

Please note that these questions and answers are from the previous RFP (2017). The current carrier in 2021 is The Standard.

**Question #1**

*What insurance agent are you working through?*

**See Section 2.2 Project Overview of the RFP.**

**Question #2**

*Do you have a designated commission that should be assigned to M3 for the STD and LTD coverages?*

**Standard commission for the State of Wisconsin.**

**Question #3**

*Can you please verify the differences of the wage-ltd information on the census:*

- LTD only 1
- LTD only 2
- LTD only 3

- STD-LTD 1
- STD-LTD 2
- STD-LTD 3

*According to the booklets provided there is only 1 ltd benefit for employees electing ltd only and there is only one std/ltd benefits for ees electing both coverages. Is there different benefits for 2 and 3?*

**SUBJECT: DISABILITY INSURANCE**

**This policy applies to all employees**

**Section 1: Disability Insurance. The County shall provide employees with Disability Insurance. No employee shall be eligible to participate in the disability plan during his/her first six (6) months of employment. For part-time employees all of the benefits shall be prorated based on the percent of time worked. For employees choosing to participate in the Disability Insurance Program, premiums shall be paid as follows (used sick hours refers to the prior year):**

<b>Sick Hours Used</b>	<b>Employee Share</b>	<b>County Share</b>
<b>0.0-- 32.0</b>	<b>0%</b>	<b>100%</b>
<b>32.1 -- 40.0</b>	<b>40%</b>	<b>60%</b>
<b>40.1 -- 48.0</b>	<b>60%</b>	<b>40%</b>
<b>48.1 -- 56.0</b>	<b>80%</b>	<b>20%</b>
<b>56.1 +</b>	<b>100%</b>	<b>0%</b>

**Employees will be given the option of joining a Taxable Disability/Sick Leave Program or a Nontaxable Disability/Sick Leave Program. The ability to change options will be available to each employee in March or April of each year.**

- a. **Taxable Disability/Sick Leave Program (LTD 1 and STD/LTD 1)**  
The employee will not be charged FICA expense, the premiums paid by the County will not be taxable and the benefits, which are sixty-five percent (65%) of salary, will be taxed to the extent of any payment of premiums by the County. If the employee pays the entire disability insurance premium, the benefit will not be taxed.
  
- b. **Nontaxable Disability/Sick Leave Program (LTD 2 and STD/LTD 2)**  
The employee will be charged FICA expense (currently 7.65%) on any of the County paid premiums and the premium will be taxable income to the employee. By paying the FICA expense and income tax the employee will receive a tax-free benefit.
  
- c. **Wellness Program (LTD 3 and STD/LTD 3)- Employees pay full premium**  
Employees selecting Short Term Disability/Long Term Disability insurance will be granted sixteen (16) wellness hours in the pay period in which May premiums are withheld. Employees selecting only LTD insurance will be granted eight (8) wellness hours in the pay period in which May premiums are withheld. Employees who used forty-eight (48) or less hours of sick leave during the preceding payroll year will be granted eight (8) additional wellness hours during the following year. The employee may use the wellness hours with the approval of the employee's supervisor. When wellness hours are not used within the payroll year in which they are earned they may be carried over but must be used by the last day of the succeeding payroll year or they shall be lost. Employees pay the entire premium for disability insurance. Any disability insurance benefits paid to the employee will be tax-free.

**Question #4**

***Please provide rate history information for LTD and STD on Hartford months of experience (July of 2012 to most current month).***

**Rates have remained stable for the duration of the contract using the amounts below.**

**PREMIUM SCHEDULE**

<b>Short Term Disability Benefits:</b>	\$ .19 per \$10 of covered weekly benefit
<b>Long Term Disability Benefits:</b>	
COUNTY DANE-EES ELECT STD&LTD:	\$.295 per \$100 of covered payroll
COUNTY OF DANE - LTD ONLY:	\$.40 per \$100 of covered payroll
CARPC-EES ELECTING STD&LTD:	\$.295 per \$100 of covered payroll
CARPC- LTD ONLY:	\$.40 per \$100 of covered payroll

