
Addendum dated October 15, 2010 Request for Proposal – Employee Benefits Consultant

QUESTION 1: (1) Section 5.6 of the RFP provides that the bidder is required to indemnify the Consortium. A bidder would expect to negotiate mutually acceptable terms for the indemnity contemplated by Section 5.6; however, any agreement would need to include an acceptable limitation on a bidder's liability. A bidder would of course accept unlimited liability for gross negligence, malfeasance, and any illegal acts that might result from or during the course of a bidder service by the bidder's employees in the course and scope of employment. However, a firm's policy may not allow us to accept unconditional, unlimited liability. **The Consortium is asking that the consultant indemnify and hold harmless the Consortium for consultant's performance, of which only the consultant has control. The Consortium is not asking for unconditional, unlimited liability. If a claim arises due to another party's actions, the consultant would not be held accountable.**

QUESTION 2: (2) Is the consultant who was engaged by Tompkins County to do the initial feasibility assessment barred from bidding on this assignment, as a conflict of interest? **No, the consultant originally engaged for the purpose of establishing the Consortium will not be barred from responding to this RFP. The structure in place is one that a variety of experienced consultants could carry forward.**

Regarding scope of work and/or services:

QUESTION 3: Does each entity separately conduct GAS reporting for post-employment medical coverage? **Yes, the municipalities will perform this task.**

QUESTION 4 Is the consultant expected to complete GAS valuations for retiree medical for each entity? **No, the municipalities will perform this task.**

QUESTION 5: Can the consultant hired to complete this work also perform the audit referred to in the scope of work definition? **No, the audit services will be bid separately and cannot be performed by the consultant selected for this RFP.**

QUESTION 6: What are the withdrawal terms and conditions for entities participating in this consortium? **The withdrawal terms are outlined in Section P of the Municipal Cooperative Agreement, available for download at:**
<http://www.tompkins-co.org/pubinfo/health/FINAL92010MCA.pdf>

QUESTION 7: What are the responsibilities of the consultant to support the withdrawal of an entity from this agreement? **The consultant would calculate the withdrawing entity's pro rata share of claims and submit a bill to that entity. Next the consultant would adjust the following year's budget and notify the third party administrators.**

QUESTION 8: What flexibility in fees will the consultant have if one of the four entities who did not participate in this consortial effort thereafter asks to join during the term of this assignment? **The four entities each have less than 50 employees; the work of adding one or all should be minimal since procedures are already established. Thus, the Consortium would anticipate little or no adjustment to the consultant fees.**

Consortium Members:

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

QUESTION 9: In order to ensure our scope of services aligns with your needs and is consistent with the services anticipated by other bidders, are you able to provide some more specificity (or historical data) on the services requested? For example:

a) Typical number of meetings the broker/consultant is expected attend with Board of Directors, Joint Committee on Plan Structure and Design, and the Planning Committee

Estimated time, subject to change-

Year 1 – 2 hours per meeting, 6 meetings for Board, 6 meetings for Joint Committee, and 12 meetings for the Planning Committee

Year 2 - 2 hours per meeting, 2 meetings of the Board, 3-6 meetings for the Joint Committee, and 4 meetings of the Planning Committee

Year 3 – 2 hours per meeting, 2 meetings of the Board, 3-6 meetings for the Joint Committee, 6 meetings of the Planning Committee

b) Typical level of activity/hours of support for day-to-day contact and service to employers

The consultant must rely on own judgment based on similar experience.

c) What level of detail is required for quarterly reporting? Are there specific reports that must be provided?

The consultant must rely on own judgment based on similar experience.

d) Please confirm that the forecasting and budgeting activities requested would need to be conducted separately for each Municipality . **Yes, the consultant would be responsible for forecasting and budgeting activities for the entire Consortium, and then divide the costs as outlined in the Municipal Cooperative Agreement.**

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