

# Vendor's Offer

Form 201-B (RFP)

**"Return this Section with your Response"**

It is required that Offeror complete, sign and submit the original of this form to the City Procurement Office with the proposal response. An unsigned "Vendor's Offer", late proposal response and/or a materially incomplete response will be considered nonresponsive and rejected.

Offeror is to type or legibly write in ink all information required below.

Company Name:	<u>Symetra Life Insurance Company</u>				
Company Mailing Address:	<u>Regional Office – 1 East Camelback Road Suite 840</u>				
City:	<u>Phoenix</u>	State:	<u>AZ</u>	Zip:	<u>85012</u>
Contact Person:	<u>Mike Hoffman</u>	Title:	<u>President</u>		
Phone No.:	<u>602-249-2030</u>	FAX:	<u>602-242-3324</u>	E-mail:	<u>mikeh@azben.com</u>
Company Tax Information:					
Arizona Transaction Privilege (Sales) Tax No.: _____ or					
Arizona Use Tax No.: _____					
Federal I.D. No.: <u>91-0742147</u>					
City & State Where Sales Tax is Paid: _____					
If a Tempe based firm, provide Tempe Transaction Privilege (Sales) Tax No.: <u>N/A – Premium Tax pd to State of Arizona</u>					

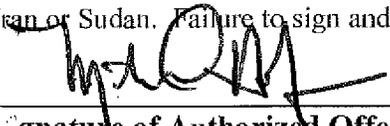
## THIS PROPOSAL IS OFFERED BY

Name of Authorized Individual (TYPE OR PRINT IN INK) Mike Hoffman

Title of Authorized Individual (TYPE OR PRINT IN INK) President

## REQUIRED SIGNATURE OF AUTHORIZED OFFEROR (MUST SIGN IN INK)

By signing this Vendor's Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other Offeror or potential Offeror. In accordance with A.R.S. 35-393, et seq., the Offeror hereby certifies that it does not have scrutinized business operations in Iran or Sudan. Failure to sign and return this form with proposal response will be considered nonresponsive and rejected.

  
\_\_\_\_\_  
Signature of Authorized Offeror

5/30/12  
Date

(H/RFP 3-2008)

# Questionnaire

Return this Section with your Response

Bidder shall submit answers to the following questions. Responses will be utilized in determination of contract award. The City of Tempe may consider other information, whether or not specifically provided by the bidder, in response to this RFP.

## A. Your Organization

Please provide your organizations AM Best Rating.	<b>A</b> <b>10/28/2011</b>
Does your contract have layered risk levels, or does your company accept 100% of the risk? If the risk is layered, do you have binding authority? Define the different risk levels and the risk carriers.	<b>No - Symetra retains 100% of the risk. Symetra has full binding authority. Important: This offer is firm and does not require any additional disclosure or contract completion.</b>
Does your organization utilize any third party predictive modeling engines or database modules to assist in predicting future disease state of the population?	<b>Yes - this process is done at renewal via review of claims data. Symetra does renewal projections annually. This data is able to be shared with the City.</b>

## B. Administration

Does your organization have any limitations or exclusions within your stop loss contract (i.e., mental health, substance abuse, organ transplants, disabled or confined individuals, etc.)?	<b>No - The Symetra contract has no limitations or exclusions for specific coverages or services. The Plan Document will remain the sole determinant of what is covered or not covered by the plan. Symetra will reimburse expenses based on the plan document.</b>
Does your organization require pre-existing limitations in your stop loss contract?	<b>No – additionally we assume that it is the intention of the Client that no employee will suffer a loss of coverage by virtue of a change in carriers other than by plan design. Symetra agrees to this premise.</b>
Will your organization automatically waive actively at work provisions?	<b>Yes – we have no limitation in our policy. The City makes this determination.</b>
Will your organization’s UM/LCM defer to the claim administrator’s UM/LCM control, intervention and decisions? If so, please disclose the associated discount in your quote.	<b>Yes - a discount of 10% was included in the base rate calculation for UM/LCM.</b>
Describe the reports you will require from the claims administrator(s) and the frequency of the reports.	<b>Monthly Aggregate Reports and 50% Large Claim Notices Frequency: As report is completed. Note: Allegiance TPA is a preferred TPA of Symetra’s and electronically receives reporting.</b>

