



**SAN FRANCISCO
HEALTH SERVICE SYSTEM**

Affordable, Quality Benefits & Well-Being

ADDENDUM NO. 4

**RFP for Life and Disability Benefits Request For Proposal
(RFPQHSS2024.B1)**

February 13, 2025

REQUEST FOR PROPOSALS FOR

**Life and Disability Benefits for the San Francisco Health Service System
(RFPQHSS2024.B1)**

**CONTACT: michael.visconti@sfgov.org; cc: anne.thompson2@aon.com &
patrick.chang@sfgov.org, cc:**

This Addendum is being issued to modify the requirements in the above-referenced Request for Proposals (RFP).

Please review the terms of the RFP and this Addendum carefully. If there are any inconsistencies between the RFP (issued December 3, 2024) and the terms of this Addendum No. 4, then the terms of this Addendum No. 4 shall prevail.

Section references below are to the RFP and are provided for convenience of reference only.

A. Modifications to the RFP

1. **Schedule and Key Dates.**

SFHSS is amending the RFP as follows:

(New/changed dates are in Red)

Schedule – Key Dates and Deadlines

▪ RFP Issued	December 3, 2024
▪ Deadline for RFP Questions	December 13, 2024 (8:00AM PT)
▪ Responses to Questions Posted*	January 13, 2025
▪ Deadline for Proposals (Sec. 3.3)	March 10, 2025 (12:00PM PT)
▪ Requests for Clarification	March 10 - 28, 2025
▪ Notification of Oral Interviews	April 11, 2025
▪ Oral Interviews	April 21-25, 2025**
▪ Notice of Intent to Award (est.)	May 8, 2025
▪ Implementation Period (est.)	May - December 2025
▪ Open Enrollment (est.)	October 1 – 31, 2025
▪ Coverage Beginning	January 1, 2026

* Questions will be answered and posted on a rolling basis to <https://sfhss.org/RFPs>. Submitters will be notified via email at the time of posting.

** Oral Interviews may be conducted in person at the SFHSS Offices located at 1145 Market Street, San Francisco, California 94103 (see Section 4.3 below).

2. **RFP Appendix A - Professional Services Agreement**

SFHSS is amending Section 1.7 (Appendix A (Standard Agreement)) of the RFP as follows, new changes are in red and highlighted:

Appendix A (Standard Agreement) contains the general form and content of the contract SFHSS anticipates using for the agreement with the Respondent selected as a result of this RFP.

SFHSS requests a redline copy of the Standard Agreement from the top three (3) Respondents (see RFP Section 3.2, D.).

A Respondent Proposal will serve as the basis for negotiations with a Selected Respondent. If Respondent fails to identify an objection to any particular term or condition, the term or condition will be deemed agreed to by Respondent. SFHSS reserves the right to discuss any Respondent-proposed change to terms or conditions and to clarify and supplement such proposal. Proposed changes to any particular term or condition of the Standard Agreement will be used to determine the responsiveness of Respondent's Proposal (Minimum Qualifications (Section 3.2)). Proposals that are contingent upon SFHSS and the City making substantial changes to the material terms and specifications published in the RFP may be disqualified. SFHSS will consider the number and nature of the terms and conditions Respondent is objecting to in determining the likelihood of completing an agreement with Respondent if selected. SFHSS reserves the right to add or delete language from Appendix A (Standard Agreement) when preparing the final form of the agreement with a Selected Respondent(s).

Responses which do not either indicate acceptance or redline proposed changes, or if a Respondent rejects most or all Standard Agreement provisions outright, shall be deemed non-responsive.

3. Minimum Qualifications

SFHSS is amending Section 3.2 (Minimum Qualifications) of the RFP as follows:

Respondent must meet the below minimum qualifications set forth here and in the Questionnaire at the time of proposal submission.

- A. Respondent has submitted a complete Questionnaire with all required benefits and services. **Responses which do not include all Life and Disability Benefits as defined within the RFP (RFP Section 2, Scope of Services) shall be deemed non-responsive.**
- B. Respondent possesses a financial rating equivalent to A3 or better (Moody's) or A- or better (S&P, Fitch, AM Best) at the time of proposal submission.
- C. Respondent is in good-standing with the State of California (and the State in which it is organized to do business) and qualified to provide the benefits and services in this RFP to clients within the State of California, including, but not limited to, licensing with the California Department of Insurance, for the benefits within the scope of this RFP.
- D. **Should Respondent be selected for Oral Interviews (RFP Section 4.3), Respondent shall in good faith commit to submitting a redline of the Standard**

Agreement, including, but not limited to City-required data and confidentiality provisions, as set forth in Appendix A, Article 13 (Data and Security), **subject to, and limited by, applicable laws and regulations, and in the redline to the Standard Agreement, clearly explain any instance where Respondent is unable to comply.**