**Question #5**

***Please provide current rates for LTD and STD.***

**PREMIUM SCHEDULE**

<b>Short Term Disability Benefits:</b>	\$ .19 per \$10 of covered weekly benefit
<b>Long Term Disability Benefits:</b>	
COUNTY DANE-EES ELECT STD&LTD:	\$.295 per \$100 of covered payroll
COUNTY OF DANE - LTD ONLY:	\$.40 per \$100 of covered payroll
CARPC-EES ELECTING STD&LTD:	\$.295 per \$100 of covered payroll
CARPC- LTD ONLY:	\$.40 per \$100 of covered payroll

**Question #6**

***The booklet for employees with LTD benefits only states that the benefit percentage is 65% and that the secondary benefit percentage is 70%. What does the secondary benefit percentage of 70% represent? When this group was with UNUM (2012 and before) it appears that the 70% benefit was an All Source Integration benefit.***

**The 70% is an Integration method that allows the employees to receive a potentially higher benefit.**

**Question #7**

***We need confirmation of whether the LTD benefits and STD benefits with Hartford are employer paid or employer/employee paid. We cannot determine this from the booklets provided.***

**See the answer to question #3.**

**Question #8**

***The census that was provided does not specify if benefits are voluntary, shared contribution etc.? Can the county please clarify? We are not sure if elections have been provided. The old UNUM booklets from 2012 state that the employee should contact his employer to see who is responsible for the payment of premiums.***

**See the answer to question #3.**

**Question #9**

***The RFP mentions that it is mandatory to match and process claims according to the current definition of "Own Job" as determined by the policies. The booklets that were provided do not have an "Own Job" definition but instead an "Own Occupation" definition. The own occupation means Your Occupation as it is recognized in the general workplace. Your Occupation does not mean the specific job You are performing for a specific employer or at a specific location. Is there a different "own job" definition that is being applied that is not in the booklets?***

**RFP Section 2.4 Objectives**

**Dane County seeks a vendor to provide disability insurance for their employees. The proposer will follow the County's definition of 'Own Occupation' as defined**

as “Own Job” by the county. Please refer to the booklet for length of time the “own job” requirement remains in effect. Further, the ability of an employee to return to work will be based upon the County’s “Own Job” definition and the specific job requirements an employee must meet. Total disability will be based upon an employee’s ability to perform all the duties of his or her “own job” for the period of time stated in the current policy/booklets.

An example would be a county deputy whose own job is patrolling on a daily basis and performing all duties associated with that patrol job. If injured and unable to perform all duties of a patrol job (“own job”), those deputies would be eligible for benefits until they can return to that specific job. In essence, there would not be a “desk job” available while recovering.

**Question #10**

*Are you requesting a composite rate for the LTD plans or separate rates for each plan?*

We are requesting a match of the current plan structure, which has separate rates by plan. As an example the \$.40 per \$100 of covered payroll for “County of Dane – LTD Only” is separate from the \$.295 rate for “CARPC-EEs Electing STD&LTD”.

**Question #11**

*STD - Can current rates be provided as well as any rate changes over the past 4 years?*

See answer to question #4 and question #5.

**Question #12**

*LTD - Can current rates be provided as well as any rate changes over the past 4 years?*

See the answer to question #4 and question #5.

**Question #13**

*Please provide the rate history information for LTD and STD on Hartford months of experience (7/12 to most current month).*

See the answer to question #4.

**Question #14**

*Please provide the inforce rates for LTD and STD.*

See the answers to question #4.

**Question #15**

*We need confirmation of whether the LTD benefits and STD benefits with Hartford are employer paid or employer/employee paid. We cannot determine this from the booklets provided.*

Monthly premiums for the benefits are paid as described in the answer to question #3.

**Question #16**

*The census that was provided does not specify if benefits are voluntary, shared contrib., etc. We are not sure if elections have been provided. Can we obtain a census that confirms which employees are enrolled for each product?*  
**Enrolling in STD/LTD or LTD coverage only is voluntary. The census document "Census for STD LTD no names (3) lists in column G STD/LTD or LTD only for plan choice.**

