



**ADDENDUM NO. 3
TO THE RFP DOCUMENTS FOR**

**2012-RFP-12-SIMEA GROUP BENEFITS
AND PLAN ADMINISTRATION**

TO ALL BIDDERS:

September 5, 2012

This Addendum is issued prior to RFP Closing Date, September 18, 2012, and shall be considered for information when submitting the RFP.

Q. Why is SIMEA seeking competitive proposals for its group benefits and plan administration?

A. SIMEA has gone to market in the form of an RFP for plan administration to seek competitive pricing, review market place and provide a transparent process to all member municipalities. SIMEA is not dissatisfied with their current plan administrators.

Q. Who are the anticipated committee members for this decision process?

A. The SIMEA Board which consists of a representative from each of the six (6) member municipalities.

Q. Is the administration currently performed by a third party administrator/group benefit consulting services?

A. Yes, administration is provided by one group benefit administrator. Our current administrators are GroupHealth Global.

Q. How is SIMEA's plan administrator currently remunerated?

A. Fee for service basis allocated amongst the different municipalities and employee groups by percentage of benefit premiums.

Q. Which insurance company(ies) currently underwrite the group benefit plans?

A. The current benefit providers to all municipalities are Manulife, IAP, DMI, and Co-operators. CUPE has their own LTD plan which the employers submit the premiums; this is carried by SSQ.

Q. Is an EFAP program included in this review?

A. No.

Q. How is MSP administered?

A. Each municipality is billed separately for MSP. Changes are forwarded to our current benefit administrator. The Administrator submits the changes and funds to MSP directly on behalf of each municipality. SIMEA is not open to taking on MSP Administration by itself.

Q. Are there restrictions on the employers on which carriers or association plan benefits providers?

A. There are no restrictions as to which benefit carriers are used.

Q. Are there any benefits that are outsourced to a third party that would need to continue with that 3rd party or would it need to be replaced by a different solution?

A. No.

Q. What is the annual premium for each group benefit plan?

A. Annual premiums are broken down by each group plan below:

Benefit	Group	Premium
Life Insurance	Management	
	CUPE	
	BCGEU	
	IBEW	
	IAFF	
	Retirees	
		Total Cost = \$598,410.96
AD&D	Management	
	CUPE	
	BCGEU	
	IBEW	
	Library	

	IAFF	
		Total Cost = \$56,428.44
LTD	Management	
	BCGEU	
	Library	
	IAFF	
		Total Cost = \$412,785.48
WI/Health Leave	CUPE	
	BCGEU	
	IBEW	
	IAFF	
		Total Cost = \$709,139.52
Extended Health	Management	
	CUPE	
	BCGEU	
	IBEW	
	Library	
	IAFF	
		Total Cost = \$1,523,618.50
Dental	Management	
	CUPE	
	BCGEU	
	IBEW	
	Library	
	IAFF	
		Total Cost = \$1,796,016.60

Q. Do the exempt/management employee groups for each of the five municipalities have the same group benefit plan designs for each plan or are the plan designs different for the exempt/management group of each municipality?

A. Each exempt/management group for each municipality have a different plan design.

Q. Is there a benefits committee that currently oversees the management of the group benefits plans? If not, who acts as the decision maker and overseer of the plans?

A. Each municipality has a seat on the SIMEA Board who oversees the plans. Each municipality has the ability to negotiate independently benefits with their unions with the exception of STD. During negotiations it will be critical for the member municipalities to get benefit costing information on short notice at times due to the nature of bargaining.

Q. What is the current plan design for group benefits?

A. SIMEA currently has a traditional plan design for group benefits. However, SIMEA would like to have the option to move to flex plans in the future, should they be negotiated with their respective unions.

Q. What does a typical bill look like? How many unique groups are covered under the billing?

A. Attached please find an example of an invoice. There are approximately 20 different groups within each municipality within the billing (ie. Full time, part time, LOA, Layoff, disability, etc.).

Q. Please outline how your current administration systems operate.

A. Each municipality completes enrolments/status changes, etc. online through a web based system. Employees complete the change of status forms either in paper format or online. Each municipality audits their changes against the billing. Each municipality is responsible for ensuring their employees' changes are submitted to the benefit administrator for updating and billing.