- E. Respondent will become an Approved City Supplier by **May 31**, 2025.¹
- F. Respondent will maintain compliance with all applicable federal and state regulations that apply to the plans quoted in accordance with the Standard Agreement, Section 11.10 (Compliance and Laws).
- G. The Respondent will maintain the levels of insurance set forth in Appendix A (Standard Agreement), Section 5 (**Insurance and Indemnity**) to cover the services provided.
- H. Respondent will require any and all subcontractors and network providers to maintain sufficient levels of corporate/general liability insurance, including medical malpractice coverage, to cover the services provided to the Plan including as required under Section 5.15 (f) in Appendix A (Standard Agreement).
- I. Respondent has ten (10) or more clients in excess of 20,000 lives for both Life and AD&D, with at least two (2) being public sector entities within the past two (2) years.
- J. Respondent has ten (10) or more clients in excess of 20,000 lives for Short Term disability, with at least two (2) being public sector entities within the past two (2) years.
- K. Respondent has ten (10) or more clients in excess of 20,000 lives for Long Term Disability, with at least two (2) being public sector entities within the past two (2) years.
- L. Respondent will provide dedicated ongoing off-site support and resources to assist SFHSS in the administration of the group life insurance and the group disability policies, and to assist eligible employees with voluntary benefit policies. These duties are expected to include, but not be limited to, (i) assisting SFHSS and insured employees with understanding coverage and benefit features and with claim filing requirements; (ii) assisting claimants in submitting disability, death and waiver claims; (iii) reviewing enrollment

¹ Respondents are not required to have an SF City Supplier ID at the time of bid. Find out how to become a SF City Supplier at: <https://sfgov.org/oca/Qualify-Do-Business>.

applications for accuracy; (iv) assisting in annual enrollment needs such as benefit fairs, enrollment meetings, and trainings; (v) verifying evidence of insurance ("EOI") requirements, providing EOI forms and instructions; (vi) collecting beneficiary designation forms, reviewing for completeness and providing to SFHSS for retention; (vii) forwarding beneficiary designation form with the life insurance claim form to SFHSS when a life insurance claim is made; (viii) responding to employee, insured member and beneficiary communications regarding claim status; (ix) answering employee and insured member questions regarding benefits; (x) responding to SFHSS insurance and policy questions; and (xi) supporting SFHSS in updating new hire orientation materials.

- M. Respondent agrees that SFHSS shall be the sole system-of-record for all full-time active employees, who are subject to a collective bargaining agreement, and that are eligible for employer-paid life Insurance, employer-paid Long Term Disability Insurance, and/or supplemental Life Insurance, Accidental Death and Dismemberment, and Short-Term Disability Insurance.*
- N. Respondent complies with all state insurance department filing requirements for all plans/products being offered in response to this RFP in the State of California and each state in which the City has employees.*
- O. No Loss of Coverage: Respondent will provide "no loss, no gain" provision and will unconditionally provide continuous coverage to all current participants.*
- P. No Loss of Coverage: Respondent agrees that no active employees or disabled employees shall lose coverage as a result of this RFP.*
- Q. Respondent will not impose a statement of health or medical evidence upon the initial group of covered employees for coverage amounts currently in force for all coverages.*
- R. Respondent certifies that it will comply with the Department of Labor's final claims procedure regulations, including the appropriate timeframes for (a) adjudicating claims, and (b) notice of appeal decisions.*
- S. Respondent agrees to assume claim fiduciary responsibilities, including appeals, claim adjudication and defense of claim decisions.*
- T. Respondent agrees to monitor federal and state legislation affecting the delivery of plan benefits to participants and to report to the client on those issues in a timely fashion, prior to the effective date of any mandated plan changes.*

- U. *For employer-paid Basic Life and LTD, Respondent accepts self-payment of Life and LTD premiums, payable by the 20th of the current month, for the prior months' eligibility.*
- V. *Respondent confirms that all benefits and product rates in response to this RFP are self-sustaining and are not cross-subsidized.*

Any response that does not demonstrate that the Respondent meets these minimum qualifications by the Deadline for Proposals (Section 3.3) will be considered non-responsive and will not be evaluated or eligible for award of any subsequent contract(s). SFHSS reserves the right to request documentation to verify any minimum qualification(s).

4. Proposal Structure

SFHSS is modifying Section 3.5 (Proposal Structure) of the RFP as follows:

Each Proposal shall contain only the following attached to a single email by or before the Deadline for Proposals (Section 3.3):

1. *The Questionnaire must be in Microsoft Excel format (.xlsx).*
2. ***Implementation Plan (Section 2.6).***

Each proposal shall contain only relevant information that is specific to this RFP and the specific questions and requests contained herein and in the Questionnaire.

While there is no intent to limit the content of any Proposal, a Respondent must emphasize simple, straightforward and concise statements that satisfy the requirements of the RFP and clearly identify applicable subsection or question.

Respondents accept that superfluous information may be disregarded.

SFHSS may contact references listed for verification purposes only and only if deemed necessary by SFHSS prior to selection of the highest ranked respondent. References will not be contacted by the RFP Evaluation Panel.

5. Census and Experience Data

SFHSS has uploaded to each respective SFSecureShare folder an updated census, including the following updates:

- A. Voluntary benefit data has been added to the 8,054 employees previously added to the file. This group of employees represents those who do not qualify for Basic Life or LTD but may purchase voluntary benefits. Of this population, 107 had Supp. Life policies.
- B. Review of eleven (11) missing unions was conducted and resulted in the following findings:
- i. Six (6) unions totaling 293 employees were added into the file (196, 356, 357, 651, 858, 965). These unions either qualify for Basic Life or LTD but not both. A coding error dropped these records from the initial files.
 - ii. Five (5) unions (036, 066, 122, 221, 969) do not have any employees.
 - iii. All other unions listed in the RFP, are out of-scope populations with neither Basic Life or LTD administered by SFHSS nor eligibility for voluntary benefits.
 - iv. Unique ID from the initial file has been added back and all available data elements populated.

Should a Respondent require access to their SFSecureShare folder, they are advised to email michael.visconti@sfgov.org, cc: patrick.chang@sfgov.org; anne.thompson2@aon.com.

The remainder of this page intentionally left blank.