

**ITEM REQUIRING BOCC APPROVAL
(1 ITEM)**

1. VOLUNTARY BENEFITS SERVICES - DIVISION OF HUMAN RESOURCES

FUNDING - DIVISION OF HUMAN RESOURCES

(Request sent to five vendors)

RFP #17-0031 Contract

	American Family Life Assurance Company of Columbus dba Aflac	Liberty National Life Company dba Liberty National	Chubb Workplace Benefits, dba Workplace Benefits	Colonial Life & Accident Insurance Company	Sun Life Financial
Accident Advantage	See page 1	See page 6	See page 7	See page 10	See page 15
Critical Illness	See page 2	See page 6	See page 8 - 9	See page 11	See page 16
Cancer Care	See page 3	See page 6	N/A	N/A	N/A
Hospital Advantage	See page 4	N/A	N/A	See page 12 - 13	N/A
Short - Term Disability	See page 5	N/A	N/A	See page 14	N/A
	UnitedHealth Group	Boston Mutual Life Insurance Company	American Fidelity Assurance Company	Standard Insurance Company dba The Standard	The Lincoln National Life Insurance Company
Accident Advantage	See page 17	See page 23 - 26	See page 28	See page 29	See page 36
Critical Illness	See page 18 - 19	See page 27	See page 28	See page 30 - 33	See page 37
Cancer Care	N/A	N/A	See page 28	N/A	N/A
Hospital Advantage	See page 20	N/A	See page 28	See page 34	N/A
Short - Term Disability	See page 21 - 22	N/A	See page 28	See page 35	See page 38 -39
	National Insurance Marketing Brokers, LLC dba Benefits Direct		Metropolitan Life Insurance Company dba MetLife	Hartford Life and Accident Company dba The Hartford	
Accident Advantage	See page 40 - 41		See page 51	See page 57 - 58	
Critical Illness	See page 42 - 44		See page 52 - 53	See page 59 - 60	
Cancer Care	See page 45		See page 54	N/A	
Hospital Advantage	See page 46 - 48		See page 55	See page 61	
Short - Term Disability	See page 49		See page 56	See page 62	

BOARD OF BIDS AND CONTRACTS DECEMBER 14, 2017

On the recommendation of Joe Thomas, on behalf of the Division of Human Resources, Richard Powell moved to **accept the proposal from American Family Life Assurance Company of Columbus dba Aflac (Aflac) and establish contract pricing at the rates listed (attached) for two (2) years with three (3) one (1) year options to renew.** Linda Kizzire seconded the motion. The motion passed unanimously.

A committee comprised of Heather Poorman, Rebecca Page and Eileen McNichol - Division of Human Resources, Tonya Buckingham - Register of Deeds and Joe Thomas - Purchasing reviewed and scored the responses based on criteria set forth in the RFP. The committee shortlisted American Fidelity Assurance Company (American Fidelity), MetLife and Aflac for further evaluations, detailed presentations of product and service offerings, and provide answers to given scenarios. The committee unanimously recommends Aflac for award.

All three (3) shortlisted proposers provide a Benefits Management platform at no charge. This benefits platform will provide a future savings to the County as we will not need to purchase a SAP module to help manage our benefits offerings. This savings could be upwards of \$90,000.00 annually. This platform will provide all county benefits eligibility files directly to the county's other service providers, a responsibility currently maintained by the county's Human Resources and IT divisions.

In regards to customer service for county employees, MetLife offers paper, phone and web. American Fidelity and Aflac both offer paper, phone, web and person-to-person. Aflac's added advantage is a local presence with considerable number of local representatives (currently 46) to fulfill our person-to-person needs. In processing of claims, Aflac can provide payment of certain benefits within 1 day, MetLife in 2-3 days, and American Fidelity in 3-5 days. (This is based on all required documentation being provided to any vendor).