Q. Please elaborate on the meaning of "Project Launch" of January 1, 2013 (ie. Go live date of the Admin and Benefits programs? Or Project kick-off with successful candidate? (Section 3.13)

A. SIMEA is looking to award the contract to the successful candidate in October 2012 with the change effective January 1, 2013.

Q. When is the start date of the transition plan?

A. The anticipated start date of the transition plan will take place in October of 2012 with a go-live implementation of January 1, 2013.

Q. What is the length of time the benefits program has been with the current insurer?

A. SIMEA has been with the current insurer for 3 years.

Q. Is there a benefits conference (for all 6 member groups) in place to discuss the renewal and other benefit related issues?

A. Yes, annually a representative from each member municipality meets to discuss renewal. In addition there is an administrative group which meets regularly to discuss issues that arise.

Q. Further define "value added services".

A. SIMEA is looking for anything more a plan administrator can provide that puts you above others and provides a higher level of customer service.

Q. Does SIMEA issue any employee communication such as Health and Wellness issues?

A. No. However, each municipality may issue employee communication in regards to health and wellness issues, which may be provided by our current benefit plan administrators.

Currently, SIMEA is not prepared to disclose employee data and claims experience as this RFP is looking for group benefit plan administration and are not looking for new benefit carriers. Once the successful proponent is chosen, SIMEA will be in discussion for benefit carriers and plan renewals.

SIMEA is prepared to view presentations from short listed proponents **the week of September 24th, 2012.**

END OF ADDENDUM NO. 3

EMPLOYEE BENEFIT BILLING STATEMENT - September, 2012

CLASS		CLASS SUMMARIES													TOTAL		
CLASS	ANNUAL EARNINGS	LIFE	AD/D	WIN	LTD	HEALTH	DENTAL	MSP	OPTIONAL	OPTIONAL	OPTIONAL	EE	ER	TOTAL			
Files						S C F O	S C F O	S C F O	LIFE	SP LIFE	DEP LIFE	PRMS	PRMS	PRMS			
21	Curr Lvl:	3061311	6135000	6135000	0	185608	██████████	██████████	250000	0	20000						
:40	Curr Prem:		1648.67	190.22	0.00	3378.08	5008.40	6522.80	4272.00	31.00	0.00	4.00	55.00	21218.15	21273.15		
	Totl Prem:		1648.67	190.22	0.00	3378.08	5008.40	6522.80	4272.00	31.00	0.00	4.00	55.00	21218.15	21273.15		
21-DIS#	Curr Lvl:	83742	0	0	0	0	██████████	██████████	0	0	0						
:1	Waiv Lvl:		128000	128000	0	3984	██████████	██████████	0	0	0						
	Curr Prem:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
	Totl Prem:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
21-MAN#	Curr Lvl:	92831	186000	186000	0	5790	██████████	██████████	0	0	0						
:1	Curr Prem:		55.99	5.77	0.00	105.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	167.14	167.14		
	Totl Prem:		55.99	5.77	0.00	105.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	167.14	167.14		
21-MFF	Curr Lvl:	190030	381000	381000	0	11878	██████████	██████████	200000	0	5000						
:2	Curr Prem:		114.68	11.81	0.00	216.18	250.42	326.14	128.00	60.00	0.00	1.00	61.00	1047.23	1108.23		
	Totl Prem:		114.68	11.81	0.00	216.18	250.42	326.14	128.00	60.00	0.00	1.00	61.00	1047.23	1108.23		
22-H	Curr Lvl:	5170383	10390000	10390000	88868	252973	██████████	██████████	0	0	0						
:98	Curr Prem:		3771.70	322.20	8886.60	10700.73	8217.88	10578.35	9628.00	0.00	0.00	0.00	10833.98	31488.50	61103.46		
	Retro Prem:		59.80	5.11	111.10	174.62	168.12	-111.33	564.00	0.00	0.00	0.00	318.23	673.29	991.52		
	Totl Prem:		3831.60	327.31	6997.70	10875.35	9408.00	10468.02	10192.00	0.00	0.00	0.00	19952.19	32142.79	52094.98		
22-HLO2-	Curr Lvl:	182852	0	0	0	0	██████████	██████████	0	0	0						
:4	Curr Prem:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
	Totl Prem:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
22-HRET-	Curr Lvl:	103067	0	0	0	0	██████████	██████████	0	0	0						
:2	Curr Prem:		0.00	0.00	0.00	0.00	188.12	222.68	244.00	0.00	0.00	0.00	0.00	654.78	654.78		
	Totl Prem:		0.00	0.00	0.00	0.00	188.12	222.68	244.00	0.00	0.00	0.00	0.00	654.78	654.78		
22-S	Curr Lvl:	3027823	6074000	6074000	38730	140629	██████████	██████████	0	0	0						
:59	Curr Prem:		2204.93	188.29	3873.00	5948.70	5549.54	6568.47	5718.00	0.00	0.00	0.00	11017.86	19030.97	30048.83		
	Retro Prem:		0.00	0.00	0.00	0.00	0.00	0.00	118.00	0.00	0.00	0.00	0.00	118.00	118.00		
	Totl Prem:		2204.93	188.29	3873.00	5948.70	5549.54	6568.47	5832.00	0.00	0.00	0.00	11017.86	19148.97	30166.83		
22-SLO2-	Curr Lvl:	128826	0	0	0	0	██████████	██████████	0	0	0						
:3	Curr Prem:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
	Totl Prem:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
23	Curr Lvl:	494936	838000	839000	5349	0	██████████	██████████	0	0	0						
:7	Curr Prem:		304.56	28.01	820.49	0.00	751.24	891.72	798.00	0.00	0.00	0.00	310.23	3079.79	3390.02		
	Retro Prem:		87.12	7.44	0.00	0.00	214.84	0.00	232.00	0.00	0.00	0.00	0.00	541.20	541.20		
	Totl Prem:		391.68	35.45	820.49	0.00	965.88	891.72	1028.00	0.00	0.00	0.00	310.23	3620.99	3931.22		