## C. Underwriting Process

During the initial quote does your organization use prior claim experience in developing your quoted rates?	<b>Yes.</b>
Will future renewals be based on the claims experience of your stop loss pool, City of Tempe’s experience, or a blend? Please explain.	<b>Blended – Details: For the most part this is proprietary information but is consistent with industry standards. Additionally a portion of claims over a certain threshold are pooled and then group’s claims account for the renewal action.</b>
Does your second year contract automatically renew as a paid contract?	<b>Yes – but because Symetra is the current stop loss carrier a PAID contract is being provided even in the first year. To meet the bid requirements we provided an 18/12, but we will gladly provide the more comprehensive PAID contract on the effective date.</b>

Does your organization require the employer to complete a disclosure? If so, is it required at the time of quote and/or renewal?	<b>No – this is a FIRM offer with no additional contracts, disclosures needed. No disclosure is required at renewal.</b>  <b>The Symetra contract is a guaranteed renewal and guaranteed NO laser deductible situation at renewal.</b>
Does your organization require an increase the ISL deductible at renewal?	<b>No - our Contract does not have this negative feature.</b>
What census changes cause a change in rates or liability limits?	<b>If a total enrollment or single/family ratio varies by more than 10% of what was quoted, we reserve the right to re-price our Specific and Aggregate numbers.</b>
Does your organization utilize laser provisions in your contract? If so, are they required or does the client have the option to decline?	<b>The renewal contract is a guaranteed no laser contract. There are no lasers applied to the offer for 7-1-12. The offer is FIRM and does not require additional disclosure. A laser could be used at the option of the employer to forgo a rate action, but this is the option of the employer only.</b>
If proposing a laser provision, how is it determined and disclosed?	<b>Not applicable – Symetra would not propose.</b>
What information will be required when an acquisition is made? Define the criteria under which your organization would re-evaluate the rates and factors. Will the actively-at-work requirement be waived for covered employees of an acquisition?	<b>If an acquisition of employees would occur, if the the group being added was less than 10% of the total group, there would be no rate change. If the group is over 10% of the total, data on the new group would be requested including census and the data will be evaluated. The Symetra contract does not include an actively at work provision.</b>

#### D. Claims Payment

What is the definition of “paid” in your stop loss contract (e.g., check cut, check cashed)?	<b>A claim is paid if the claim has been adjudicated, a check is written and mailed directly to the payee while your excess loss contract is in force; and funds are available to honor the check.</b>
Does your organization only offer annual aggregate claim reimbursement or can earlier reimbursement be obtained if claims exceed liability (monthly accommodation)?	<b>Yes - Symetra can offer monthly aggregate accommodation.</b>
Please explain under what circumstances an aggregate claim audit is required? Would such audit be performed internally or by a third party? If a third party, which vendors are used?	<b>An audit is conducted when we receive a request for reimbursement under the aggregate provisions of Symetra’s Excess Loss Insurance Policy. Upon receipt of the Aggregate Excess Loss Request for Reimbursement form, we will review the information to determine whether our audit will be conducted as a desk (at our office) or on site (at your office). Desk audits are determined by the amount of the reimbursement request. Symetra employees complete the audit.</b>
Please provide performance guarantees for the auditing procedures?	<b>Not applicable – an audit will always be performed if an aggregate reimbursement is requested.</b>
If a laser provision is in place, will claims not covered by specific apply to the aggregate coverage?	<b>No.</b>
What is the standard timeline for specific stop loss claims to be paid?	<b>Symetra reimbursement is sometimes in advance of claim payment using the Advance Reimbursement provision of the policy, but always within 10 business days of receipt of all claim submissions from the TPA. The contract includes at no cost advance reimbursement. These requests are expedited and usually funded in 5 days or less.</b>
At what frequency are specific stop loss checks cut?	<b>Daily.</b>
Does your organization offer a simultaneous reimbursement provision? If so, please explain.	<b>Yes - we call this advance reimbursement and it is included at no cost to the City.</b>
Will your organization defer to the claim	<b>The Symetra contract has no specific definition of R&amp;C but defers</b>

