefits (medical, dental, vision, life and disability).

Answer 38c: See the APS webpage (refer to our response to question #39 and page 22 of the RFP) for available information.

Question 38d: Summary of wellness programs/initiatives offered.

Answer 38d: See the APS webpage (refer to our response to question #39 and page 22 of the RFP) for available information.

Question 38e: Would APS share its pharmacy and/or stop loss contract?

Answer 38e: Please submit an Inspection of Public Records request through the APS Custodian of Records.

Question 39: Confirm effective date of contract February 1, 2025 through January 31, 2029, is there any desire in following years of the contract to change date to a January 1 – December 31?

Answer 39: The effective date of February 1, 2025 is correct. While there is no plan to change this date in the future, we are willing to discuss this with the selected consultant.

Question 40: Are there any concerns with the current level of service APS is receiving from current consultant/broker or the carriers?

Answer 40: No.

Question 41: What is the current level of compensation received by the consultant/broker?

Answer 41: Please submit an Inspection of Public Records request through the APS Custodian of Records.

Question 42: Is compensation for consultant/broker a flat fee, commission, combination of the two?

Answer 42: As indicated on page 29 of RFP #25-011KLL, APS may elect to contract with the awarded consultant on an hourly basis, or on an annual, all-inclusive lump sum basis. The awarded consultant will not receive commission from any APS carrier or plan.

Question 43: For the contract period is there a budget limit for the four-year contract period, if so, what is the limit?

Answer 43: Respondents are expected to assess the RFP Scope of Work and provide their best response for the requested services.

Question 44: What do you value most in your consultant/broker partnership?

Answer 44: Respondents are expected to assess the RFP Scope of Work and provide their best response for the requested services.

Question 45: Are you able to provide the current consultant/broker contract?

Answer 45: Please submit an Inspection of Public Records request through the APS Custodian of Records.

Question 46: What are the top three priorities and challenges or concerns regarding your benefits at present?

Answer 46: Controlling medical plan costs and prescription drug costs, access to care, and continuing to offer a competitive benefits package to attract and retain employees.

Question 47: What is APS top priorities for the HR team to focus on for 2025 and beyond?

Answer 47: Respondents are expected to assess the RFP Scope of Work and provide their best response for the requested services.

Question 48: Is APS utilizing a data warehouse today? If so, is it provided through the consultant/broker relationship, if so, what is the name of platform?

Answer 48: Yes, APS is currently utilizing a data warehouse that is provided by and facilitated by our current consultant, Aon Consulting, Inc. The name of the data warehouse is Cedar gate.

Question 49: Are you able to share a recent employee survey?

Answer 49: APS will not be providing this information as part of this RFP.

Question 50: What is APS open enrollment schedule?

Answer 50: Open Enrollment is held each October for a January 1 effective date.

Question 51: When an employee has an issue with any benefit offering, what is their first step to resolution?

Answer 51: The employee would contact the plan administrator or the APS Employee Benefits office.

Question 52: What HRIS system does APS use?

Answer 52: This is irrelevant to this RFP.

ACKNOWLEDGE ADDENDUM WITH SUBMITTED PROPOSAL:

Addenda not signed and returned may consider the RFP non-responsive and may be rejected.

COMPANY/FIRM NAME

SIGNATURE

DATE

Albuquerque Public Schools Master Agreement for _____

This Master Agreement effective this ____ Day of ____ 202_ is entered into between Albuquerque Public Schools, here in after referred to as “APS” or “District”, and _____ referred to as “Contractor”.

1. SERVICES TO BE PROVIDED: The Contractor shall provide _____ as described in Request for Proposal (RFP) _____, and expanded in Contractor’s response to the RFP. The Contractor will follow and abide the terms specified in the RFP. Each individual assignment of work shall be identified in a separate individual assignment. No minimum amount of individual assignments are guaranteed.

2. MASTER AGREEMENT DOCUMENTS: The terms of this Master Agreement shall include the terms of the attachments hereto and all documents referenced herein. The Master Agreement shall also incorporate by reference the following items in order of precedence: 1) Master Agreement _____ Exhibit A 2) Request for Proposal (RFP) _____, 3) the Contractor’s response to the RFP and 4) purchase order terms and conditions. In the event of any conflict or inconsistency between the terms of the Master Agreement with and the terms of an individual assignment, the terms of the Master Agreement will prevail.

3. MINIMUM AMOUNT: Albuquerque Public Schools does not guarantee a minimum amount of purchases in conjunction with award of this request for proposals. This is an “As-Needed” contract dependent on District needs, budget and funding. The District reserves the right to make sole decisions on needs, budget and funding.

4. TASK ORDER: Each individual assignment or task order procured through this master agreement shall have a detailed scope of work/specifications, listing of deliverables that are identifiable and measurable, detailed pricing that is consistent with RFP award and term or timeline for each assignment to be completed.

5. AUDIT: The District reserves the right to audit the Contractor’s records associated with this contract at any time during the contract period, and for a period of up to three years following the expiration or termination of the agreement. Such audit may be conducted by District personnel or a third party under contract with the District. The District shall give the contractor reasonable notice prior to the conduct of any audit and upon receiving the notice from the District the contractor agrees to fully cooperate with the auditors. If contractor subcontracts any portion of its obligation to another party, contract shall guarantee District’s access to books and records of such party.