An example of some differences between these three (3) vendors, consider Cancer Benefits: MetLife provides a lump sum payment upon diagnosis with a lifetime maximum; Aflac provides an initial diagnosis benefit and pays for subsequent treatments and procedures placing no lifetime maximum on benefits; American Fidelity offers a lump sum upfront based on the initial diagnosis and pays for subsequent treatments and procedures at a lifetime maximum. For Critical Illness: MetLife has a lifetime cap, per type of critical illness; American Fidelity has an initial benefit and then a reduced reoccurrence benefit once those are exhausted, there is no further benefit for that specific critical illness; and Aflac offers a lump sum benefit with no limit on reoccurring incident and no lifetime maximum.

Aflac will provide five new voluntary benefits to Sedgwick County employees and COBRA eligible employees. These include accident advantage, critical illness, cancer care, hospital advantage, and short-term disability. Aflac will be providing one-on-one meetings to help employees enroll. Employees can also self-enroll via web, paper form or phone.

Boston Mutual Life Insurance Company, Chubb Workplace Benefits dba Workplace Benefits, Colonial Life & Accident Insurance Company, Liberty National Life Company dba Liberty National, The Lincoln National Life Insurance Company, Sun Life Financial, Hartford Life and Accident Company dba The Hartford, Standard Insurance Company dba The Standard, and UnitedHealth Group did not offer all benefits.

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Note: This item was originally brought to Bid Board on August 17, 2017.

Questions and Answers

Tom Stolz: Any questions from the board?

Richard Powell: I appreciate the fact we have such a variety of things that are going to be available on a voluntary basis. I am one personally who actually has some of these varied types of secondary policies. I have a perception of value in them and I think it's good to provide that to our employees. I have a question in regards as to how this is going to be marketed or represented to the employees. I know it says that the recommended vendor has these types of contacts available; phone, e-mail, person-to-person. Do they understand we have over 500 employees in multiple locations throughout Sedgwick County and we don't work 8-5, Monday through Friday? Somebody is going to have to make themselves available to contact those employees and explain what the options and declarations are because we are law enforcement people and my supervisors can't do that.

Joe Thomas: Yes we did. Based on the original concerns that were aired back in August was something we specifically asked each proposer in the presentations. We addressed yours and Linda's concerns and they said they would cover them.

Talaya Schwartz: I don't see this as a responsibility of supervisors or the insurance company making sure everyone has personal one-on-one time. I see it as the employee's responsibility if this is a benefit they want to engage in, they should reach out. I assume e-mails and notifications would be sent out to every employee so they know it is available within a certain enrollment time. Is that how it would work?

Heather Poorman: Yes. We would communicate through e-mails and various other methods to let them know this benefit is available. We are looking to do that when we implement this in early spring. That way the employees can set up an appointment directly with the vendor.

Talaya Schwartz: If they choose not to then they just choose not to.

Heather Poorman: Correct. We will also let them know the different methods they can use to enroll if they don't have the opportunity or don't want a one-on-one representative.

Richard Powell: I absolutely agree with what you are saying. In order for it to be successful there is going to be some kind of marketing efforts. We literally have people in the organization because of their assignments do not have access to a computer. They maybe read their emails once or twice a day and for them their day may be at 3am in the morning. Just as long as everybody is aware of that. There are some unique situations, they have to address. I appreciate the channels you would look at. We have a lot of young people too. There are a lot of young people that don't understand what the attachment says.

Eileen McNichol: This is one of the reasons why having the one-on-one is so important. No matter what benefit it is for employees to understand truly what the benefit is. With these voluntary products, there are so many pieces and parts to it. There is also a wellness benefit that people get. If they go get a checkup, they get a check. They need to know that so they get the maximum out of their benefit. The company we are proposing is willing to do whatever is necessary to help in whatever way to help our employees understand what the value is of the benefit.

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Tom Stolz: I'm assuming one-on-one is the employee would call a representative 24 hours a day.

Eileen McNichol: We can make arrangements. We don't have a 24 hour live person on the phone but we can set up arrangements and we do have a representative from Aflac if you would like to address that.

Steve Henry: We've done these kinds of things before. We set up meetings with people at all hours. So dealing with your 911 people and EMS, we have been there at all hours to make sure everyone who wants to see it, can with multiple agents.

