

RFP #9075

Scope of Work

Voluntary Insurance Products

The scope of work shall be finalized upon the selection of the Firm. The respondent's submission shall have accurately described your understanding of the objectives and scope of the requested products and services and provided an outline of your process to implement the requirements of the Scope of Work and Services. It is anticipated that the scope of work will include, at a minimum, the following:

1. Background

The City of Denton ("City") offers benefits to all part-time, $\frac{3}{4}$ -time, and full-time employees working at least 20 hours per week. The City has approximately 41 part-time, 1 - $\frac{3}{4}$ -time, and 1,672 full-time employees. Part-time, $\frac{3}{4}$ -time, and full-time employees are eligible to purchase Voluntary Accident, Critical Illness, and Hospital Indemnity coverage for themselves and their dependents (spouse and children). Total benefit eligible employees equal approximately 1,714. Newly hired employees that meet eligibility requirements are allowed to enroll in Accident, Critical Illness, and Hospital Indemnity coverage effective on date of hire. The City also offers benefits to eligible dependents (legal spouses, declared common-law spouses, unmarried children up to 26 years of age, children of any age if mentally or physically incapacitated and dependent on the employee for financial support, and dependent grandchildren that qualify as defined by the IRS or Federal Income tax return).

The City's Supplemental Health plans renew on January 1, 2027.

Carrier History

The City of Denton has had Accident, Critical Illness, and Hospital Indemnity in place with Aflac since 9/1/2021. The City does not currently have Pre-Paid Legal or Pet insurance in-force.

	Aflac
Accident	9/1/2021 - Present
Employee	\$18.08
Employee + Spouse	\$29.37
Employee + Child(ren)	\$38.76
Employee + Family	\$50.05

	Aflac			
Critical Illness	9/1/2021 - Present			
	Non-Tobacco Employee: \$10,000 Spouse: \$5,000		Tobacco Employee: \$10,000 Spouse: \$5,000	
Age Band	Employee	Spouse	Employee	Spouse
18-25	\$3.87	\$2.67	\$5.00	\$3.24
26-30	\$4.94	\$3.20	\$6.47	\$3.97
31-35	\$5.62	\$3.55	\$7.95	\$4.71
36-40	\$7.14	\$4.30	\$10.57	\$6.02
41-45	\$8.49	\$4.98	\$12.62	\$7.04
46-50	\$10.01	\$5.74	\$14.98	\$8.22
51-55	\$15.17	\$8.32	\$23.31	\$12.39
56-60	\$14.79	\$8.13	\$23.55	\$12.51

61-65	\$29.98	\$15.72	\$46.66	\$24.07
66+	\$52.7	\$27.08	\$80.26	\$40.87
Child(ren)	Included in Employee Rate		Included in Employee Rate	

	Aflac			
Critical Illness	9/1/2021 - Present			
	Non-Tobacco Employee: \$20,000 Spouse: \$10,000		Tobacco Employee: \$20,000 Spouse: \$10,000	
Age Band	Employee	Spouse	Employee	Spouse
18-25	\$6.27	\$3.87	\$8.54	\$5.00
26-30	\$8.40	\$4.94	\$11.47	\$6.47
31-35	\$9.78	\$5.62	\$14.42	\$7.95
36-40	\$12.80	\$7.14	\$19.67	\$10.57
41-45	\$15.51	\$8.49	\$23.77	\$12.62
46-50	\$18.56	\$10.01	\$28.48	\$14.98
51-55	\$28.87	\$15.17	\$45.14	\$23.31
56-60	\$28.11	\$14.79	\$45.63	\$23.55
61-65	\$58.49	\$29.98	\$91.85	\$46.66
66+	\$103.92	\$52.70	\$159.05	\$80.26
Child(ren)	Included in Employee Rate		Included in Employee Rate	

	Aflac			
Critical Illness	9/1/2021 - Present			
	Non-Tobacco Employee: \$30,000 Spouse: \$15,000		Tobacco Employee: \$30,000 Spouse: \$15,000	
Age Band	Employee	Spouse	Employee	Spouse
18-25	\$8.68	\$5.07	\$12.07	\$6.77
26-30	\$11.87	\$6.67	\$16.46	\$8.97
31-35	\$13.93	\$7.70	\$20.90	\$11.18
36-40	\$18.47	\$9.97	\$28.77	\$15.12
41-45	\$22.53	\$12.00	\$34.92	\$18.19
46-50	\$27.10	\$14.29	\$41.99	\$21.73
51-55	\$42.57	\$22.02	\$66.98	\$34.22
56-60	\$41.43	\$21.45	\$67.70	\$34.59
61-65	\$87.00	\$44.23	\$137.04	\$69.26
66+	\$155.15	\$78.31	\$237.85	\$119.66
Child(ren)	Included in Employee Rate		Included in Employee Rate	

	Aflac
Hospital Indemnity	9/1/2021 - Present
Employee	\$18.48

Employee + Spouse	\$34.70
Employee + Child(ren)	\$28.06
Employee + Family	\$44.28

2. TECHNICAL RESPONSIBILITIES AND REQUIREMENTS

The City is requesting proposals for a January 1, 2027, effective date.

