



citycounty insurance services  
cisoregon.org

## Request for Proposals (RFP) Addendum

### Qualified Health Insurance Actuary

CIS  
15875 Boones Ferry Rd #1469  
Lake Oswego, OR 97035  
(503) 763-3800

<b>RFP Schedule</b>	
Issuance of RFP:	<b>March 4, 2025</b>
Submission of Questions about the RFP:	<b>March 14, 2025, 5:00 p.m. (PT)</b>
Proposal Due:	<b>March 28, 2025, 5:00 p.m. (PT)</b>
Anticipated Contract Award:	<b>April 18, 2025</b>

15875 Boones Ferry Rd #1469, Lake Oswego, OR 97035 • Phone 503-763-3800 or 800-922-2684 • Fax 503-763-3900

## ADDENDUM

### A. BACKGROUND

On March 4, 2025, CIS issued a Request for Proposals (RFP) to solicit offers from qualified firms to: 1. determine reserve adequacy for CIS self-funded medical, dental, vision, and pharmacy plans; and 2. assist in developing and setting rates for CIS' health plans to ensure financial stability and competitiveness in the marketplace.

CIS is issuing this Addendum to the RFP to respond to written questions we received from potential proposers. The Addendum modifies the original RFP document only to the extent indicated. All other areas of the original RFP remain in effect and can only be modified in writing by CIS. This Addendum is made an integral part of the original RFP. It is the responsibility of all proposers to conform to this Addendum. Proposers who have already submitted proposals may either: 1. submit an addendum to their proposal; or 2. withdraw the original proposal and submit a new one. Any addendum or revised proposal must be submitted no later than the **Proposal Due Date of 5:00 p.m. (PT) on March 28, 2025.**

### B. RESPONSES TO QUESTIONS

#### Question #1

When was the last full request for proposal for the self-insured medical vendor and the self-insured Rx vendor?

#### CIS Response #1

Both were conducted in 2024 / 2025 for the 2026 plan year.

#### Question #2

How many entities are over 100 lives?

#### CIS Response #2

There are 18 entities with medical coverage and 13 with dental coverage.

#### Question #3

Are not to exceed rates required for all groups separately (each entity with over 100 lives), or just the pooled rates for cities & counties?

#### CIS Response #3

Not-to-exceed rates are required for both trusts, EBS (Cities) and AOCIT (Counties), and all experience-rated entities. An overall average increase is provided for each trust separately as well as each experience-rated entity.

**Question #4**

Is the individual entity underwriting shared with the entity? If yes, does this need to be published and shared via a formal document for each entity with over 100 lives?

**CIS Response #4**

Quarterly experience reports are given to each experienced-rated member. Underwriting calculations are not shared.

**Question #5**

In 2023 and 2024 how many prospective entity proposals were supported?

**CIS Response #5**

For experience rated groups (100 or more enrolled) In calendar year (CY) 2023, we provided proposals to six prospective entities. In CY 2024, we provided four proposals. Year-to-date in CY 2025, we have provided four proposals. We expect to see more in the coming years due to new CIS plans being offered and overall market volatility.

CIS also receives many inquiries for smaller entities with under 100 employees. In most cases CIS does not need help with underwriting.

**Question #6**

Does CIS collect the data for prospective members or is it expected that this role would coordinate directly with the prospective entity to gather required data?

**CIS Response #6**

CIS collects prospective member data and coordinates directly with them. In most cases, the actuarial team will not interact directly with current or prospective CIS members.

**Question #7**

What turnaround timing is required for new entity proposals and what time of year are these most common?

**CIS Response #7**

In general, ten days to a few weeks is requested by entities or brokers. The month of March and August through September are the busiest quoting times.

**Question #8**

Are imputed income calculations provided for all entities with their own rates?

**CIS Response #8**

Imputed value is provided for all entities.

**Question #9**

Is support needed for COBRA rate calculations?

### CIS Response #9

COBRA rates are based on the final rates with a 2% surcharge added.

### Question #10

Can you elaborate on what is expected for the periodic experience updates? We understand CIS is monitoring their own experience, is there an expectation to track / deliver a report on a specified cadence (ie: quarterly experience reviews)? If a report is being provided, are you able to share a copy?

### CIS Response #10

Currently, CIS monitors its own experience and does not meet with an actuarial team quarterly. In the future, CIS would like a quarterly meeting to review the experience and discuss trends or implications of the most recent data.

### Question #11

Is CIS managing entity level experience reporting? Please confirm any needed support to entity level experience reporting or data sharing.

### CIS Response #11

Yes, CIS manages entity-level experience reporting. We anticipate reviewing our process and product with the new actuary for suggested improvements, but CIS will continue to manage this process.

### Question #12

Is there an established meeting cadence with CIS to connect on financial workstreams (i.e.: weekly touch base meetings)? If no, can you estimate the amount of CIS collaboration / discussion is required around the following deliverables outlined in the scope? This information will ensure we resource / staff appropriately and build the right amount of time into our projection.

### CIS Response #12

#### Preliminary Not-to-Exceed Rates (December Board Meeting)

CIS meets with the underwriter once virtually before the December board meeting to discuss the underwriter's presentation and preliminary not-to-exceed rates. At the December board meeting, the underwriter presents a percent range (example – between 9% and 13%) of where they believe the not-to-exceed rates will be in February.

#### Not-to-exceed rates (end of February Board meeting)

CIS meets with the underwriter twice before the February board meeting where the not-to-exceed rates are presented and voted on by the Board. The two meetings with the underwriter are virtual and take place two weeks and one week before the board meeting. This timeline is to allow the underwriter gather the most recent experience.

