REQUEST FOR PROPOSALS FOR

VOLUNTARY SUPPLEMENTAL INSURANCE PRODUCTS

ISSUING OFFICE

Pennsylvania Turnpike Commission

Human Resources Department

RFP NUMBER

05-113-3162

DATE OF ISSUANCE

June 6, 2005
REQUEST FOR PROPOSALS FOR
VOLUNTARY SUPPLEMENTAL INSURANCE PRODUCTS
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GENERAL INFORMATION FOR CONTRACTORS

I-1. Purpose. This request for proposals (RFP) provides interested contractors with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy a need for a provider of Voluntary Supplemental Insurance Products to expand our offering of voluntary insurance coverage for the Commission’s 2240 employees.

I-2. Issuing Office. This RFP is issued for the Commission by the Human Resources Department, Pennsylvania Turnpike Commission, and PO BOX 67676, HARRISBURG, PA 17106, 717-939-9551. The Issuing Office is the sole point of contact in the Commission for this RFP.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. Provide the Pennsylvania Turnpike Commission with a Voluntary Insurance Coverage program. Provide Supplemental benefits and services such as but not limited to Disability, Life Insurance, Accidental Death and Dismemberment Insurance, Dental, Vision, Cancer/Diseases, and Hospital Confinement for the Commission within operating policies and procedures.

I-5. Type of Contract. It is proposed that if a contract is entered into as a result of this RFP, it will be a fee for services and will contain the Standard Contract Terms and Conditions shown in Appendix C. The Commission may in its sole discretion undertake negotiations with contractors whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing contractors.

I-7. Incurring Costs. The Commission is not liable for any costs incurred by contractors prior to issuance of a contract.

I-8. Pre proposal Conference. A mandatory pre-proposal conference will be held on Thursday, June 30, 2005, 2:00 PM in the Large Executive Board Room at the Central Administration Building of the Pennsylvania Turnpike Commission, 700 South Eisenhower Boulevard, Middletown, PA. The purpose of this conference is to clarify any points in the RFP which may not have been clearly understood. Questions should be forwarded to the Issuing Office by Tuesday, June 28, 2005 to ensure sufficient analysis can be made before an answer is supplied. Questions may also be asked at the conference. In view of the limited facilities available for the conference, it is requested representation be limited to three individuals per contractor. The preproposa conference is for information only. Answers furnished during the conference will not be official until verified, in writing, by the Issuing Office. All questions and written answers will be issued as an addendum to and become part of this RFP.
FAILURE TO BE REPRESENTATED AND SIGNED IN AT THIS MANDATORY PRE PROPOSAL CONFERENCE WILL BE CAUSE FOR REJECTION OF PROPOSAL.

I-9. Addenda to the RFP. If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be posted to the website under the original RFP document.

I-10. Response Date. To be considered, proposals should arrive at the Contract Administration Department, Attention: George Hatalowich, on or before 12:00 Noon, Friday, July 29, 2005. Contractors mailing proposals should allow sufficient mail delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Commission office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission shall be automatically extended until the next Commission business day on which the office is open, unless the contractors are otherwise notified by the Commission. The time for submission of proposals shall remain the same.

I-11. Proposals. To be considered, contractors should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted in eight (8) copies to the Contract Administration Department. No other distribution of proposals will be made, by the contractor. Each proposal page should be numbered for ease of reference. Proposals must be signed by an official authorized to bind the contractor to its provisions and include the contractor’s Federal Identification Number. For this RFP, the proposal must remain valid for at least sixty (60) days. Moreover, the contents of the proposal of the selected contractor will become contractual obligations if a contract is entered into.

Each and every contractor submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or telefax notice received at the Commission’s address for proposal delivery prior to the exact hour and date specified for proposal receipt. However, if the contractor chooses to attempt to provide such written notice by telefax transmission, the Commission shall not be responsible or liable for errors in telefax transmission. A proposal may also be withdrawn in person by a contractor or its authorized representative, provided its identity is made known and it signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this RFP.

I-12. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the contractor’s ability to meet the requirements of the RFP.

I-13. Discussions for Clarification. Contractors who submit proposals may be required to make an oral or written clarification of their proposals to the Commission to ensure thorough mutual understanding and contractor responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

I-14. Best and Final Offers. To obtain best and final offers from contractors whose proposals are determined by the Commission, in its sole discretion, to be reasonably susceptible of being selected for
award, the Commission may (a) enter into discussions; (b) schedule oral presentations; and (c) request revised proposals.

I-16. Prime Contractor Responsibilities. The selected contractor will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected contractor to be the sole point of contact with regard to contractual matters.

I-17. Proposal Contents. Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. If a contract is executed, however, the successful proposal submitted in response to this RFP shall be subject to disclosure. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission’s option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing contractors at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

I-18. Debriefing Conferences. Contractors whose proposals are not selected will be notified of the name of the selected contractor and will be given the opportunity to be debriefed, at the Contractor’s request. The Issuing Office will schedule the time and location of the debriefing. The contractor will not be compared with other contractors, other than the position of its proposal in relation to all other proposals for each criterion for selection.

I-19. News Releases. News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. Commission Participation. Unless specifically noted in this section, contractors must provide all services to complete the identified work. Human Resources will provide an administrative contact/liaison for oversight of billing and coordination of benefits.

I-21. Cost Submittal. The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal. Failure to meet this requirement may result in disqualification of the proposal.

