

Addendum No. 1
Providing Short Term Disability Program Services
RFP # 04-113-3153

Questions and Responses

Following are the responses to questions submitted in response to the above referenced RFP as of Thursday, May 26, 2005 at 3:30 PM. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission.

1. Please confirm that you will accept bids that are administrative services only.

Yes

2. What are your top five diagnoses in incidence and duration?

This information cannot be disclosed.

3. What is your reoccurrence rate of STD?

20 claims in the last three years.

4. Would you consider a plan that has mutual indemnification?

No

5. Would you consider anything longer than a 30-day termination agreement?

Yes

6. Can you provide an eligibility file on an ongoing basis?

Yes-Monthly

7. The RFP states on page 12 that "the policy does not have partial return-to-work provisions". Does this mean that the PTC and/or union do not allow workers to return to work on a temporary alternate duty (light duty) basis?

Correct.

8. The RFP states on page 7 that "the proposed DBE/MBE/WBE firms must be certified by the PA Unified Certification Program or the PA Dept. of General Services and any reciprocity given to firms by DGS at the time of submission of this proposal". Will you accept WBENC national certification?

Yes.

9. On page 27, Benefit Limitations, it states that benefits will not be paid under 2 conditions. What happens if the ASO recommendation is to deny the disability payment because, based on the medical information provided, the ASO vendor determines that the employee is no longer disabled?

The claim will be denied. The appeal process is then available.

10. The RFP does not mention FMLA leave. Do the STD and Workers' comp benefits run concurrently with FMLA? Will the ASO vendor also administer and medically certify the FMLA leave?

No, it does not run concurrently. No, the PTC administers/certifies all FMLA leave.

11. What is the PTC's current financial arrangement, fully insured or self-funded?

The PTC's current program is fully insured.

12. Is the PTC willing to provide the following information:

- Three years of enrollment history?
This information is included on the CD provided to all vendors.
- Rate history, premium paid, and claims paid for the last three years?
This information is included on the CD provided to all vendors.
- A copy of the current policy/certificate with benefit provisions?
The PTC will not provide this information.

13. Is the PTC willing to provide the last 4 quarters S&A activity report in an excel file?

This report is on the CD provided. Also provided on the CD is a copy of the employee census included in the RFP in an excel format.

14. Is the PTC willing to provide information on worker's compensation (WC) claims? If so can you include the WC claims on the sick and accident report?

There were 10 dual claims during the last three years.

15. Were any AD&D claims incurred during the last 3 to 5 years?

No

16. The RFP references appendix D – standard contract terms and conditions; which is not attached to the document provided. Can the PTC provide this document?

The document was provided to all vendors at the conference; also see note below.

17. What is the percentage of contribution, employee to employer?

The PTC pays 100%.

18. Does the PTC have an interest in outsourcing FMLA administration to its STD vendor?

No.

19. If multiple identical quotes are provided from the same carrier through different brokers, what will be the determining factor in choosing a broker?

The vendor will be permitted to submit only one proposal. Any subsequent identical proposal will be discounted.

There has been some confusion about the labeling of the appendices in the RFP. The appendices have been amended to reflect the proper sequencing and can be located on the PTC website in the amended RFP.

Please be aware that the proposed implementation date for coverage is November 1, 2005. Please include this date as part of your implementation planning.

June 6, 2005

Dear Vendor;

Please make note of the enclosed Addendum No. 2 to “Providing Short Term Disability Program Services” RFP # 04-113-3153.

This letter must be signed and returned with your proposal to verify receipt of the Addendum.

If you have any questions, you may telephone Gail Reed at 717-939-9551, extension 4283.

Sincerely,

George M. Hatalowich
Manager, Contract Administration

This letter must be signed below by the Contractor and returned with your proposal. Failure to meet this requirement may result in rejection of your proposal.

Contractor's Signature