administrator's R&C provisions?	<b>to the Plan Document. Thus the current plan definition will always be the determinant.</b>
Will your organization include network access fees and negotiation fees (charged as a % of negotiated savings) as claim expenses that accumulate towards the deductible? Are these fees included in the claim reimbursement?	<b>Yes on negotiation fees. No on traditional network access fees.</b>  <b>These fees are considered part of the claim.</b>

### Checklist For Submittals

The following checklist has been provided to assist you in submission of your offer.

This list should not be considered complete, other information or documents may be necessary as part of your submission.

The items listed are the primary documents and information that must be completed and/or included with your submittal.

Please include any information or documents that will clarify your submittal.

Description		Included √
1.	One signed and complete original of the proposal response – only sections marked “Return this Section with your Response” are required but you may include supplemental materials you believe necessary to clarify your submittal.	
a.	Vendor’s Offer – Form 201-B has been signed and included with response	
2.	Three (3) additional copies of proposal response – each copy must be on an individual CD or Flash Drive - only sections marked “Return this Section with your Response” are required but you may include supplemental materials you believe necessary to clarify your submittal.	
a.	It is preferred that responses be returned in “Word” format	
b.	If utilizing a PDF file format, please optimize the file (low resolution) to lower memory space requirements	
3.	Questionnaire has been completed and included	
4.	Price information is complete and included	
5.	Any addendum(s) have been included	

**Best and Final Price Sheet -- Symetra Life Ins. Company**

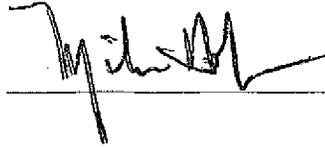
Specific	Current Contract	Submitted in RFP	Best and Final Offer	B&F with aggregate specific annual liability
Contract Type	PAID	PAID	PAID	PAID
ISL Deductible	\$250,000	\$250,000	\$250,000	\$250,000
Aggregate specific fixed annual liability	\$183,000			\$183,000
Covered Benefit	Medical	Medical	Medical	Medical
Max. Reimbursement	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
% Reimbursable	100%	100%	100%	100%
Run-in Limitation	n/a	NONE	NONE	NONE
Lock-in Date	n/a	90 days w/9mths of data	90 days w/9mths of data	90 days w/9mths of data
Min. Premium Limit	n/a	NONE	NONE	NONE
ISL Premium Single Rate	\$35.21	\$23.29	22.76	17.58
ISL Premium Family Rate	\$85.72	\$60.74	59.35	45.85
<b>Aggregate</b>	<b>Current Contract</b>	<b>Requested</b>		
Coverage Included	Medical	Medical	Medical	Medical
Aggregate Corridor	125%	125%	125%	125%
Max. Reimbursement	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Aggregate Attachment Single	\$573.35	\$573.35	\$573.35	\$573.35
Aggregate Attachment Family	\$1,344.99	\$1,344.99	\$1,344.99	\$1,344.99
Run-in Limitation	n/a	NONE	NONE	NONE
Minimum Aggregate	100%	100%	100%	100%
ASL Premium ppm	\$1.34	\$1.34	\$1.34	\$1.34

- Note:
- 1) Quote is **FIRM**, no additional disclosure or contracting is necessary.
  - 2) Policy is a guaranteed **NO** Laser deductible contract
  - 3) Terminal Liability is still available and costs are noted in attached Symetra proposal
  - 4) No change in deviations from original response to RFP

This Best and Final Offer is made by:  
**Symetra Life Insurance Company**

Name of Authorized individual (Type or print): Mike Hoffman

Title of Authorized Individual (Type or print): President – Arizona Benefit Plans, Inc./ Symetra Managing General Agency

Signature of Authorized Individual:  \_\_\_\_\_

Date: 6/11/12