

REQUEST FOR PROPOSAL #2021-026
Insurance Brokerage Services
RESPONSE ADDENDUM #01

DATE: May 27, 2021

CLARIFICATION

1. RFP Section 1.1.4 Clarification – TPA Service Requirements

1. Policy or policies must cover:
 - a. Liability Claims Management
 - b. Other Liability Claims Management (Excess and/or Umbrella Liability)

All other requirements listed remain as written.

2. RFP Section 1.1.4 Clarification - Workers Compensation Insurance broker services

10. Coordinate safety and loss control services with insurers, as requested.

All other requirements listed remain as written.

3. RFP Appendix D, Rider A Clarification – TPA Service Requirements

2. Policy or policies must cover:
 - a. Liability Claims Management
 - b. Other Liability Claims Management (Excess and/or Umbrella Liability)

All other requirements listed remain as written.

4. RFP Appendix D, Rider A Clarification - Workers Compensation Insurance broker services

10. Coordinate safety and loss control services with insurers, as requested.

All other requirements listed remain as written.

QUESTIONS

1. Under TPA - Service Requirements, page 7, item #1 lists a. Workers' Compensation, b. Liability Claims Management and c. Other Liability Claims Management. Does the RFP intend to contemplate the creation, handling and management of WC claims already being handled by the commercial carrier? If yes, can a loss run, excel download or summary data of all claims by policy year for the last 10 years be provided?

ANSWER: Correction – the TPA services are not intended to include workers compensation claim, only liability claims management for general, auto, and other liability (excess, umbrella, etc.).

Please refer to documents titled, 'Addendum 1-Q1A-UMS AUTO open closed for last 5 policy years as of 05-25-21' and 'Addendum 1-Q1B-UMS GL open closed last 5 policy years as of 05-25-21'.

2. Under the section titled Workers' Compensation Insurance broker services to be included, starting on page 6 and more specifically item # 9 on page 7, is it the intent of this RFP to include the formerly self-insured Workers' Compensation claims and already existing claims with commercial carriers as part of the Broker's quarterly reporting obligations? If yes, can a loss run, excel download or summary data of the open claims by policy year be provided?

ANSWER: The intent is not to include formally self-insured workers compensation claims in the reporting. We do intend to include already existing claims with the commercial carrier as part of the Broker's quarterly reporting obligations. Please refer to, 'Addendum 1-Q2-Loss Run Oct 2016_Current' for an historical and current view of claims as of 5/24/2021.

3. The RFP indicates a preference for fixed pricing. Would providing a secondary alternative pricing option, such as a per claim fee on the Liability Claims Management and Other Liability Claims Management service, be acceptable and would that be presented using the "optional" pricing structure on Exhibit 1 as noted in the General Instructions on page 21, item #6?

ANSWER: Yes, the University is open to reviewing other pricing options as well.

4. What type of Workers Compensation program does the University currently have? Guaranteed Cost, Large Deductible, Retrospective, etc.?

ANSWER: We have a straight premium with a charge back for the deductible (\$1000 Ind/\$500 Med). There's an annual audit as well.

5. What is the total payroll for the University?

ANSWER: Refer to 'Addendum 1-Q5-UMS_TOTAL_GROSS_EARN_MEMIC_10-01-2020-09-30.pdf'

6. Is the University able to provide a copy of your current Workers Compensation policy for review?

ANSWER: Refer to 'Addendum 1-Q6- MEMIC_Workers_Compensation_Policy'.

7. What is the University's current Experience Modification Factor (EMOD)? Can a copy of the current EMOD be shared?

ANSWER: Our current EMOD rate is 0.68.

8. Can five years of currently valued loss history be shared?

ANSWER: Reference answer to number 2.

9. Can you please share the current and past five years of premium history and payroll history?

ANSWER: Please see answers in question 5 and 14.

10. What is the University currently receiving for loss prevention and claims advocacy services from your current Agent/Broker and Insurer?

ANSWER: The University has been working directly with MEMIC on loss prevention efforts. We have a monthly and quarterly meeting. For the TPA services, we have a quarterly meeting to review claim status but do not discuss prevention efforts.

11. What is the University currently receiving for claim management reports from your Agent/Broker/Insurer to assist in deploying loss prevention resources most effectively?

ANSWER: We receive a quarterly reports from MEMIC and an annual report for the EMOD.

12. What does the University have for internal risk management staff and resources?

ANSWER: The Risk Management department is comprised of a risk manager, unified claims coordinator and an administrative specialist who supports both the manager and unified claims coordinator. The department is also supported by a part time administrative specialist who focuses on travel, art, and aviation. We have a risk management helpdesk which provides the University with online reporting and we use this to track and trend requests from each campus. We also utilize tools afforded to us by insurance carriers such as OSHA reporting tools, claim tracking, etc.

13. Please provide clarification for the claims that the TPA will be handling. Does the TPA work include the following items (this is our assumption but we would like confirmation):

- Claims within the \$400,000 Self-Insured Retention for the General Liability including Auto Liability claims? Yes
- Claims within the \$200,000 Self-Insured Retention for the Educators' Legal Liability? Yes
- Claims within a Workers' Compensation deductible? What is that deductible? No – workers compensation claims are not applicable
- This does include claims within the excess and umbrella policies as well.

We assume that claims outside of those retentions are not handled by the TPA because the insurance carrier would handle them. Please confirm your expectation.

ANSWER: That's accurate

14. Please provide historical premiums for the Workers' Compensation and TPA service work fee for the past 5 years by year.

ANSWER:

2016: \$1,062,839

2017: \$1,407,355

2018: \$1,450,036

2019: \$1,339,295

2020: \$1,225,189

15. Please provide loss runs and experience modification factor data for the Workers' Compensation coverage for the past five years. Please have the loss runs reflect the Workers' Compensation claims from 1st dollar (including deductible).

ANSWER:

FY16 0.51

FY17 0.83

FY18 0.97

FY19 0.8

FY20 0.68

16. Please provide claims data for the claims handled by the TPA for the past five years by year showing frequency and severity

ANSWER: Please refer to question #1.

17. For open run-off claims Workers' Compensation claims that you would like us to quote providing TPA services for, we will need the open claim count and loss detail on each open claim.

ANSWER: This is not applicable.

18. Please provide the name of the current TPA provider for the Work Comp run-off claims?

ANSWER: Not Applicable

19. Is it possible to get a copy of the current Workers' Compensation Policy?

ANSWER: Duplicate to question #6.

20. On the RFP document you provided (see attached), it states that our response submission in the Email Subject Line should read RC-Digital Display Solution – RFP#2021-027. Is this correct or should it reference Insurance Brokerage Services RFP 2021-026?

ANSWER: Insurance Brokerage Services – RFP #2021-026