I-22. Term of Contract. The term of the contract will commence on the Effective Date (as defined below) and will end five (5) years from the Effective Date. The Effective Date shall be fixed by the Issuing Office after the contract has been fully executed by the contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.

I-23. Contractor’s Representations and Authorizations. Each contractor by submitting its proposal understands, represents, and acknowledges that:

a. All information provided by, and representations made by, the contractor in the proposal is material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement shall be treated as fraudulent concealment from the
Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.

b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other contractor or potential contractor.

c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a contractor or potential contractor, and they will not be disclosed on or before the proposal submission deadline specified in the cover letter to this RFP.

d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.

e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.

f. To the best knowledge of the person signing the proposal for the contractor, the contractor, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the contractor in its proposal.

g. To the best of the knowledge of the person signing the proposal for the contractor and except as otherwise disclosed by the contractor in its proposal, the contractor has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the contractor that is owed to the Commonwealth.

h. The contractor is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the contractor cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.

i. The contractor has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.

j. Each contractor, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth
including, but not limited to, taxes, unemployment compensation, and workers’ compensation liabilities.
PART II

INFORMATION REQUIRED FROM CONTRACTORS

Contractor proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. Each proposal shall consist of two (2) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Sections II-1 through II-8 hereof; (ii) Cost Submittal, in response to Section II-9 hereof.

The Commission reserves the right to request additional information which, in the Commission’s opinion, is necessary to assure that the contractor’s competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the contract.

The Commission may make such investigations as deemed necessary to determine the ability of the contractor to perform the work, and the contractor shall furnish to the Commission all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such contractor fails to satisfy the Commission that such contractor is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1. **Statement of the Problem.** State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. **Management Summary.** Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided.

II-3. **Work Plan.** Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in Part IV of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique (PERT) or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach. Describe any pending, contemplated or ongoing administrative or judicial proceedings material to your company or its finances including, but not limited to, any litigation, debarment, consent orders or agreements with any state or federal regulatory agency issued to your company or to any subcontractor you plan to use for any of the services described hereunder.

II-4. **Prior Experience.** Include experience in Voluntary Supplemental Insurance Products. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to should be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted. Please include the number of employees in the customer’s plan and their Account Manager.
II-5. Personnel. Include the number, and names where practicable, of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the work. Include information on outside Enrollment Company if one is being used. Include through a resume or similar document education and experience in Voluntary Supplemental Insurance Products, with specific experience in administering the program in a public sector and predominantly union environment. Indicate the responsibilities each will have in this project and how long each has been with your company. Identify subcontractors you intend to use and the services they will perform.

II-6. Training. If appropriate, indicate recommended training of Commission personnel. Include the personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors. Include information on what they will be trained on and what will be expected of Commission personnel following training.

II-7. Objections and Additions to Standard Contract Terms and Conditions. Contractor will identify which, if any, of the terms and conditions contained in Appendix C it objects to and what additional terms and conditions contractor requires. Contractor’s failure to object or to request additions will result in its waiving its right to do so later, but the Commission may consider late objections and additional requests if it is in the best interest of the Commission to do so.

II-8. DBE/MBE/WBE Information. The Turnpike Commission is committed to the inclusion of disadvantaged, minority, and woman firms in contracting opportunities. The minimum participation level for DBE/MBE/WBEs in this contract will be 10% total. Responding firms shall clearly identify DBE/MBE/WBE firms, expected to participate in this contract, in their Proposal. If the selected firm does not meet the minimum requirement for DBE/MBE/WBE participation, they will be required to demonstrate good faith efforts to achieve the required level. Proposed DBE/MBE/WBE firms must be certified by the PA Unified Certification Program (www.paucp.com) or the PA Department of General Services (DGS) and any reciprocity given to firms by DGS (www.dgs.state.pa.us/) at the time of the submission of the proposal. If further information is desired concerning DBE/MBE/WBE participation, direct inquiries to the Pennsylvania Turnpike Commission’s Contract Administration Department by calling (717) 939-9551 Ext. 4241.

II-9. Cost Submittal. The information requested in this section shall constitute your cost submittal. This portion of the proposal should be bound and sealed separately from the remainder of the proposal. The total cost you are proposing must be broken down into the following components:

a How will renewals be calculated, and how will they be handled?

b For how long of a period of time are these premium rates guaranteed?

c What are the premium underwriting requirements?

d What is the earliest a renewal can be provided? Guaranteed?

e What has been your average Loss Ratio (paid and incurred) for Voluntary Insurance Services over the past three years?
Please describe billing arrangements for:

a. Active employees

b. Active employees in a leave status

c. Transitional employees (terminated/retired)

g. Are the premium deductions pre-taxed? Does this program have an affect on the PTC FICA taxes as well? Explain.

h. Please provide details on your "other party liability" functions including documentation of quantifiable savings.

i. Please provide details on your subrogation functions.

j. Please describe in detail how the credibility of the group's experience is determined.

k. Broker Costs. Specify what amount is provided, e.g. percentage of the premium, etc.

l. Total Cost.

Only work satisfactorily performed after execution of a written contract, after the contractor’s receipt of a notice to proceed from the Commission and after the contract term has begun will be reimbursed.
PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal should be (a) timely received from a contractor; (b) properly signed by the contractor; and (c) formatted such that all cost data is kept separate from and not included in the Technical Submittal.

