

## **Workers' Comp Self-Insured Reserve Analysis RFP Questions**

1. What actuarial firm is currently providing the services outlined in the RFQ?

**OSC Response: The firm currently providing actuarial services for the Worker's Compensation self-insured reserve analysis is Deloitte Consulting LLP.**

2. How long has the current actuarial firm(s) been providing the services outlined in the RFQ?

**OSC Response: To the best of our knowledge, Deloitte has provided this actuarial service dating back to the fiscal year ending June 30, 1995.**

3. What is the current actuarial firm(s) charging for the services outlined in the RFQ?

**OSC Response: The FY 2017 cost for the services outlined in the RFP is \$20,000.**

4. Why has the RFQ been issued at this point in time?

**OSC Response: The current 4-year contract, which included an option for a one-year extension, is expiring. The next contract for services is being competitively bid, as required by Connecticut law.**

5. Item #3 under scope (page 2 of the RFP) indicates that a separate review is to be performed for each of the eleven (11) agencies noted. Please confirm that you require 11 separate analyses (to the extent each agency has credible data) as opposed to an allocation to agencies of loss projections performed in total.

**OSC Response: The Office of the State Comptroller confirms that 11 separate analyses are required. Each state agency and the General Government category have separate appropriations that cover the costs of workers' compensation for the populations covered. To assist with the analysis, the Department of Administrative Services Workers' Compensation Unit provides loss data available for the State of Connecticut workers' compensation self-insurance program. This data consists of expenditure reports prepared by Gallagher Bassett, as well as annual paid dollars as provided directly by the State of Connecticut.**

6. Under IV. Selection Criteria, Page 4, Bullet C. – this item refers to a lead attorney and other personnel. As the RFP is seeking actuarial services, wouldn't the State be more interested in actuarial personnel and support staff. Please advise as to what information the State is

specifically looking for with regard to actuarial personnel and how much detail should be provided.

**OSC Response:** The reference to a lead attorney is an error. As the questioner correctly notes, the RFP should have referenced an actuary and other personnel to be assigned to the project. At a minimum, the proposal should include a “description of the key personnel to be used in providing the services,” as noted under section VI “Proposal Submission Requirements”, Subsection (D) (d.)(ii). For past proposals, some firms have submitted resumes of key personal with specific examples of experience relevant to the current RFP.

7. Under IV. Selection Criteria, Page 4, Bullet G. – could the State please clarify what the responding firm needs to supply to show their EEO record and affirmative action practices?

**OSC Response:** The responding firm only needs to submit the required documentation requested under Section VI “Proposal Submission Requirements”, Subsection (C)(iii)(3) which is found on page 8 of the RFP.

8. Under IV. Selection Criteria, Page 4, Bullet H. – what is the State specifically looking for to show compliance with all applicable ethical rules of professional conduct. Would a statement stating that the actual staff who would be working on this assignment are in compliance be sufficient?

**OSC Response:** Yes, a statement stating that the staff that would be working on this matter is in compliance is sufficient. Any sort of record indicating that there is no pending disciplinary action against any staff that would be working on this assignment is also sufficient.

9. Under IV. Selection Criteria, Page 5, Bullet I. – would this item be satisfied if the firm states in their proposal that there are currently no potential conflicts with the State?

**OSC Response:** Yes, a statement stating that there are currently no potential conflicts with the State is sufficient.

10. Agency Vendor Form requires a home phone number for a staff member. This is not something normally provided in the course of business. Can this be left blank?

**OSC Response:** Yes, you can leave this blank and only provide a business number.

11. What actuarial firm is currently providing the services described in the Request for Proposals?

**OSC Response:** The firm currently providing actuarial services for the Worker’s Compensation self-insured reserve analysis is Deloitte Consulting LLP.

12. How long has this firm been providing these services?

**OSC Response: To the best of our knowledge, Deloitte has provided this actuarial service dating back to the fiscal year ending June 30, 1995.**

13. Has a Request for Proposals been issued at this time because the current contract period has expired? If no, why has an RFP been issued at this time?

**OSC Response: The current 4-year contract, which included an option for a one-year extension, is expiring. The next contract for services is being competitively bid, as required by Connecticut law.**

14. What were the fees charged for the required services for each of the past five years?

**OSC Response: The FY 2017 cost for the services outlined in the RFP is \$20,000. The annual cost of the preceding four years was \$15,000. The lower cost reflected an analysis for a smaller group of agencies (seven) instead of the current eleven.**

15. Please provide copies of the most recent two reports provided in connection with these services.

**OSC Response: These reports are prepared solely for the internal use of the State of Connecticut Office of the State Comptroller and distribution is prohibited without prior written consent.**

16. On page 11, it states, "If you find any terms or provisions of the proposed draft contract in Appendix A unacceptable, identify the term, explain why it is unacceptable, and state whether failure to modify this term would result in the firm's failure to execute a contract in this matter."