EMPLOYEE BENEFIT BILLING STATEMENT - September, 2012

CLASS :#/vos		ANNUAL EARNINGS	LIFE	AD/D	WIN	LTD	HEALTH			DENTAL			MSP			OPTIONAL LIFE	OPTIONAL SP LIFE	OPTIONAL DEP LIFE	EE PRMS	ER PRMS	TOTAL PRMS
							S	C	F	D	S	C	F	D	S						
24	Curr Lvs:	508378	1016000	1016000	0	25424	██████████			██████████			0	0	0						
:10	Curr Prem:		305.82	31.50	0.00	485.59	971.60	1416.90	872.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	485.59	3597.82	4083.41	
	Toll Prem:		305.82	31.50	0.00	485.59	971.60	1416.90	872.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	485.59	3597.82	4083.41	
25	Curr Lvs:	2788809	4200000	4200000	32199	105000	██████████			██████████			0	0	0						
:35	Curr Prem:		882.00	130.20	2575.92	2825.00	3026.45	3188.15	3660.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5200.92	10888.80	16087.72	
	Retro Prem:		0.00	0.00	0.00	0.00	0.00	0.00	-24.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-24.00	-24.00	
	Toll Prem:		882.00	130.20	2575.92	2825.00	3026.45	3188.15	3636.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5200.92	10862.80	16063.72	
27	Curr Lvs:	117542	8000	0	0	0	██████████			██████████			0	0	0						
:6	Curr Prem:		18.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.42	18.42	
	Toll Prem:		18.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.42	18.42	
TOTAL	Curr Lvs:	15930330	29227000	29221000	145144	727300	██████████			██████████			450000	0	25000						
:268	Waiv Lvs:		128000	128000	0	3994	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Curr Prem:		9504.77	908.00	13858.01	23459.84	24883.65	29713.19	25318.00	111.00	0.00	5.00	36764.66	91170.60	127935.26						
	Retro Prem:		147.02	12.55	111.10	174.82	402.78	-111.33	888.00	0.00	0.00	0.00	318.23	1308.49	1824.72						
	Toll Prem:		9851.79	918.55	14057.11	23634.26	25386.41	29601.86	26204.00	111.00	0.00	5.00	37082.89	92477.09	129959.98						