III-2. Proposals will be reviewed and evaluated by a committee of qualified personnel selected by the Commission. This committee will recommend for selection the proposal which most closely meets the requirements of the RFP and satisfies Commission needs. Award will only be made to a contractor determined to be responsible in accordance with Commonwealth Management Directive 215.9, Contractor Responsibility Program.

III-3. The following areas of consideration will be used in making the selection:

- Comprehensive level of benefits
- Project approach in interpreting the Project objectives and in describing the services to be provided
- Professional qualifications, specialized experience and technical competence of the Project team
- Capacity to accomplish the services in the required time considering the Project team and its organization and the man-hour estimate
- Past performance with other government agencies and private industry
- PTC may conduct interviews and request and receive additional information as it deems necessary from any Proposer
- Conversion Process for employees who currently are in a voluntary life program

a. Understanding the Problem. This refers to the contractor’s understanding of the Commission needs that generated the RFP, of the Commission’s objectives in asking for the services or undertaking the study, and of the nature and scope of the work involved.

All proposals should include the following information:

- Describe in detail your enrollment process
  - What methods of communication you use for enrollment purposes
  - Work site visits – capability to visit all PTC work locations
  - Telephone enrollment
  - Online enrollment
- If using an outside enrollment firm please explain their enrollment process
- A Flow chart of the vendor’s procedure for claims processing, from initial receipt of claim through closing of case, including time frames.
- The vendor’s plan design for each of the voluntary supplemental insurance products
- Summary of Vendor’s process for ensuring cost control
- The vendor’s process in time procedures
b. **Contractor Qualifications.** This refers to the ability of the contractor to meet the terms of the RFP, especially the time constraint and the quality, relevancy, and recent studies and projects completed by the contractor. This also includes the contractor’s financial ability to undertake a project of this size.

All proposals should include the following information:

- Please provide a brief history of experience in Voluntary Supplemental Insurance Products, include types of companies, number of lives insured, and years of experience.
- Please include experience in providing voluntary supplemental benefits and insurance in a public sector, highly unionized environment.
- Describe, in detail, your criteria for selecting participating providers, if applicable.
- How many clients do you currently provide supplemental voluntary benefits and insurance, which are of the approximate size of the PTC? Please identify at least five, listing contact person and phone number.
- Indicate whether all services and benefits will be provided within your company or if you will subcontract any of them.
- What is your rate of client retention over the past year?
- List of reasons for losing clients.
- Who will be the Project Manager? When did he/she provide similar installation and to which company?
- Location of facilities, number of employees
- Financial ranking/ratings such as Moody’s, Standard & Poor’s, AM Best
- Financial and business outlook for the next five years
- Industry rankings by product offered
- An annual report

Also, you will be required to provide sample documents including:

- Contracts
- Claim reports
- Employee communication samples

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- Contracts
- Claim reports
- Employee communication samples

**c. Personnel Qualifications.** This refers to the competence of professional personnel who would be assigned to the job by the contractor. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on studies/services similar to that described in the RFP. Particular emphasis is placed on the qualifications of the project manager.

All proposals should include the following information:

- Describe, in detail, the operation of your voluntary benefit coverages and insurance provider network, if applicable.
- Describe in detail, personnel qualifications for the enrollment firm you are using, if any.
- If enrollment firm is used indicate what services they will provide and their role vs. your role in the process.
- What is the minimum employee participation for each voluntary benefit?
• Describe any applicable pre-authorization process.
• Describe the employee communication services provided.
• How will you determine eligibility of PTC employees and their dependents?
• ID cards, if required, will be provided at no cost to all eligible PTC employees.
• Enclose a sample notification letter and standard correspondence to participants.
• Enclose sample of standard reports.
• What are the premium underwriting requirements?
• How will renewals be calculated, and how will they be handled?
• Customer Service capabilities
  o Is it part of your standard offering to provide a one-point representative for employees?
  o Identify turn around time on requests, calls and claims problems.
  o Identify requirements for claims representatives, including training and experience.
  o Will you provide a dedicated toll free number for employees of the PTC?
  o Who is responsible for day to day services and problem resolution?
    ▪ What is the physical location of that support team?
    ▪ Is there a dedicated team supervisor/manager? Attach a brief biography of person(s) including years of service and turnover rate in this position.
  o How will you enroll employees?
  o Will you be available to visit all work locations?
  o How does the vendor communicate with employees?
  o Do you provide customized claim forms and benefit letters? Is there an extra cost for this service?
• Describe your electronic capabilities with respect to enrollment, claim forms, payment verification, and other reports available to PTC. Do you provide customized reports?
• Describe what electronic access will be available to the PTC to data regarding enrollment and payment verification, if any.

  d. Soundness of Approach. Emphasis here is on the techniques for collecting and analyzing data, sequence and relationships of major steps, and methods for managing the study/service. Of equal importance is whether the technical approach is completely responsive to all written specifications and requirements contained in the RFP and if it appears to meet Commission objectives.

All proposals should include the following information:
• The vendor’s implementation plan
• The vendor’s procedure for handling dual claims for Worker’s Compensation and Short Term Disability coverage already provided by the PTC
• The vendor’s appeal process
• The vendor’s procedure for handling fraudulent claims
• The vendor’s procedure for handling claims by separated employees
• The vendor’s policy for contract run outs
• Explanation of the vendor’s HIPAA compliance procedures and the impact of the regulation on communications with the PTC
• The vendor’s written procedures and documentation regarding FICA and reporting, federal, state and local withholding procedures, FUTA/SUTA reporting, and the handling of W-2 forms.
• The vendor’s transition plans from PTC’s current vendor, including timetable
• The vendor’s cancellation policy
• The vendor’s additional resources offered
• The vendor’s subrogation process
• The vendor’s audit process

**e. Programs.** Describe here the programs that you offer for voluntary benefit coverages. Tell us the eligibility requirements and how these programs work with current company benefits.