6. CHANGES OR AMENDMENTS TO TASK ORDER: Any changes or amendments to original individual task order must be pre-approved by APS Department in writing.

7. PURCHASE ORDER REQUIREMENT: An approved APS purchase order issued by APS Procurement

Department is mandatory before providing any goods and/or services. If Contractor provides goods and/or services prior to obtaining an approved APS purchase order, payment may be denied and Contractor may be decertified as a vendor for APS.

8. TERM: The term of this Master Agreement is _____, 202_ to _____, 202_. Reference Exhibit A for the payment.

9. INVOICING AND PAYMENT: The Contractor shall be paid for services rendered satisfactory at the submitted rate as per Exhibit A. Contractor shall provide detailed, invoices to the District. The invoice submitted by Contractor shall note the purchase order number and must be delivered to the APS requesting department. The offeror must provide a guarantee that no additional fees or costs will be charged without prior consents from the APS Procurement Department. The District shall make payment within 30 days following receipt of an invoice or following receipt of any corrected/revised invoice, except to the extent the District disputes the content of the invoice or the amount due and owing. In the event that the District disputes an invoice, the District shall notify the Contractor of the dispute and shall promptly pay the non-disputed portions of the invoice. Any invoice received and payment made shall be subject to District's terms and conditions unless specifically waived by District in a separate written document.

10. INDEMNIFICATION: The Contractor shall be responsible for damage to persons or property that occurs as a result of his fault or negligence, or that of any of his employees, agents or subcontractors. The contract shall save and hold harmless Albuquerque Public Schools against any and all loss, cost, damage, claims expense or liability in connection with the performance of the contract. Any equipment or facilities damaged by the Contractor's operation shall be repaired and/or restored to their original condition at the Contractor's expense.

11. TAXES: Albuquerque Public Schools shall pay New Mexico Gross Receipt Tax, if applies, on the amounts invoiced by Contractor for services provided to the District, as required by the New Mexico statutes.

12. REPORTING: The Contractor shall make available to the District all detailed records/reports documenting services provided as per RFP.

13. CHANGES IN SERVICES TO BE PROVIDED/ AMENDMENTS: This Master Agreement shall not be altered, changed, or amended except by written instrument signed by both parties.

14. ASSIGNMENTS: The Contractor shall not assign or delegate specific duties, which are encompassed by Master Agreement nor transfer any interest nor assign any claims for money due or to become due under this Master Agreement without the written consent of APS.

15. INDEPENDENT CONTRACTOR: The Contractor is an independent contractor performing services for the District. The Contractor shall not accrue leave, retirement, insurance, or any other benefits afforded to employees of the District as a result of this procurement.

16. DEBARMENT OR SUSPENSION: A business (contractor, subcontractor or supplier) that has either been debarred or suspended pursuant to the requirements of 13-1-177 through 13-1-180,

and 13-4-11 through 13-4-17 NMSA 1978 as amended, shall not be permitted to do business with the District and shall not be considered for award of the contract during the period for which it is debarred or suspended with the District.

17. CONFLICT OF INTEREST: The Contractor certifies that no relationship exists between Contractor and the District that interferes with fair competition or constitutes a conflict of interest; and no relationship exists between Contractor and another person or firm that constitutes a conflict of interest that is adverse to the District.

18. GOVERNING LAW: This Master Agreement will be interpreted and governed by the laws of the State of New Mexico.

19. OTHER APPLICABLE LAWS: Any other provisions required to be included in a contract of this type by any applicable and valid executive order, federal, state or local law, ordinance, rule or regulation shall be deemed to be incorporated herein.

20. SEVERABILITY: If any provision of this Master Agreement is found invalid or unenforceable, the remainder of the Master Agreement will be enforced to the maximum extent permissible and the legality and enforceability of the other provisions of the Agreement will not be affected.

21. NON-DISCLOSURE: The Contractor shall not disclose any information relating to students and employees of APS other than such information that may be authorized by the individual student or employee. The Contractor will comply with all privacy and confidentiality regulations, including HIPAA and FERPA. The Contractor agrees to indemnify and hold harmless APS from any damages, claims, liabilities, and costs including reasonable attorney fees in the event any unauthorized release of such information occurs.

22. DISPUTE RESOLUTION: In the event, the Parties do not agree to mediate the dispute or unable to resolve the dispute through mediation, then the dispute shall be resolved by binding arbitration. The New Mexico Uniform Arbitration Act, NMSA 44-7A-1, et seq. as amended shall govern such arbitration.

23. NOTICES AND REPORTS: Unless otherwise directed herein, official notices shall be directed in writing to the following:

Albuquerque Public Schools:

Name: _____

Department: _____

Email: _____

For Mailing: Po Box 25704, Albuquerque, NM 87125-0704

- **Any Changes must be approved in writing by the APS Procurement Department.**

CONTRACTOR:

BY: _____ Date:

Signature

Printed Name: _____ Title: _____

Albuquerque Public Schools Purchasing

BY: _____ Date:

Printed Name: _____ Title: _____

Albuquerque Public Schools Department

BY: _____ Date:

Printed Name: _____ Title: _____