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## Addendum #2

### RFP #29-21, Employee Benefits Brokerage and Consulting Services 4/20/2021

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**NOTICE IS HEREBY GIVEN** that the following addendum serves to provide clarification and to answer the questions received on Request for Proposal (RFP) #29-21, Employee Benefits Brokerage and Consulting Services.

Question 1: Would the City accept a limit of liability on our Professional Liability insurance?

**Answer to Question 1: For the City to consider this exception, please note the exception in your response.**

Question 2: Is the City happy with the BenTek Benefits Administration system?

**Answer to Question 2: The City is satisfied with BenTek Benefits Administration System.**

Question 3: What elements are included in the BenTek system, i.e.?

- a. Annual Enrollment
- b. New Hire benefit election
- c. COBRA administration
- d. PPACA reporting
- e. Eligibility files integrated with carriers/vendors
- f. Election changes
- g. Employee access and mobile application access
- h. Dependent Eligibility audits

**Answer to Question 3: BenTek is our Client Administration System, Open Enrollment System, and Employee Benefits Center.**

Question 4: What is the current fees being paid the current consultant?

**Answer to Question 4: Refer to Addendum #1, Answer to Question 2.**

Question 5: Does the [consultant] fee include Benefits Administration system?

**Answer to Question 5: Refer to Addendum #1, Answer to Question 2.**

Question 6: Does the current broker consultant receive any commission on any products, including the Aflac worksite products?

**Answer to Question 6: The City is not aware of any commissions on any products, including the Aflac worksite products that Gehring Group receives.**

Question 7: Does the current broker consultant receive any bonuses, overrides, supplemental or additional commissions from any insurance company or vendor associated with the City of Clearwater policies or contracts?

**Answer to Question 7: Gehring Group receives commissions for services provided to the City of Clearwater under our current agreement, which also includes the cost of the full BenTek software offering. Gehring Group does not receive overrides, additional**



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***commissions, contingencies, or supplemental compensation from carriers. From time to time Gehring Group may qualify for bonuses based on overall production.***

Question 8: Will City of Clearwater be able to retain the BenTek system in the event of change in broker/consultant?

***Answer to Question 8: The City does have the option to retain BenTek in the event of change in broker/consultant.***

Question 9: Does the City of Clearwater have the ability to extract the historical data from the BenTek system?

***Answer to Question 9: Yes, the City does have the ability to extract data from BenTek system for use of historical analysis.***

Question 10: What are the current printing cost of the employee communication materials?

***Answer to Question 10: The City is unaware of the actual costs for printing as most of the printing costs are absorbed by the current broker.***

Question 11: How long has The Gehring Group, Inc. been contracted by the City of Clearwater?

***Answer to Question 11: The City's initial contract with Gehring Group commenced on May 2, 2001.***

Question 12: Are any of the following services included as part of the current broker compensation: actuarial services (112.08, GASB); legal; electronic enrollment services; printing services; any other administrative services (e.g. COBRA)? If so, please describe.

***Answer to Question 12: Refer to Addendum #1, Answer to Question 2.***

Question 13: How many benefits eligible employees are currently enrolled in the medical plan?

***Answer to Question 13: The City current has 1,587 benefits-eligible employees enrolled in the medical plan.***

Question 14: Number of RFPs the City expects to conduct in 2022 (list benefit type), 2023 and 2024.

***Answer to Question 14: The City has not made any decisions on the number of RFP's to be conducted in the future at this time.***

Question 15: Section i.22(b)(PDF page 6) & Section S.14 (PDF page 11) – We are unable to agree this provision that allows for an audit of our personnel or payroll. Will this exclude us from consideration?

***Answer to Question 15: For the City to consider this exception, please note the exception in your response.***

Question 16: Section S.15 (PDF page 11) – In regards to the vendor adopting and maintaining a background screening program and related personnel policies reasonably designed to exclude dishonest, immoral, and unlawful personnel from providing services and shall ensure that all personnel have successfully passed all requisite and appropriate background screening prior to commencement of employment, including, but not limited to: (1) county, state, and federal



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criminal history checks, including felony and misdemeanor; (2) education and employment verification to confirm all employment positions and highest degree earned; (3) Social Security verification; and (4) an OFAC (Office of Foreign Assets Control) check. It is not our standard operating procedure for [our company] to require background checks of its employees beyond pre-screen background checks conducted as part of [our company]'s onboarding process would this preclude us from further consideration?