• Describe, in detail, the operation of your Voluntary Benefits provider network, if applicable.
• Will “on-the job-accident riders” be provided?
• PTC requires that only products approved by PTC can be sold to participants. Please Confirm.
• Besides PTC board approval, each union will be asked to approve your products. Please confirm.
• Explain the programs you are proposing to PTC. PTC will consider a Long Term Care product.
• What is the minimum employee participation for each voluntary benefit?
• Describe any applicable pre-authorization process.
• Describe the employee communication services provided.
• How will you determine eligibility of PTC employees and their dependents?
• ID cards, if required, will be provided at no cost to all eligible PTC employees.
• Enclose a sample notification letter and standard correspondence to participants.
• Enclose sample of standard reports.
• What are the premium underwriting requirements?
• How will renewals be calculated, and how will they be handled?

**f. Service Requirements.** Emphasis should be placed on how the program will work for PTC employees. Tell us what we can expect for PTC employees.

• Describe your reimbursement process, including payroll deduction requirements, claims submission requirements, payment frequency, processing time between submission and reimbursement, verification that payments will be mailed to employee’s home, and any special year-end reminders to assist employees in fully using their flexible spending accounts.
• Please identify the total percentage savings available through your program.
• How will your program track employee usages of this benefit?
• What are your quality assurance standards?
• How do you monitor customer satisfaction?
• Describe how PTC employees will access services.
• Do you provide an 800 number for telephone inquiries?
• What is your claims reimbursement turnaround time for flexible spending accounts? Do you offer direct deposit?
• Describe how you will accommodate PTC’s workforce with employees working 24 hours a day, 7 days a week.
• Please describe your approach to union workers.
• PTC will not mail out any literature or provide staff for this program. Please describe how you will be on site and during sign up, resolving questions and problems.
• What office will handle questions and answers? We will require on site presentations.
• What seminars will you provide?
• What additional services will you provide?
• The finalists will also be rated on presentations.
• List the frequency of your insurance payments.
• Layouts of a data file and element to be mutually agreed to by PTC and Vendor – what types of files are you capable of sending.
• What administrative services will be required of the PTC?

**g. Cost.** After making a technical evaluation on the basis of the criteria set forth above, the Price Proposals will be taken into consideration.

All proposals should include the following information in its cost proposal, including part II-9:

• Provide an itemized cost for the above scope of services or is there one monthly fee per employee per month? Please list.
• Is there a separate start-up fee?
• Are there additional fees for any reports provided by the vendor including ad-hoc reports requested by the PTC?
• Are there any fees for the program charged to the PTC to offer the program to employees?
• The vendor’s procedure for administering all payments, tax reporting and billing.
• The vendor’s rate and any contractual guarantees.
• The reporting tools the vendor will use to determine cost.
• General administrative costs, if any.
• If proposal is submitted by a broker, broker’s fees if any to the employee.
PART IV

WORK STATEMENT

IV-1. Objectives.

a. General. The Pennsylvania Turnpike Commission (PTC) is soliciting proposals from qualified vendors to establish a term contract through competitive negotiations for the administration of its Voluntary Supplemental Insurance Products program.

b. Specific. The PTC is soliciting competitive proposals to reduce Voluntary Supplemental Insurance Products costs; effectively manage, control and adjudicate non-work related claims, provide high quality service, and to provide return to work and fraud and abuse services.


Background
The PTC is an independent agency of the Commonwealth of Pennsylvania. As a government agency, the PTC is not governed by the rules, regulations, or legislative requirements of ERISA.

The PA Turnpike is a key transportation route within the state of Pennsylvania and a vital link in the network of the eastern United States. The Turnpike is 531 miles in length with 57 fare collection facilities, 21 service plazas and two traveler information centers, 21 maintenance facilities, 8 State Police barracks and 5 tunnels. (www.paturnpike.com)

Scope
The Pennsylvania Turnpike Commission is requesting proposals to administer Voluntary Supplemental Insurance Products for a period of five (5) years. If administration of PTC’s Voluntary Plan is listed at a per member per month fee, all services and applicable discounts must be clearly stated. The contract will commence on the Effective Date (as defined in Section I-22) and will end five (5) years from the Effective Date.

The effective date of the proposed plan is as noted previously.

IV-3. Requirements. You must be able to administer the plan that will be a Collective Bargaining Agreement and current operating procedures. You should be able to provide online reporting and access including but not limited to: claims verification/status, application packets, payment verification, reports, forms, etc. You should be able to provide check cutting services, including tax withholding and reporting. Your proposal should include a minimum of a 12-month rate guarantee from the effective date. Please indicate your ability to provide multiple year administrative fee guarantees. The proposal must include statements of compliance with state and federal laws, such as ADA, HIPAA, Worker’s Compensation, etc. Your proposal should include a performance guarantee, covering the quality, timeliness and accuracy of your processes and outcome achieved through the execution of your contracted services.
You must provide an annual accounting, not later than 120 days after the end of the policy year to include:

- Number of employees enrolled
- Amount of premiums paid
- Number of claims paid
- Average duration of leave for claims, if applicable

All fees, rates and renewals submitted to the PTC by the Vendor must be approved by the Commission in advance of application to the contract. You must be legally licensed in the Commonwealth of Pennsylvania to provide services by the effective date. You shall provide an annual audit report upon request by the PTC’s Internal Audit department.