The proposed draft contract was not included in the RFP. Please provide the draft contract.

**OSC Response: The draft contract has been included as Appendix A to the Amended RFP that is now available at the following webpage: <http://www.osc.ct.gov/vendor/rfp.html>**

17. Which firm is currently providing these services to OSC?

**OSC Response: The firm currently providing actuarial services for the Worker's Compensation self-insured reserve analysis is Deloitte Consulting LLP.**

18. What are the annual fees for these services during the current contract period?

**OSC Response:** The FY 2017 cost for the services outlined in the RFP is \$20,000. The annual cost of the preceding four years was \$15,000. The lower cost reflected an analysis for a smaller group of agencies (seven) instead of the current eleven.

19. How can we obtain a copy of the most recent actuarial deliverable/report for these services?

**OSC Response:** These reports are prepared solely for the internal use of the State of Connecticut Office of the State Comptroller and distribution is prohibited without prior written consent.

20. Page 4-5 of the RFP contain a list of "non-exclusive factors" that will be used to evaluate the proposals. Item A references pension plans, and items C, F, and I describe attorneys. Are these correct evaluation factors? Are pension plans part of the scope of this engagement?

**OSC Response:** The following language from pages 4-5 of the RFP is stricken as it is language that was included in error and does not pertain to the evaluation of proposers for this RFP. An amended RFP will be posted:

**"The evaluation committee will also consider the following non-exclusive factors in making the determination:**

- A. Depth and quality of experience with Connecticut and federal law related to public sector pension plans.**
- B. Depth and quality of experience providing all other services described herein.**
- C. Qualification of personnel, including the experience and availability of the lead attorney(s) and the breadth and depth of experience of other partners, associates, and other professionals available to provide the requested services to the State.**
- D. Demonstrated ability to work closely and cooperatively with clients.**
- E. Results of reference checking.**
- F. Reasonableness of rates proposed, and demonstrated efficiency in providing sound advice and counsel without unnecessary or excessive charges.**
- G. Equal opportunity record as evidenced by the composition of the firm personnel and the firms' affirmative action and equal employment opportunity policies and practices.**
- H. Record of compliance with all applicable ethical rules of professional conduct.**
- I. The proposing firm will not be considered to have any irreconcilable conflict of interest because the firm or attorneys associated with the firm have in the past brought or are currently bringing litigation against the State of Connecticut, whether in court, mediation or arbitration, so long as that litigation does not concern the firm's involvement in matters related to and adverse to the State in related issues described herein. All potential conflicts with the State of Connecticut must be fully described and discussed in the proposal.**

21. Who is the incumbent providing these same services for the WC Fund?

**OSC Response: The firm currently providing actuarial services for the Worker's Compensation self-insured reserve analysis is Deloitte Consulting LLP.**

22. How many years has the incumbent provided the requested services?

**OSC Response: To the best of our knowledge, Deloitte has provided this actuarial service dating back to the fiscal year ending June 30, 1995.**

23. Why is the WC Fund bidding for these services? (e.g. Required by law? Unhappy with existing provider?, etc.)

**OSC Response: The current 4-year contract, which included an option for a one-year extension, is expiring. The next contract for services is being competitively bid, as required by Connecticut law.**

24. Is it possible to get a copy of the previous report(s) and other work performed by the incumbent?

**OSC Response: These reports are prepared solely for the internal use of the State of Connecticut Office of the State Comptroller and distribution is prohibited without prior written consent.**

25. Is it possible to get a copy of the most recent financial reports for the WC Fund?

**OSC Response: These reports are prepared solely for the internal use of the State of Connecticut Office of the State Comptroller and distribution is prohibited without prior written consent.**

26. What was the annual cost to the WC Fund for the most recent actuarial report? (If you are unable to share the specific cost, is it possible to get a price range?)

**OSC Response: The FY 2017 cost for the services outlined in the RFP is \$20,000.**

27. What is the hourly rate(s) being paid to the incumbent to perform this work?

**OSC Response: The current contract specifies a not to exceed amount of \$20,000 for FY 2017, but the hourly rate is listed as "blended hourly discounted rate of \$150 per hour."**