Richard Powell: I think within reason, we would try to get a group together so we wouldn't have to have numerous one-on-one meetings. If they are doing it on their time, since this is a voluntary election to provide this service, there is always the question about compensation. At the same time, we can't allow them to do it while on the clock because they have a job to do, especially for those 60 people who work at night inside the confines of the detention center who can't meet someone one-on-one at 2:00 a.m.

Steve Henry: I would just mention one point on that. We've participated in squad meetings when they allow us. They give us 10 or 15 minutes to present at the end of the squad meeting.

Tom Stolz: We are not renewing anything? What is the length of time on the proposal for contract?

Joe Thomas: It's for two years with three one year options to renew.

Richard Powell: In the event an employee is enrolled in these voluntary programs severs their employment, are they able to continue that program outside of employment with the county?

Heather Poorman: I believe they are able to continue but I'll refer to Steve Henry.

Steve Henry: Yes. They can continue to keep whichever product at the same payroll rate for as long as they want to keep it. They just have to pay for it however they want to pay for it.

Linda Kizzire: On the savings of \$90,000.00 by not purchasing the SAP module, what happens if we change vendors?

Eileen McNichol: We talked about that as well. If we change vendors, it would have to be a part of the RFP process. All of the three vendors we talked to all provide this platform. SAP has a module we can buy but we don't have to.

Linda Kizzire: What do we currently maintain Eileen that we help save the money on this?

Eileen McNichol: It's manual now. Our ERP steering teams, Mike has been talking about this change coming in 2021 and we met with Success Factors, which would be the HR component for that at the end of November. They were explaining all of the employee core pieces. If you really want to do something then you have to get this advance module, which would cost about \$90,000.00 a year.

Linda Kizzire: So the successful vendor would take care of the COBRA payments you are currently doing manually?

Heather Poorman: The COBRA is actually handled by a different vendor. Basically it would be a benefits platform where employees can go out and enroll. They have the decision making tools. As our benefits change throughout the years, our employees are going to need a tool to determine what is best for them.

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Tom Stolz: Eileen, on the question of evolution of SAP, if that happens in 2021, I assume the vendor would work with us?

Eileen McNichol: Yes. We will start working with them now to develop this decision making tool for the way we need it to work because we're looking to migrate to options for health insurance instead of just one option, we are going to have multiple. We are going to be working to have this tool designed to help our employees when we get ready to go in 2020. This will allow us to do what we need to do now. All three of these companies can do that.

Tom Stolz: According to what Joe was reading, all three of those can do that but Aflac was superior. Is that a fair statement?

Joe Thomas: When we reviewed them, Aflac said they could customize the benefits platform.

Eileen McNichol: All three were very interested in having our business. Aflac's costs are just a little bit more but it was a dollar here, a dollar there. The bottom line of it is the customer service and the fact there are benefits that don't end. They shared a story where they had one customer who had their coverage and they paid out \$750,000.00 for this person with cancer. That's the type of product we want to provide our employees. We don't want something that ends. Overall, we felt it was a better product for our employees.