IV-5. Reports and Project Control.

a Task Plan. Indicate the activities, responsibilities (both yours and the PTC’s), timetable and services you will provide in implementation. Where appropriate, a PERT or GANTT chart display should be used to show project, task, and time relationship. Provide a list of the information you will need from the PTC for implementation.

b Status Report. A monthly progress report covering activities, problems, and recommendations regarding implementation and the transition.

c Problem Identification Report. An “as required” report, identifying problem areas. The report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include contractor recommendations with supporting rationale.

d Ongoing Reports (as applicable)
On an ongoing basis, at least quarterly, the Vendor will be expected to provide electronic reports that include the following data elements for each claim where an employee has been absent from work. For a given claim, data should be provided for the time period in which the claim was open and the employee was eligible, with the information reflecting experience to date from the time the claim was opened.

1) Employee ID Number
2) Gender
3) Work Location
4) Union Designation
5) Gross weekly benefit before offsets
6) Offsets for other income, legislation and/or overpayments and amounts
7) Title
8) First day of disability
9) Last day worked
10) Date employee first seen by physician
11) Benefit payment commencement date
12) Status of claimant
13) If Claimant accommodated, type of accommodation
14) Total days of absence
15) Case closed date
16) Reason for closure
17) Other case specific expenses; IME’s, surveillance, etc.
18) Diagnoses code (principle and secondary)
19) Claims duration
Appendix B

CURRENT EMPLOYER PROVIDED PROGRAMS

Employer provided benefits:

Medical, Prescription, Dental and Vision Coverage

Full time permanent employees are covered under an Indemnity medical plan, prescriptions plan with a minimal co-pay, and dental and vision plans in which the premiums are fully paid by the Commission.

Supplemental employees may purchase medical plan insurance coverage after 3 months of service with the Commission, and after 6 months of service the Commission pays ½ of the premium. During the first year they cannot opt for dental or vision coverage. Supplemental Employees are covered under medical, dental and vision coverage after completing 12 months of service in which the PTC fully pays premiums. Supplemental employees are not eligible for prescription coverage.

Short Term Disability

After completing their probationary period, permanent employees are covered by the Short Term Disability Program includes STD coverage and administration for non-work related and work-related claims for full time employees of the PTC. The policy does not have partial return to work provisions. Work related claims initially denied but later paid by Worker’s Compensation will be subject to repayment as outlined in the employee repayment agreement. The PTC provides income replacement of 65% of weekly wages for up to 364 days; for full time Union employees who have completed their probationary period and full time Management employees who have completed 90 days of employment. The Commission will pay hospitalization coverage for employees on disability up to a maximum of one hundred eighty (180) days. Included in said Sick and Accident plan is $10,000.00 accidental death and dismemberment coverage.

Supplemental employees are not covered under this plan.

Term Group Life Insurance Coverage

Employees have term life insurance coverage after 90 days of employment. The PTC pays the entire premium. The amount of insurance is determined by salary, rounded to the nearest thousand up to a maximum of $40,000. A physical examination is not required. An employee has the right to convert the insurance to a personal policy within 30 days of retirement or leaving active employment.

Supplemental employees are not covered under this plan.

Accidental Death and Dismemberment

The PTC provides employees with $10,000 accidental death and dismemberment coverage for protection against loss of life or certain bodily injuries from a covered accident.
Supplemental employees are not covered under this plan.

**Employee Assistance/Counseling (TEAP)**

Employees are provided with a confidential counseling service to help deal with issues such as drug and alcohol problems, stress, family difficulties and other related issues. The first six counseling sessions are provided free of charge to the employee.

Regular and supplemental employees are covered under this.

**Worker’s Compensation Coverage**

This program covers medical treatment for any accidental injury or illness sustained while working for the Commission and any compensation for lost wages, partial or total disability, temporary or permanent disability and death benefits.

Regular and supplemental employees are covered under this plan.

**Voluntary Programs:**

**Voluntary Group Life Insurance**

Employees have the opportunity to voluntarily purchase additional life insurance. Premiums are deducted automatically from the employee’s paycheck.

We have had two different voluntary life programs. One is still an option for employees and the other one is only available to employees who elected to continue their coverage with the old vendor prior to the PTC changing their vendor.

Regular and supplemental employees may elect to participate in this plan.

**Family Care Account Program**

The PTC offers a Family Care Account Program to pay for dependent care expenses with pre-tax dollars. Employees may enroll if they are employed for at least 750 hours annually and have at least one dependent that needs care while they work.

Regular and supplemental employees may elect to be part of this plan.
This AGREEMENT is made this ______________ day of __________________, 2005, between the Pennsylvania Turnpike Commission (“COMMISSION”), an instrumentality of the Commonwealth of Pennsylvania, with principal offices at Middletown, Pennsylvania (mailing address: P. O. Box 67676, Harrisburg, PA 17106-7676; physical address: 700 Eisenhower Blvd, Middletown, PA 17057),

AND

___________ (“CONTRACTOR”), [insert the legal status of CONTRACTOR such as a Pennsylvania (or foreign) corporation (or partnership, LLC, LLP, etc.)], with its principal office at [insert address]

WITNESSETH:

WHEREAS, the COMMISSION desires to . . . [describe the specific PTC purposes, goals, assumptions, underlying facts, or contractor's representations that are the basis of the bargain, etc.]