**Question #17**

*Please explain the following:*

**CENSUS**

*The census has two columns,*

- 1) Wages – LTD*
- 2) Wages - STD*

*The Wages- LTD column has six classes of eligibility.*

*LTD only 1 – 32 employees*

*LTD only 2 – 13 employees*

*LTD only 3 – 57 employees*

*Total employees - 102*

*STD-LTD 1 – 208 employees*

*STD-LTD 2 – 266 employees*

*STD-LTD 3 – 1415 employees*

*Total employees – 1991*

*The Wages – STD column has four classes*

*Blanks – 102 employees (note same as LTD only)*

*STD 1 – 208 employees*

*STD 2 – 266 employees*

*STD 3 – 1415 employees*

**Dane County offers two plans STD/LTD and LTD only. LTD only 1, 2, and 3 reference which premium payment the employee selected. STD/LTD 1, 2, and 3 reference which premium payment the employee selected. See grid in question #3.**

**Question #18**

**BOOKLETS**

*We are unable to tell which employee classes in the census (outline above) go with the plan designs outlined below. We are assuming that all employees are participating in these voluntary plans (except for the 102 employees that apparently do not have STD) and will rate accordingly once we are able to tie employees to plan designs. Please note that we are also not able to determine*

*which employees on the census are the “Capital Area Regional Planning Commissions” employees? Can you please provide information that will help clear this up for us?*

**LTD Booklet – GLT – 402346**

**“you must contribute”**

**Elimination Period 90 days**

**\$4K maximum**

**Benefit 65%**

**Secondary benefit 70%**

**STD-LTD Booklet – GRH 402346**

**STD**

**“you must contribute”**

**Elimination Period – 42 days for injury and sickness**

**Benefit max – lesser of 65% of your pre-disability earnings or \$1,000**

**Maximum duration period – 46 weeks**

**LTD (GLT 402346)**

**“you must contribute”**

**Elimination Period – 365 days**

**Maximum Monthly benefit - \$4,000**

**Benefit – 65%**

**Secondary benefit – 70%**

**LTD Booklet –GLT-402346 is the plan for LTD only. The STD-LTD Booklet GRH 402346 and LTD (GLT 402346) are the plan documents for the STD/LTD insurance.**

**Question #19**

**RATES**

*In the Addendum we were provided the following rate information as of 7/1/15*

**Short Term Disability Benefits: - \$.19/\$100**

**Long Term Disability Benefits:**

**COUNTY DANE-EES ELECT STD&LTD - \$.295/\$100**

**COUNTY OF DANE-LTD ONLY - \$.40/\$100**

**CARPC-EES ELECTING STD&LTD - \$.295/\$100**

**CARPC-LTD ONLY - \$.40/\$100**

*We’re in need of an explanation of which rates go with which employees on the census (hopefully after we are provided information to help us class these employees out).*

The rates are the same for all entities. The CARPC will have to have a separate sub-group number as the billing goes to a different person @CARPC.

**Question #20**

***We are not able to determine paid premium annually for the four classes present under LTD Benefits. What is the paid premium annually for the four classes?***

The classes are an internal system the county uses based on premium is collected. This has no bearing on the rating.


**Question #21**

***Please elaborate on the reference of the 'cradle to grave' benefit request as the disability benefits have a limit of 42/48 months or SSNRA.***

This is referencing time from the "start of a claim" to the "completion of a claim"

**Question #22**

***How is it determined if a person qualifies for the 70% Secondary benefit?***

This is how The Hartford expresses "70% All Source Integration". Basically, when someone receives "Other Income Benefits" the Secondary Benefit Percentage will be used in the benefit calculation. The secondary benefit percentage does not come into play unless a claimant is receiving "Other Income Benefits" The applicable policy language is  below:

**Calculation of Monthly Benefit: Return to Work Incentive: *How are my Disability benefits calculated?***

If You remain Disabled after the Elimination Period, but work while You are Disabled, We will determine Your Monthly Benefit for a period of up to 12 consecutive months as follows:

- 1) multiply Your Pre-disability Earnings by the Benefit Percentage;
- 2) multiply Your Pre-disability Earnings by the Secondary Benefit Percentage, and from this product subtract all Other Income Benefits; and
- 3) compare the results with the Maximum Benefit.

The calculation giving the least amount is Your Monthly Benefit. Current Monthly Earnings will not be used to reduce Your Monthly Benefit during this period. However, if the sum of Your Monthly Benefit and Your Current Monthly Earnings exceeds 100% of Your Pre-disability Earnings, We will reduce Your Monthly Benefit by the amount of excess.

The 12 consecutive month period will start on the last to occur of:

- 1) the day You first start work; or
- 2) the end of the Elimination Period.