	American Family Life Assurance Company of Columbus dba Aflac				Metropolitan Life Insurance Company dba Met Life				American Fidelity			
	Bi - Weekly Rates (negotiated rates)				Bi - Weekly Rates				Bi - Weekly Rates			
Accident	Base Plan One		Base Plan Three		Low Plan		High Plan		Basic Plan			
	Individual		Individual		Employee Only		Employee Only		Employee Only			
	\$5.34		\$9.12		\$3.61		\$6.70		\$9.18			
	Insured & Spouse		Insured & Spouse		Employee + Spouse		Employee + Spouse		Employee + Spouse			
	\$7.50		\$12.96		\$6.74		\$12.74		\$13.06			
	One - Parent Family		One - Parent Family		Employee + Children		Employee + Children		Employee + Children			
	\$8.58		\$15.36		\$7.29		\$13.76		\$14.54			
	Two - Parent Family		Two - Parent Family		Employee + Spouse/Children		Employee + Spouse/Children		Employee + Spouse/Children			
\$11.22		\$19.86		\$9.07		\$17.22		\$18.42				
Critical Illness	Individual/One - Parent Family		Insured & Spouse/ Two - Parent Family		Attained Age Rate Structure				Employee		Spouse	
	Non - Smoker	Smoker	Non-Smoker	Smoker	Employee Only	Employee + Spouse	Employee + Children	Employee + Spouse/Children	Non Tobacco	Tobacco	Non Tobacco	Tobacco
	18 - 24	18 - 24	18 - 24	18 - 24	<25	<25	<25	<25	18-29	18-29	18-29	18-29
	\$2.04	\$2.64	\$3.30	\$4.56	\$1.06	\$1.85	\$1.98	\$2.77	\$1.84	\$2.91	\$1.52	\$3.17
	25 - 29	25 - 29	25 - 29	25 - 29	25-29	25-29	25-29	25-29	30-39	30-39	30-39	30-39
	\$2.28	\$3.30	\$3.72	\$5.52	\$1.15	\$1.94	\$2.08	\$2.86	\$2.89	\$4.57	\$2.78	\$5.38
	30 - 34	30 - 34	30 - 34	30 - 34	30-34	30-34	30-34	30-34	40-49	40-49	40-49	40-49
	\$3.00	\$4.56	\$4.86	\$7.44	\$1.62	\$2.63	\$2.54	\$3.55	\$5.25	\$8.30	\$5.62	\$10.35
	35 - 39	35 - 39	35 - 39	35 - 39	35-39	35-39	35-39	35-39	50-59	50-59	50-59	50-59
	\$4.08	\$6.24	\$6.42	\$9.90	\$2.31	\$3.69	\$3.23	\$4.62	\$8.65	\$13.69	\$9.74	\$17.53
	40 - 44	40 - 44	40 - 44	40 - 44	40-44	40-44	40-44	40-44	60 and over	60 and over	60 and over	60 and over
	\$5.28	\$8.10	\$8.04	\$12.48	\$3.51	\$5.54	\$4.43	\$6.46	\$14.15	\$22.42	\$16.38	\$29.14
	45 - 49	45 - 49	45 - 49	45 - 49	45-49	45-49	45-49	45-49				
	\$6.42	\$9.90	\$9.78	\$15.24	\$5.35	\$8.26	\$6.23	\$9.18				
	50 - 54	50 - 54	50 - 54	50 - 54	50-54	50-54	50-54	50-54				
	\$7.50	\$11.58	\$11.76	\$18.36	\$5.40	\$12.05	\$8.72	\$12.97				
	55 - 59	55 - 59	55 - 59	55 - 59	55-59	55-59	55-59	55-59				
	\$8.52	\$13.08	\$13.80	\$21.42	\$11.03	\$16.94	\$11.95	\$17.86				
	60 - 64	60 - 64	60 - 64	60 - 64	60-64	60-64	60-64	60-64				
	\$10.02	\$15.30	\$16.98	\$26.16	\$16.02	\$24.46	\$16.89	\$25.38				
	65 - 70	65 - 70	65 - 70	65 - 70	65-69	65-69	65-69	65-69				
	\$10.02	\$15.30	\$16.98	\$26.16	\$24.23	\$36.97	\$25.15	\$37.89				
					70+	70+	70+	70+				
					\$36.69	\$55.80	\$37.62	\$56.68				
					Issue Age Rate Structure							
					Non Tobacco							
					Employee Only	Employee + Spouse	Employee + Children	Employee + Spouse/Children				
				<25	<25	<25	<25					
				\$1.66	\$2.63	\$2.35	\$3.32					
				25-29	25-29	25-29	25-29					
				\$1.66	\$2.68	\$2.35	\$3.37					
				30-34	30-34	30-34	30-34					
				\$2.35	\$3.69	\$3.05	\$4.38					
				35-39	35-39	35-39	35-39					
				\$3.28	\$5.12	\$3.97	\$5.82					
				40-44	40-44	40-44	40-44					
				\$5.08	\$7.80	\$5.77	\$8.49					