WHEREAS, by Act No. 211 of the General Assembly of the Commonwealth of Pennsylvania, approved May 21, 1937, and its amendments, the COMMISSION is authorized and empowered to enter into a contract with CONTRACTOR;

WHEREAS, the COMMISSION desires to retain the services of CONTRACTOR upon the following terms; and

NOW, THEREFORE, in consideration of these mutual covenants, and intending to be legally bound, the parties agree as follows:
Definitions
[This section is for terms that have a special meaning for this agreement or that are used in a way different from everyday or common usage.]

Contractor’s Scope of Work
[There should be a document that specifies what we expect from the Contractor (such as deliverables; schedules and deadlines; representations or warranties; conditions or covenants; location of the work; use of specific persons; standards of performance; insurance requirements). This document must be made part of the Agreement (either as an exhibit which is attached or by referring to it in the Agreement without attaching it)].

The CONTRACTOR will perform the work described in [identify the document/RFP#] dated [date], titled [title] and the CONTRACTOR’S proposal dated [date]. This document is [SELECT ONE: attached as Exhibit _ and made a part of this Agreement OR made part of this Agreement by reference].

Commission’s Responsibilities
The COMMISSION shall furnish the CONTRACTOR access to key personnel, relevant documents, and adequate workspace for completing the work.

Compensation
For the work, services, and material as defined in this Agreement, the CONTRACTOR shall be paid __________________ and __/100 DOLLARS ($__________). [Specify whether the compensation method is hourly, cost reimbursement, lump sum, etc.]

Duration of Agreement [and Renewal]
The term of this Agreement is [term]. The term may be extended for [number] additional years by a writing signed by both parties.

Termination
Either party may terminate this agreement at any time upon thirty- (30) calendar days written notice. If this notice is given, the CONTRACTOR shall be paid only for the services already rendered upon the date of the notice and for the services rendered to the date of termination, subject to all provisions of this agreement. The notice will be effective on the date of receipt. The right to cancel may be exercised as to the entire project, or as to any particular phase or phases, part or parts, and upon one or upon several occasions, but any termination may not be revoked except upon written consent of the parties through a supplemental agreement to this agreement.

Assignment and Delegation
The CONTRACTOR may not transfer, assign, or delegate any terms of this contract, in whole or in part, without prior written permission from the COMMISSION.
The CONTRACTOR shall not engage the services of any person or persons now employed by the Commission except with the COMMISSION's approval.

Governing Law
This agreement will be interpreted according to the laws of the Commonwealth of Pennsylvania.

Observance of Laws
The CONTRACTOR agrees to observe all relevant federal, state, and local laws and to obtain in its name all necessary permits and licenses.

Work for Hire
Except for hardware, third party licensed software, and software previously developed by CONTRACTOR, all Deliverables, including but not limited to source code, software, specifications, plans, designs and engineering, drawings, data, information or other written, recorded, photographic, or visual materials, trademarks, service marks, copyrights or other Deliverables produced by CONTRACTOR or any supplier in the performance of the contract shall be deemed "Work Product". All Work Product shall be considered services for hire. Accordingly, except as set forth earlier in this paragraph, all Work Product shall be the exclusive property of the COMMISSION. The CONTRACTOR agrees to notify the COMMISSION in writing before using any of CONTRACTOR's previously developed software for services provided under this Agreement. The CONTRACTOR and the COMMISSION will honor all applicable preexisting licenses, copyrights, trademarks, service marks, and patents. If as part of an expense item under this Agreement, the CONTRACTOR purchases the right to any license, the agreements for the use or ownership of such license will be placed in the name of the COMMISSION along with all other rights and obligations. In addition, the CONTRACTOR will mark all Turnpike content or previously unprotected work product designated by the COMMISSION with a notice as follows: "Pennsylvania Turnpike Commission, (Year)".

Audit/Retention of Records
CONTRACTOR and its subcontractors shall maintain books and records related to performance of this contract or subcontract and necessary to support amounts charged to the COMMISSION in accordance with applicable law, terms and conditions of this contract, and generally accepted accounting practice. CONTRACTOR shall maintain these books and records for a minimum of three (3) years after the completion of the contract, final payment, or completion of any contract, audit or litigation, whichever is later. All books and records shall be available for review or audit by the COMMISSION, its representatives, and other governmental entities with monitoring authority upon reasonable notice and during normal business hours. CONTRACTOR agrees to cooperate fully with any such review or audit. If any audit indicates overpayment to CONTRACTOR, or subcontractor, the COMMISSION shall adjust future or final payments otherwise due. If no payments are due and owing to CONTRACTOR, or if the overpayment exceeds the amount otherwise due, CONTRACTOR shall immediately refund all amounts which may be due to the COMMISSION. Failure to maintain the books and records required by this Section shall establish a presumption in favor of the COMMISSION for the recovery of any funds paid by
the COMMISSION under the contract for which adequate books and records are not available to support the purported disbursement.

Dispute Resolution
All questions or disputes regarding any matter involving this contract or its breach shall be referred to the Board of Claims as provided in 72 P.S. § 4651. If the Board of Claims either refuses or lacks jurisdiction, these questions or disputes shall proceed as provided in 42 C.S.A. § 7301 et seq. (Statutory Arbitration). The panel of arbitrators will consist of a representative of each of the parties and a third party chosen by the representatives, or if the representatives are unable to choose, by the American Arbitration Association.

