

Questions regarding Property and Casualty Actuarial Services:

Question 1: Who is the incumbent providing these same property and casualty services for the AL DOI?

Answer 1: Merlinos & Associates, Inc.; Milliman Inc.; and Taylor-Walker Consulting, LLC

Question 2: How many years has the incumbent provided the requested property and casualty services?

Answer 2: Historically, the Department has issued an RFP every two years. Merlinos & Associates, Inc., and Taylor-Walker Consulting, LLC, have had contracts for these services for many years. Milliman Inc. has had a contract since 2019.

Question 3: Approximately how many filings do you expect to have for review in a year in the following categories?

- a. P&C – personal lines
- b. P&C – non-NCCI commercial lines

Answer 3: P&C filings are typically handled by our staff actuary. On occasion these filings may be sent to contract actuaries because of time constraints on multiple filings over a short time-period. The Department estimates 60 or more personal lines and 10 or more non-NCCI commercial lines filing reviews may be needed.

Question 4: Is it possible to provide a distribution of filings by SERFF TOI reviewed in a typical year?

Answer 4:

Type	Count
Commercial Property (Fire and Allied Lines)	2
Personal Property (Fire and Allied Lines)	1
Homeowners	20
Homeowners Sub-TOI Combinations	17
Tenant Homeowners	3
Inland Marine	1
Boatowners/Personal Watercraft	1
Workers Compensation	1
Standard WC	1
Other Liability-Occ/Claims Made	2
Personal Umbrella and Excess	2
Personal Auto	35
Personal Auto Combinations	7

Private Passenger Auto (PPA)	28
Commercial Auto	8
Commercial Auto Combinations	6
Garage	1
Other	1
Dwelling Fire/Personal Liability	1
Dwelling Fire/Personal Liability	1
Interline Filings	3
Personal/Commercial Interline Filings	1
Personal Interline Filings	1
Commercial Interline Filings	1

Question 5: Approximately how many examinations will be performed in a year?

Answer 5: The Department anticipates conducting 4 property and casualty examinations per year.

Question 6: What is the hourly rate(s) being paid to the incumbent to perform this work?

Answer 6: Between \$125 - \$ 580 per hour depending on the experience of the actuary and between \$105 - \$185 per hour depending on the experience of the examiner.

Questions regarding Life and Health Actuarial Services:

Question 7: Who is the incumbent providing these same life and disability services for the AL DOI?

Answer 7: Harland Dyer d/b/a Latta, Langston & Dyer; INS Consultants Inc.; Lepton Actuarial & Consulting LLC; Lewis & Ellis, Inc.; and Taylor-Walker Consulting, LLC

Question 8: How many years has the incumbent provided the requested services?

Answer 8: Historically, the Department has issued an RFP every two years. The listed companies were awarded contracts in 2022.

Question 9: Approximately how many filings do you expect to have for review in a year in the following categories?

- a. Rate increases - Long Term Care
- b. Rate increases – All Other L&D
- c. L&D - New product filings

Answer 9: L&D filings are typically handled by our staff actuary. On occasion these filings may be sent to contract actuaries to because of time constraints on multiple filings over a short time-period. However, the Department estimates approximately 40 long term care and 50 "all other L&D" filing reviews may be needed. The Department has no estimate regarding new product filings.

Question 10: Is it possible to provide a distribution of filings by SERFF TOI reviewed in a typical year?

Answer 10:

Type	Count
Accident	3
Dental	5
Disability Income	2
Hearing	1
Hospital Indemnity	2
Other	3
Excess/Stop Loss	3
Major Medical	10
Specified Disease - Limited Benefit	4
Vision	2
HMO	5
Med Supp	10
LTC	40

Question 11: Approximately how many examinations will be performed in a year?

Answer 11: The Department anticipates conducting 3 life and health insurer and 3 health maintenance organizations examinations per year.

Question 12: What is the hourly rate(s) being paid to the incumbent to perform this work?

Answer 12: Between \$125 - \$305 per hour depending on the experience of the actuary and between \$105 - \$185 per hour depending on the experience of the examiner.

Questions, in general:

Question 13: The RFP document contains this passage:

2.3.6. TeamMate® license and experience. The proposal must include a copy of the Respondent's current TeamMate® license; a list of those jobs or projects on which Respondent has used TeamMate® identifying the contracting entity, a description of the job or project, and include names, telephone numbers, and electronic mail addresses of contact persons at each named entity; and a written certification to the effect that all employees or other personnel utilizing TeamMate® software have used said software within the six (6) months preceding the proposal date. The proposal must include a signed TeamMate® confidentiality agreement which is attached hereto as Exhibit "B"

For the yellow highlighted section, what is the State looking for here? Do you want to see the name of every insurance carrier we have examined that involved the use of TeamMate? Just the name of the state insurance entity for whom we provided examination assistance? Something else?