If You are Disabled, but You are not receiving benefits under the Return to Work Incentive, We will calculate Your Monthly Benefit as follows:

- 1) multiply Your Monthly Income Loss by the Benefit Percentage;
- 2) multiply Your Monthly Income Loss by the Secondary Benefit Percentage, and from this product subtract all Other Income Benefits; and
- 3) compare the results with the Maximum Benefit.

**Question #23**

***What does CARPC stand for and why are they differentiated?***

Capital Area Regional Planning Commission. These employees were once employed by Dane County. They no longer are County employees, but are still offered this benefit.

**Question #24**

***Why are there two plans offered? Are there different qualification to elect the STD/LTD option or the LTD only option?***

Not aware as to why two plans are offered. There are no different qualifications for the election of either plan.



**Question #25**

***Please confirm the plan Open Enrollment would coincide with the contract renewal, such as the next open enrollment would be in 3 years as the initial contract would be for 3 years. There would not be an annual open enrollment, only at contract renewal.***

**Open enrollment would only occur with a contract renewal. It is not annual.**

**Question #26**

***We are not familiar with GASB45 data feeds. Can you elaborate on this format? Are other formats acceptable?***

**GASB 45 requires the following disclosures on financial statements:**

- 1. Information about the Other PostEmployment Benefits (OPEBs): what are the benefits, who is eligible for the benefits, how many employees and retirees are covered, and so forth.**
- 2. The actuarially determined liability for OPEB benefits and the assets (if any) that are available to offset the liability; also information about the actuarial methods and assumptions that were used to calculate the liability.**
- 3. The portion of the liability that must be reported as an annual accounting expense on the employer's financial statements, and a cumulative accounting of the extent to which the plan sponsor actually makes contributions to offset its annual expense.**

**Question #27**

***Can you please describe Wellness Program in more detail and also explain how it relates to the STD and LTD plans?***

**This is the only explanation of the wellness program. The county implemented this program to incentivize employees from using their sick leave.**

**Wellness Program (LTD 3 and STD/LTD 3)- Employees pay full premium Employees selecting Short Term Disability/Long Term Disability insurance will be granted sixteen (16) wellness hours in the pay period in which May premiums are withheld. Employees selecting only LTD insurance will be granted eight (8) wellness hours in the pay period in which May premiums are withheld. Employees who used forty-eight (48) or less hours of sick leave during the preceding payroll year will be granted eight (8) additional wellness hours during the following year. The employee may use the wellness hours with the approval of the employee's supervisor. When wellness hours are not used within the payroll year in which they are earned they may be carried over but must be used by the last day of the succeeding payroll year or they shall be lost. Employees pay the entire premium for disability insurance. Any disability insurance benefits paid to the employee will be tax-free.**

**Question #28**

***Can employees opt out of the LTD coverage?***

**No. If an employee signs up for short term it automatically includes LTD coverage. We do not have a short term disability only plan.**



**Question #29**

***Does the County participate in Social Security?***

**Yes.**

**Question #30**

***How does the sick leave program work when an employee is off on disability. Does the employee have the choice to use or not use sick days or are they required to use their sick days?***

**When an employee is approved to receive short or long term disability benefits, they cannot use sick leave time through the County. They are allowed to use sick leave during the 42 calendar day waiting period.**

**Question #31**

***With that, can you please confirm the guidelines pertaining to an LTD claimant that is receiving a pension benefit? Within the open claim listing (attached for reference), under the "Other Offset Type Code(s)" column, two claimants have "PENSOTHR" amounts listed. Does this just qualify as income that is offsetting the paid benefit to each individual or is Hartford funding a benefit designed to replace the contributions to a pension that County of Dane would otherwise make?***

**Pension benefits are considered "Other Income Benefits" and a dollar-for-dollar reduction to the LTD benefit. The "PENSOTHR" code is referencing a pension that the claimant is receiving that reduces the LTD benefit. This is not a pension contribution benefit.**

**Question #32**

***Do the employees that choose LTD standalone only have LTD coverage or do they have some other form of coverage to bridge the 90 day elimination period?***

**They only have LTD coverage. They may use sick leave or another type of county benefit (vacation) to bridge the 90 day elimination period.**

**Question #33**

***The RFP requires a true open enrollment allowing changes and employees to enter without EOI at each renewal. Please confirm that this is at the end of a rate guarantee and does not mean at each anniversary.***