Indemnification
The CONTRACTOR shall be responsible for all damage to life and property due to negligence or other tortious acts, errors, and omissions arising from or related to the work of this Agreement. The CONTRACTOR shall indemnify and hold harmless the COMMISSION, the COMMISSION’s officers, and the COMMISSION's employees from any claim or liability of any type or nature arising from or related to the work of the CONTRACTOR or that of the CONTRACTOR's employees or subcontractors or the presence of these persons or individuals on the COMMISSION's premises.

Contractor Provisions
The Contractor Integrity and Contractor Responsibility Provisions are attached as an exhibit and made a part of this agreement.

Entire Agreement
This Agreement, together with any writings either attached as exhibits or incorporated by reference, constitutes the entire understanding between the parties and there are no other oral or extrinsic understandings of any kind between the parties.

Modification
This agreement may be modified only by a writing signed by both parties.
IN WITNESS WHEREOF, the Pennsylvania Turnpike Commission and [Contractor’s Name] have executed this Agreement by their duly authorized officers and affixed their respective official and corporate seals on the date written above.

ATTEST: PENNSYLVANIA TURNPIKE COMMISSION

______________________________
Rebecca R. Troup Mitchell Rubin
Assistant Secretary-Treasurer Chairman

APPROVED AS TO FORM AND LEGALITY:

______________________________
Albert C. Peters II
Assistant Chief Counsel

ATTEST: [CONTRACTOR’S NAME]

______________________________
Signature

______________________________
Name

______________________________
Title

Federal Tax ID. No. _________________
Contractor Integrity Provisions

1. Definitions.
   a. Confidential information means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the COMMISSION.
   b. Consent means written permission signed by a duly authorized officer or employee of the COMMISSION, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the COMMISSION shall be deemed to have consented by virtue of execution of this agreement.
   c. CONTRACTOR means the individual or entity that has entered into this agreement with the COMMISSION, including directors, officers, partners, managers, key employees, and owners of more than a 5 percent interest.
   d. Financial Interest means:
      (1) ownership of more than a 5 percent interest in any business; or
      (2) holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
   e. Gratuity means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.

2. The CONTRACTOR shall maintain the highest standards of integrity in the performance of this agreement and may take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the COMMISSION.

3. The CONTRACTOR may not disclose to others any confidential information gained by virtue of this agreement.

4. The CONTRACTOR may not, in connection with this or any other agreement with the COMMISSION, directly or indirectly offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the COMMISSION.

5. The CONTRACTOR may not, in connection with this or any other agreement with the COMMISSION, directly or indirectly offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the COMMISSION.

6. Except with the consent of the COMMISSION, neither the CONTRACTOR nor anyone in privity with him may accept or agree to accept from any person, or give or agree to give to any person, any gratuity from any person in connection with the performance of work under this agreement except as provided therein.

7. Except with the consent of the COMMISSION, the CONTRACTOR may not have a financial interest in any other engineer, subconsultant, or supplier providing services, labor, or material on this project.

8. The CONTRACTOR, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the COMMISSION in writing.

9. The CONTRACTOR, by execution of this agreement and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that he has not violated any of these provisions.

10. The CONTRACTOR, upon the inquiry or request of the COMMISSION's Internal Audit Group, shall provide, or if appropriate, reasonably and promptly make available to that office and its representatives, for inspection and copying, any information of any type or form deemed relevant by the Internal Audit Group to the contractor's integrity, as that term is defined by Pennsylvania law or Governor's management directives. This information may include, but is not limited to, the CONTRACTOR's business or financial records, or documents or files of any type or form regarding this agreement. The CONTRACTOR shall retain this information for three years beyond contract termination unless otherwise provided by law.

11. For violating any of these provisions, the COMMISSION may terminate this and any other agreement with the CONTRACTOR, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another engineer to complete performance of this agreement, or debar and suspend the engineer from doing business with the COMMISSION. These rights and remedies are cumulative, and the use or nonuse of any one does not preclude the use of all or any other. These rights and remedies are in addition to those the COMMISSION may have under law, statute, regulations, or otherwise.
CONTRACTOR RESPONSIBILITY PROVISIONS

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee, or sub-grantee, who has furnished or seeks to furnish goods, supplies, services, or leased space, or who has performed or seeks to perform construction activity under contract, subcontract, grant, or sub-grant with the Commonwealth, or with a person under contract, subcontract, grant, or sub-grant with the Commonwealth or its state-affiliated entities, and state-related institutions. The term contractor may include a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other entity of the Commonwealth.

1. The contractor must certify, in writing, for itself and all its subcontractors, that as of the date of its execution of any Commonwealth contract, that neither the contractor, nor any subcontractors, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the contractor cannot so certify, then it agrees to submit, along with the bid/proposal, a written explanation of why such certification cannot be made.

2. The contractor must also certify, in writing, that as of the date of its execution, of any Commonwealth contract it has no tax liabilities or other Commonwealth obligations.

3. The contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the contractor shall have an obligation to inform the contracting agency if, at any time during the term of the contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.

4. The failure of the contractor to notify the contracting agency of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the contract with the Commonwealth.

5. The contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the contractor's compliance with the terms of this or any other agreement between the contractor and the Commonwealth, which results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The contractor shall not be responsible for investigative costs for investigations that do not result in the contractor's suspension or debarment.