The City is seeking proposals:

- a) For **Voluntary Accident** insurance. Proposals should provide a benefit structure which matches or offers enhancements to the current Accident benefits while maintaining rates. Accident is offered to employees on a voluntary basis and is comprised of a 4-tier rate structure. Coverage is 24-hours.
- b) For **Voluntary Critical Illness** insurance. Proposals should provide a benefit structure which matches or offers enhancements to the current Critical Illness benefits while maintaining rates. Critical Illness is offered to employees on a voluntary basis, is Attained Age, and shows a Tobacco Distinct rate structure. All pre-existing conditions and age reductions must be expressly waived for covered employees and covered dependents.
- c) For **Voluntary Hospital Indemnity** insurance. Proposals should provide a benefit structure which matches or offers enhancements to the current Hospital Indemnity benefits while maintaining rates. Hospital Indemnity is offered to employees on a voluntary basis and is comprised of a 4-tier rate structure. Coverage is 24-hours. All pre-existing conditions and maternity waiting periods must be expressly waived for covered employees and covered dependents. Complications of pregnancy must be included same as any other sickness.
- d) All Supplemental Health offerings should be no loss, no gain. No covered employee or covered dependent shall lose or gain benefits as a result of a contractor change.
- e) For **Pre-Paid Legal** insurance. The City does not currently have coverage in-force for this benefit.
- f) For **Pet insurance**. The City does not currently have coverage in-force for this benefit.

Requested Commissions: Net of Commissions

Proposal Requirements for Voluntary Insurance Products

These requirements outline what all respondents must include when submitting proposals for the City of Denton's Supplemental Health offerings effective January 1, 2027.

1. Company Background & Experience

Provide:

Overview of your company and relevant history providing Voluntary Accident, Critical Illness, Hospital Indemnity, Pre-Paid Legal, and/or Pet Insurance.

Documentation of financial stability and ratings.

Summary of experience with public sector or large employer groups.

Evidence of ability to meet ongoing service, maintenance, and client support requirements.

References for at least three comparable clients.

2. Plan Design Requirements by Product Type

A. Voluntary Accident Insurance

Your proposal must:

Match or enhance current Accident plan benefits.

Maintain current rates; 4-tier structure required.

Provide 24-hour coverage.

Ensure no loss/no gain for all covered employees and dependents.

B. Voluntary Critical Illness Insurance

Your proposal must:

Match or enhance current benefit levels.

Maintain the existing Attained Age and Tobacco Distinct rate structure.

Waive:

All pre-existing condition limitations.

All age reductions.

For employees and dependents.

Ensure no loss/no gain of benefits for all covered participants.

C. Voluntary Hospital Indemnity Insurance

Your proposal must:

Match or enhance current benefits.

Maintain current 4-tier rate structure.

Provide 24-hour coverage.

Fully waive:

Pre-existing condition limitations.

Any maternity waiting periods.

Include complications of pregnancy as any other sickness.

Ensure no loss/no gain.

D. Pre-Paid Legal Insurance

The City has no current plan in-force; propose a comprehensive voluntary offering.

Include rate structure, covered services, limitations, and enrollment processes.

E. Pet Insurance

No current plan in-force; provide full voluntary offering details (plan options, pricing, claims processes, exclusions).

3. Administration & Implementation Requirements

Proposals must describe:

Implementation timeline and dedicated project team.

Enrollment support, including new hires (coverage effective on hire date).

Data exchange capabilities (EDI, payroll files, evidence of insurability handling).

Ongoing account management structure.

Communication and employee education strategy.

4. Rate Requirements

All rates must be net of commissions.

Maintain rate parity with current plans for Accident, Critical Illness, and Hospital Indemnity.

Provide clear rate tables for all tiers and age bands (where applicable).

5. No Loss / No Gain Guarantee

All proposals must ensure:

No covered employee or covered dependent loses or gains benefits due to a carrier change.

All waivers (pre-existing, age reductions, maternity limits) must be fully honored.

Evaluation Criteria

Compliance with specifications, quality, reliability, and characteristics to meet stated or implied needs (40%)

Compliance with the stated specification(s) coupled with the quality and reliability of the goods and services, such as fitness for use that meets or exceeds Owner's expectations, and the characteristics of the product or service that bear on its ability to meet the stated/implied needs.

Indicators of Probable Performance under contract (10%)

Indicators of probable performance under the contract to include: past vendor performance, financial resources and ability to perform, experience or demonstrated capability and responsibility, references, and the vendor's ability to provide reliable maintenance agreements and support.

Price, Total Cost of Ownership (50%)

The price of items, to include total cost of ownership, such as installation costs, life cycle costs, and warranty provisions.