**See answer to question #25.**

**Question #34**

***It is understood that LTD can be elected by itself and STD and LTD can be elected together. Can an employee elect just STD?***

**No.**

**Question #35**

***Does the County participate in PERS/STRS and/or SSDI?***

**They participate in the WI Retirement System.**

**Question #36**

*Contribution levels vary by the amount of sick hours used in the prior year. Please confirm that these will change each year. If so, when does this occur?*

**The contribution levels refer to the monthly premium costs paid by the employer and employee. The plan year runs May 1 to April 30. The rate adjustments occur every May.**

**Question #37**

*The Rates are separated by County Dane and CARPC employees. However, I do not see a difference on the census or certificates. How is this designated? Is it necessary to separate classes for proposal purposes?*

**The rates are the same for all entities. The CARPC will have to have a separate sub-group number as the billing goes to a different person @CARPC.**

**Question #38**

*Wages are all hourly but Part-Time and Full-Time Employees are covered. What is the appropriate number of hours to use to annualize the salaries?*

**2,080 hours**

**Question #39**

*Based on the detailed claims information, it appears the group DOES NOT participate in social security. It looks like the only participate in the WI PERS plan. Is this correct?*

**See answer to #29 and #35.**

**Question #40**

*We received just the hourly wage information on the census. Would it be possible to get the number of hours worked by each employee or should we just assume 40 hours per week for everyone?*

**See answer #38.**

**Question #41**

*To be eligible for plans 1 and 2, does the employee have to have used less than 56 hours of sick leave in the prior year? In other words, do all the employees in plans 1 and 2 receive some sort of employer dollars to use towards the disability premium?*

**No the employee can choose any of the three options for premium payments. The usage of sick leave determines what % of the monthly premium is paid by the employer for options 1 and 2.**

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Sick Hours Used	Employee Share	County Share
0.0-- 32.0	0%	100%
32.1 -- 40.0	40%	60%
40.1 -- 48.0	60%	40%
48.1 -- 56.0	80%	20%
56.1 +	100%	0%

Employees will be given the option of joining a Taxable Disability/Sick Leave Program or a Nontaxable Disability/Sick Leave Program. The ability to change options will be available to each employee in March or April of each year.

a. Taxable Disability/Sick Leave Program (LTD 1 and STD/LTD 1)

The employee will not be charged FICA expense, the premiums paid by the County will not be taxable and the benefits, which are sixty-five percent (65%) of salary, will be taxed to the extent of any payment of premiums by the County. If the employee pays the entire disability insurance premium, the benefit will not be taxed.

b. Nontaxable Disability/Sick Leave Program (LTD 2 and STD/LTD 2)

The employee will be charged FICA expense (currently 7.65%) on any of the County paid premiums and the premium will be taxable income to the employee. By paying the FICA expense and income tax the employee will receive a tax-free benefit.

c. Wellness Program (LTD 3 and STD/LTD 3)- Employees pay full premium

Employees selecting Short Term Disability/Long Term Disability insurance will be granted sixteen (16) wellness hours in the pay period in which May premiums are withheld. Employees selecting only LTD insurance will be granted eight (8) wellness hours in the pay period in which May premiums are withheld. Employees who used forty-eight (48) or less hours of sick leave during the preceding payroll year will be granted eight (8) additional wellness hours during the following year. The employee may use the wellness hours with the approval of the employee's supervisor. When wellness hours are not used within the payroll year in which they are earned they may be carried over but must be used by the last day of the succeeding payroll year or they shall be lost. Employees pay the entire premium for disability insurance. Any disability insurance benefits paid to the employee will be tax-free.

**Question #42**

*Can any employee elect to be in plan 3 or does this plan only apply to those employees paying the complete cost of their disability coverage because they had used more than 56 hours in sick leave in the prior year?*

**Any employee can participate regardless of their sick leave usage.**

**Question #43**

***The booklets that were provided do not spell out the three options that were mentioned in the RFP responses from the broker (LTD 1 and STD/LTD 1, LTD 2 and STD/LTD 2 and LTD 3 and STD/LTD 3). Is there an explanation why these options are not described in the booklets?***

**The way that the premiums are paid is between the employer and employee and were listed in collective bargaining agreements and now an employee handbook.**