45-49	45-49	45-49	45-49
\$7.11	\$10.89	\$7.80	\$11.58
50-54	50-54	50-54	50-54
\$9.65	\$14.72	\$10.34	\$15.42
55-59	55-59	55-59	55-59
\$12.28	\$18.74	\$12.97	\$19.43
60-64	60-64	60-64	60-64
\$15.14	\$22.98	\$15.83	\$23.68
65-69	65-69	65-69	65-69
\$17.12	\$26.03	\$17.82	\$26.72
70+	70+	70+	70+
\$20.54	\$31.11	\$21.23	\$31.80
Tobacco			
Employee Only	Employee + Spouse	Employee + Children	Employee + Spouse/Children
<25	<25	<25	<25
\$2.49	\$3.92	\$3.18	\$4.62
25-29	25-29	25-29	25-29
\$2.49	\$3.92	\$3.18	\$4.62
30-34	30-34	30-34	30-34
\$3.65	\$5.63	\$4.34	\$6.32
35-39	35-39	35-39	35-39
\$5.22	\$8.08	\$5.91	\$8.77
40-44	40-44	40-44	40-44
\$8.26	\$12.60	\$8.95	\$13.29
45-49	45-49	45-49	45-49
\$11.72	\$17.86	\$12.42	\$18.60
50-54	50-54	50-54	50-54
\$16.02	\$24.32	\$16.71	\$25.02
55-59	55-59	55-59	55-59
\$20.54	\$31.20	\$21.23	\$31.89
60-64	60-64	60-64	60-64
\$25.48	\$38.63	\$26.17	\$39.32
65-69	65-69	65-69	65-69
\$29.17	\$44.22	\$29.86	\$44.91
70+	70+	70+	70+
\$35.31	\$53.49	\$36.00	\$54.18

Cancer	Individual/One - Parent Family	Insured & Spouse/ Two - Parent Family	Issue Age-Non Tobacco				
	18 - 75	18 - 75	Employee	Employee + Spouse	Employee + Children	Employee + Spouse/Children	Basic Plan
	Preferred	Preferred	<25	<25	<25	<25	Employee Only
	\$7.38	\$11.76	\$2.91	\$4.98	\$5.26	\$7.20	\$7.71
	Classic	Classic	25-29	25-29	25-29	25-29	Employee + Spouse
	\$15.66	\$26.40	\$2.91	\$4.98	\$5.26	\$7.20	\$11.45
	Premier	Premier	30-34	30-34	30-34	30-34	Employee + Children
	\$22.14	\$38.40	\$3.88	\$6.23	\$6.09	\$8.58	\$11.45
	Optional Riders		35-39	35-39	35-39	35-39	Employee + Spouse/Children
	Individual/One - Parent Family	Insured & Spouse/ Two - Parent Family	\$4.98	\$8.17	\$7.34	\$10.38	\$14.86
	18 - 75	18 - 75	40-44	40-44	40-44	40-44	
	Initial Diagnosis Rider (one unit)	Initial Diagnosis Rider (one unit)	\$7.48	\$11.77	\$9.69	\$13.98	
	\$0.54	\$1.20	45-49	45-49	45-49	45-49	
	Specified - Disease Rider	Specified - Disease Rider	\$10.38	\$16.06	\$12.60	\$18.42	
	\$0.42	\$0.78	50-54	50-54	50-54	50-54	
	Dependent Child Rider (one unit)	Dependent Child Rider (one unit)	\$13.85	\$21.46	\$16.06	\$23.68	
	\$0.00	\$0.42	55-59	55-59	55-59	55-59	
			\$17.45	\$26.86	\$19.66	\$29.08	
			60-64	60-64	60-64	60-64	
			\$20.77	\$31.85	\$22.98	\$34.06	
			65-69	65-69	65-69	65-69	
			\$21.60	\$33.09	\$23.82	\$35.45	
			70+	70+	70+	70+	
			\$21.46	\$32.95	\$23.68	\$35.31	
			Issue Age- Tobacco				
			Employee	Employee + Spouse	Employee + Children	Employee + Spouse/Children	
			<25	<25	<25	<25	
			\$4.71	\$7.62	\$6.92	\$9.83	
			25-29	25-29	25-29	25-29	
			\$4.71	\$7.62	\$6.92	\$9.83	
			30-34	30-34	30-34	30-34	
			\$6.37	\$10.11	\$8.58	\$12.32	
		35-39	35-39	35-39	35-39		
		\$8.72	\$13.71	\$10.94	\$15.92		
		40-44	40-44	40-44	40-44		
		\$13.43	\$20.63	\$15.65	\$22.85		
		45-49	45-49	45-49	45-49		
		\$18.97	\$29.08	\$21.18	\$31.29		
		50-54	50-54	50-54	50-54		
		\$25.75	\$39.46	\$28.11	\$41.68		
		55-59	55-59	55-59	55-59		
		\$32.82	\$50.12	\$35.17	\$52.34		
		60-64	60-64	60-64	60-64		
		\$39.46	\$60.09	\$41.68	\$62.45		
		65-69	65-69	65-69	65-69		
		\$41.54	\$63.42	\$43.89	\$65.63		
		70+	70+	70+	70+		
		\$41.54	\$63.28	\$43.75	\$65.63		