**Answer to Question 16: For the City to consider this exception, please note the exception in your response.**

Question 17: Section S.25 (PDF page 13) – Can the Indemnification be limited to negligent acts and omissions, breaches of the contract, intentional misconduct, or violations of law?

**Answer to Question 17: For the City to consider this exception, please note the exception in your response.**

Question 18: Section S.29 (PDF page 14) - [Our company] will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of the City was used to create and which was developed entirely using [our company]'s own resources. To the extent [our company]'s intellectual property is necessary for the City to use the services provided, [our company] will grant to the City a non-exclusive, royalty-free license to [our company]'s intellectual property solely for the City's use of such services. Is this wording acceptable to the City?

**Answer to Question 18: For the City to consider this exception, please note the exception in your response.**

Question 19: Section 7 (PDF page 19) – Our insurance policies include the following deductibles: Professional Liability - \$10M deductible; Workers' Compensation & Employer's Liability - \$1M deductible; Commercial General Liability - \$500K deductible; Automobile Liability - \$2M deductible; these are not stated on the Certificates of Insurance and are not subject to change. Will this cause an issue for the City? We are the broker on the Property and Casualty insurance and all of our insurances run across the entire company.

**Answer to Question 19: For the City to consider this exception, please note the exception in your response.**

Question 20: Section 7 (PDF page 19) – We are able to provide tail coverage for 2 years, not 3. Is this acceptable to the City?

**Answer to Question 20: For the City to consider this exception, please note the exception in your response.**

Question 21: Other Insurance Provisions (a)(PDF page 19) – We can only agree to name the City as an additional insured on its Commercial General Liability Policy (not Commercial Automobile Liability) and it will be via a Certificate of Insurance, not an endorsement. Is this acceptable to the City?

**Answer to Question 21: For the City to consider this exception, please note the exception in your response.**



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Question 22: Other Insurance Provisions (a) (PDF page 19) – We will not provide copies of our actual policies to clients. It will evidence coverage via Certificates of Insurance. Will this be acceptable to the City?

**Answer to Question 22: For the City to consider this exception, please note the exception in your response.**

Question 23: Other Insurance Provisions (b)(PDF page 20) – Our insurers are not required to provide advance notice of cancellation/non-renewal via the terms of the policies, so Vendor cannot agree to provide 30 days prior notice to its clients. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City. Is this acceptable?

**Answer to Question 23: For the City to consider this exception, please note the exception in your response.**

Question 24: Other Insurance Provisions (C) (PDF page 20) – We request that the primary, non-contributory language be removed as it is Vendor's preference to have the City's Commercial General Liability policy be primary. Is this acceptable?

**Answer to Question 24: For the City to consider this exception, please note the exception in your response.**

Question 25: Other Insurance Provisions (d) (PDF page 20) – We cannot agree to this provision. Will this eliminate us for further consideration?

**Answer to Question 25: For the City to consider this exception, please note the exception in your response.**

Question 26: Section 4(a) (PDF page 21) – We cannot agree to most favored customer pricing schemes. Can this provision be deleted from the contract?

**Answer to Question 26: Details of the contract will be negotiated with the finalist.**

Question 27: Tab 2(2) (PDF page 22) – Can this section be modified so that no prior approval of personnel is required from the City?

**Answer to Question 27: For the City to consider this exception, please note the exception in your response.**

Question 28: Tab 2(2) (PDF page 22) – Vendor can agree to a reasonable time period to provide such notice and will use good faith efforts to ensure that the City is satisfied with any replacement personnel assigned. Will this be acceptable to the City?

**Answer to Question 28: For the City to consider this exception, please note the exception in your response.**

End of Questions and Answers

*Note: The Question and Answer period is now closed. No further questions will be accepted.*

End of Addenda