6. The contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the internet at [http://www.dgs.state.pa.us/debarment.htm](http://www.dgs.state.pa.us/debarment.htm) or contacting the:
Addendum No. 1
RFP #05-113-3162
VOLUNTARY SUPPLEMENTAL INSURANCE PRODUCTS

Following are the answers to questions submitted in response to the above referenced RFP as of 2:00 PM, Thursday June 30, 2005. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission.

1. Will a census, be provided at the conference?
   Yes. The census is provided on the CD in an excel format.

2. Will the census information provided include the following:
   • Date of birth, gender and salary information
     This information is included on the CD.
   • Voluntary supplemental participants and benefit amounts
     There are 161 participants in 2 current voluntary life insurance programs. Benefit amounts are not available.

3. In order to complete a more detailed analysis of claim incidence, is the PTC willing to provide the following information:
   • Rate history, premium paid and claims paid for the last 3 years
     The PTC will not release this information.
   • A detailed description of the current Voluntary Supplemental benefit provisions
     The PTC will not release this information.

4. The RFP document provided to us doesn’t appear to show plan design or frequency of services. We would like to know exactly what you are looking for regarding plan design, etc., if possible.
   The PTC is willing to look at any plan design and services as part of the evaluation process.

5. What are the enrollment conditions?
   • Can we see 100% of employees?
     We will provide the opportunity for on-site meetings. These meetings will not be mandatory.
• Can we be onsite?

**Yes. At designated locations.**

6. What kind of support do we have from the Commission?

*Contractors must provide all services to complete the identified work. Human Resources will provide an administrative contact/liaison for reconciliation of billing and the input of payroll deductions into the payroll system. Contacts will also be provided at the employee locations.*

7. Can we see employees on Commonwealth time?

**Yes. Advanced notice scheduling is required.**

8. Is there a new payroll slot available?

• Will the current Voluntary Life coverage be replaced?

**No. However, employees may be given the option to convert.**

• Will the current payroll slot be terminated?

**No. New deduction codes will be created.**

9. How does the PTC define a "supplemental employee"?

*Employees not considered regular full-time, and not guaranteed 40 hours of work per week.*

• Are ALL Union and Non-union employees eligible for the Voluntary Benefits?

**Yes.**

10. If the PTC will NOT provide mailings…

• Do PTC employees have email access?

**The majority of PTC employees do not have email access.**

• Are payroll stuffers an option?

*Distribution options are open to consideration. Please detail distribution methods in your proposal.*


11. Could we be provided with home address labels?

   No. However, an excel spreadsheet of employees and addresses can be provided.

12. Is there an employee intranet?

   Yes. But not all PTC employees have access to it.

13. Is the new Voluntary vendor required to administer the FSA program?

   The PTC does not have a flexible spending account program.
   
   • Is FSA administration required?
     
     No.
   
   • Are premiums required to be pre-tax contributions?
     
     Yes.

14. In the finalist presentations…

   • How are presentations rated?
   
   • What is the process?
   
   • What are the criteria?

   All ratings will be based on criteria outlined in Part III of the Request for Proposal.

15. Is it possible to define employee access in greater detail? For instance, how many locations will provide a meeting for the employees?

   Meetings will be held geographically across the Commonwealth.

16. What percentage of the total population will be provided an opportunity to participate in the meeting?

   100% of PTC employees will be given the opportunity to participate.

17. Will some of the locations allow for a one-on-one meeting environment?

   Yes.

18. Will the PTC include core benefits as part of the enrollments?

   No. Core benefits will not be included.
19. Is the decision final on pre-tax contributions or will the PTC entertain proposals with post-tax contributions?

   If the product cannot be offered pre-tax because of IRS or insurance regulations, we will consider post tax benefits.

20. Have employees expressed an interest in voluntary vision?

   Union employees have, on occasion, expressed an interest.

21. What types of benefit enhancements have employees expressed an interest in?

   Employees have expressed an interest in LASIK, more coverage, and higher benefit limits.

22. Do employees currently contribute to the in force vision benefit or is it 100% employer paid?

   The current plan is 100% employer paid.

23. What additional dental benefits would the PTC like to include to employees?

   The PTC is willing to look at any plan design and services as part of the evaluation process.

24. Do the employees currently contribute toward the cost of their union dental program or management dental program?

   No, they do not.

25. What differences are there in plan design for management versus union employees for vision and dental benefits?

   There are differences in annual limits and allowances.

26. Is the PTC interested in implementing a flexible spending account (FSA) program through a carrier offering voluntary products?

   The PTC is not interested at the present time.

27. Can the PTC provide a map illustrating all locations matching the census breakdown provided?

   Yes, a map can be provided.

28. November 1, 2005 is the planned date for implementation. Does the PTC have a desired effective date?

   No later than January 1, 2006.

29. Permanent life insurance plans cannot be paid for on a pre tax basis. Will the PTC continue to offer any permanent life insurance plans on a post tax (after tax) basis as part of your new offering?

   Yes. If the product cannot be offered pre-tax because of IRS or insurance regulations, we will consider post tax benefits.
30. Disability benefits received by an insured would be taxable if paid for on a pre-tax basis. Will you allow disability plan premiums to be paid on an after tax basis?

No.

*Please be aware that the proposed implementation date for coverage is November 1, 2005. Please include this date as part of your implementation planning.*
July 11, 2005

Dear Vendor;

Please make note of the enclosed Addendum No. 1 to “VOLUNTARY SUPPLIMENTAL INSURANCE PRODUCTS” RFP # 05-113-3162.

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