Answer 13: Identify each hiring/contracting entity that engaged Respondent to perform a function that required the use of TeamMate, describe the job (name of entity and type of examination or review), and list contact information for the hiring/contracting entity.

Question 14: There are several RFPs that appear to be asking for the same services. If we are qualified to provide multiple services, should we respond just to the Insurer Examination Services RFP or to the individual RFPs? Or all? Actuarial, for example, is included in the Insurer Examination Services RFP but there is a separate solicitation for Actuarial Services for Life and Disability Insurance and Actuarial Services for Property and Casualty Insurance.

Answer 14: Some firms may specialize in a particular service, such as complete Examinations or Actuarially assisted examinations, whereas other firms have staff for all services. Thus, a proposal by a firm specializing in actuarial services may score poorly on a general Examination RFP as compared to another firm with specialists in all areas, but it may score better on the Actuarial RFP.

If a firm is offered a contract for the services described in RFP 04, the other proposals are somewhat redundant. However, when we are reviewing a proposal for RFP 04, we are primarily looking at the qualifications for the CFE and the hourly rate shown for the certified examiner. It can occur that a firm not selected for RFP 04 winds up being offered a contract under RFP 01 or 02 because of stronger qualifications in those specific areas. But to be considered for RFP 01, 02, 04, the Respondent must submit a proposal for each individual RFP.

Question 15: Please confirm and provide clarification that RFP#ALDOI-2024-04, Insurer Examination Services is to ALSO include Market Conduct Examination Services, and affiliated services such as form reviews, as part of the response. There is a standalone RFP for Market Conduct related services which also includes form and compliance reviews: RFP#ALDOI-2024-05, Insurer Market Conduct Examination Services for all types of insurers.

Answer 15: Some firms may specialize in a particular service, such as Market Conduct exams or automated exams, whereas other firms have staff for all services. Thus a proposal by a firm specializing in Market Conduct may score poorly on the general Insurer Examination RFP as compared to another firm with specialists in all areas, but it may score better on the Market Conduct RFP.

If a firm is offered a contract for the services described in RFP 04, the other proposals are somewhat redundant. However, when we are reviewing a proposal for RFP 04, we are primarily looking at the qualifications for the CFE and the hourly rate shown for the certified examiner. It can occur that a firm not selected for RFP 04 winds up being offered a contract under RFP 05, 06 or 07 because of stronger qualifications in those specific areas.

Question 16: Will actuarial, IT etc. be awarded separately from other examination services?

Answer 16: Yes, as described in the various RFPs.

Question 17: How many firms will be awarded contracts?

Answer 17: Historically, three or four contracts will be offered for each type of service.

Question 17: Please confirm that the required financial disclosure document referenced in the RFPs is the same as the 'Disclosure Document' found at: Disclosure Statement and/or provide a direct link that takes us to the document. The website referenced in RFP#ALDOI-2024-04, for example, does not bring us to the document or a website where we can search for the correct document. A search on the DOI website displays many disclosures.

Answer 17: The required Disclosure Statement referenced in the RFP may be found here: https://alison-file.legislature.state.al.us/pdfdocs/joint/contract_review/AL_Vendor_Disclosure_Statement.pdf

Question 18: Will any of the contract terms be negotiable?

Answer 18: Due to the number of the contracts and restrictions placed on state entities, the contract terms are not negotiable unless the end result is something that may be applied across all contracts.

Question 19: Are all forms under the PROPOSAL REQUIRE FORMS header on the DOI's page: <https://aldoi.gov/Legal/RFP.aspx> required at the time of submission.

Question 19: No, only the Vendor Disclosure Statement, found at the link provided in Answer 17, is required. The other forms are required only if a contract is awarded to and accepted by Respondent.

Question 20: Page 2: Section 1.1 states "The anticipated contract term for this RFP will begin on October 1, 2024, for a two (2) year period. The Division of Procurement reserves the right to include up to three (3), one-year renewal options, at its discretion, in any initially awarded contract." Will there be an opportunity to re-negotiate rates for the 3 additional renewals, if offered renewals?

Answer 20: No. If Respondent anticipates the need for a fee increase in years 3-5 of the contract, that fee increase should be reflected in the proposal either by indicating the projected hourly fee increase (ex. Level 1 Actuarial fee for year 3 is \$\$\$, for year 4 is \$\$\$, for year 5 is \$\$\$) or by indicating a percent increase per year (ex. X% increase for year 3, or x% increase for year 4, or x% increase in year 5). While the Division of Procurement reserves the right to extend the contract, the Respondent entity may still decline the extension. The language is used to prohibit the state from being forced into an extension.