Hospital Indemnity	Essentials Plan				Low Plan				Low Plan-under 55			
	Individual	One - Parent Family	Insured & Spouse	Two - Parent Family	Employee Only	Employee + Spouse	Employee + Children	Employee + Spouse/Children	Employee Only	Employee + Spouse	Employee + Children	Employee + Spouse/Children
	18 - 75	18 - 75	18 - 75	18 - 75	\$4.33	\$8.46	\$7.84	\$13.34	\$14.58	\$24.97	\$22.43	\$32.82
	Option Two	Option Two	Option Two	Option Two	High Plan				High Plan-under 55			
	\$9.90	\$13.68	\$14.58	\$16.44	Employee Only	Employee + Spouse	Employee + Children	Employee + Spouse/Children	Employee Only	Employee + Spouse	Employee + Children	Employee + Spouse/Children
	Option Three	Option Three	Option Three	Option Three	\$8.50	\$16.59	\$15.38	\$25.92	\$38.35	\$67.75	\$60.46	\$89.86
	\$13.56	\$17.52	\$20.76	\$22.56								
	Option Four	Option Four	Option Four	Option Four								
	\$18.48	\$22.42	\$29.39	\$29.45								
	Preferred Plan											
	Individual	One - Parent Family	Insured & Spouse	Two - Parent Family								
	18 - 75	18 - 75	18 - 75	18 - 75								
	Option Two	Option Two	Option Two	Option Two								
	\$15.96	\$22.08	\$24.12	\$27.36								
	Option Three	Option Three	Option Three	Option Three								
\$19.32	\$25.92	\$30.36	\$33.54									
Option Four	Option Four	Option Four	Option Four									
\$24.06	\$30.90	\$39.03	\$40.54									
Short-Term Disability	Elimination Period (negotiated rates)				Coverage			Coverage				
	0/7		0/30		13 Weeks			26 weeks				
	18 - 49		18 - 49		7 EP	14 EP	30 EP	7 EP	14 EP			
	3 - Month Benefit Period	6 - Month Benefit Period	3 - Month Benefit Period	6 - Month Benefit Period	\$15.54	\$12.30	\$7.66	\$26.00	\$22.60			
	\$6.00	\$7.80	-	\$2.70	26 Weeks							
	50 - 64		50 - 64		7 EP	14 EP	30 EP					
	3 - Month Benefit Period	6 - Month Benefit Period	3 - Month Benefit Period	6 - Month Benefit Period	\$19.94	\$17.40	\$12.52					
	\$6.60	\$8.70	-	\$3.90								
	65 - 74		65 - 74									
	3 - Month Benefit Period	6 - Month Benefit Period	3 - Month Benefit Period	6 - Month Benefit Period								
	\$8.10	\$10.80	-	\$5.10								
	Optional Value Rider											
18 -69												
\$5.04												