We expect the actuarial team to be in-person at the February board meeting for the not-to-exceed presentation.

#### Final rates

One virtual meeting is held with the underwriter to discuss final rates two or three weeks before the May board meeting. Usually, CIS staff present the final rates to the board. The underwriter does not need to be present. Occasionally, the board may request the actuary to present final rates at this board meeting. In this situation, it would most likely be a virtual presentation.

#### Providing periodic experience updates

This is not currently being provided, but CIS expects the selected firm to provide a short quarterly virtual check-in with CIS Staff.

#### **Question #13**

Please confirm how many days the December retreat involves for the health actuary to attend and if the health actuary attends the full meeting.

#### **CIS Response #13**

When the Board meets each December, they have a two-day retreat followed by their quarterly meeting on the third day. Most years, the underwriter will only need to attend the quarterly meeting on the third day. However, from time to time, the underwriter may be asked to attend or present during the board retreat the day before.

#### **Question #14**

For item 6 in Section III. *Scope of Work*, "Contribute to the drafting of both the annual renewal request for each carrier/administrator and the final rate confirmation letter." Please confirm the cadence of renewals for the key carriers, vendors and administrator whether annually or if some of the agreements are multi-year agreements.

#### **CIS Response #14**

CIS manages this process. Renewal letters are drafted in December for all carrier partners. We may ask the actuary at that time if they have any suggested questions or requests for Regence, Delta Dental, Willamette Dental, and Kaiser related to items that may impact future costs.

#### **Question #15**

Does CIS have a preference in payment terms? (Fee vs. time and materials)

#### **CIS Response #15**

The current arrangement is time and materials, but CIS is open to either arrangement. Please provide whichever option you prefer, or both. As explained in the Cost Schedule portion of the RFP, if proposing time and materials, please include hourly rates and estimates of hours for the personnel who will be involved in providing services.

**Question #16**

What is the name of the incumbent actuary and how long have they been providing services to CIS? Is there an annual not to exceed amount available for these services? Does CIS have a budget for the full scope of the work outlined in this RFP?

**CIS Response #16**

The current individual performing underwriting and rating services is retiring after working with CIS for many years. IBNR reporting is done by a separate firm. The average annual cost for these two services combined over the last two years was \$101K.

**Question #17**

What data sharing will occur between the incumbent and the new contractor? Will the new contractor be given access to prior reports and work efforts?

**CIS Response #17**

Prior reports will be shared with the new contractor.

**Question #18**

Is retiree medical valuation work included in scope for this RFP? Do retirees include Medicare eligible retirees or are retirees under the age of 65?

**CIS Response #18**

Retiree medical valuation work is not included in the scope of this RFP. Only retirees under the age of 65 are eligible for coverage.

**Question #19**

Does CIS have any restrictions with the use of off shore resources for purposes of data aggregation?

**CIS Response #19**

CIS does not have any restrictions with the use of offshore resources for the purpose of data aggregation. That said, as stated in Section VI of the RFP, "If you intend to use any subcontractors in fulfillment of services, information should be furnished for both your firm and the subcontractors where appropriate." Additionally, as noted in Section V(I) of the RFP, CIS will not be a party to any agreements with any subcontractor that a proposer may use, nor will CIS be a guarantor or indemnitor of them.

**Question #20**

Do the actuarial services that support the CIS P/C (Property/Casualty) Fund have any bearing on the selection of the actuary for the two funds in this RFP, League of Oregon Cities Employee Benefits Services (EBS) and Association of Oregon Counties Insurance Trust (AOCIT)?

**CIS Response #20**

Actuarial services that support CIS P/C (Property/Casualty) Funds do not have any bearing on the selection of the actuary for EBS and AOCIT funds.

**Question #21**

Can you provide a copy of the rate sheets / templates that are expected to be produced and shared with CIS upon finalization of all rates?

**CIS Response #21**

An example of final rate sheets has been included at the end of the addendum.

**Question #22**

Can you provide a copy of the recent Trustee' report?

**CIS Response #22**

Copies will be provided to the selected proposer.

**Question #23**

Can CIS provide a copy of the most recent actuarial report?

**CIS Response #23**

Copies will be provided to the selected proposer.

**Question #24**

Does CIS hold a reserve beyond that for incurred but not reported claims? If so, what is the target for the additional reserve?

**CIS Response #24**

Inclusive of IBNR reserves, the Board requires total net position to remain within actuarially determined capital ranges as defined by a 1 in 200-year event and two times a 1 in 200-year event. Determining these ranges are outside the scope of this RFP.

**Question #25**

Is there a weight assigned to the criteria listed in the RFP and if yes can you share those weights?

**CIS Response #25**

Our criteria for evaluating proposals are outlined in Section III(D)(3) of the RFP. All criteria are evaluated equally. As stated in that Section, "An award will be made to the Proposer

whose offer is judged to be the most advantageous to CIS, though CIS expressly reserves the right to reject all proposals and make no award under this RFP.”



EBS Regence Rates

<b>EBS (Cities)--Final CY 2025</b>	EE	EC	EC(ren)	ES	EF
<b>Plan A</b>					
Base Rate +5.0%*	\$525.00	\$1,050.00	\$1,575.00	\$1,155.00	\$2,100.00
Pool Mod (-1%)**	(\$5.25)	(\$10.50)	(\$15.75)	(\$11.55)	(\$21.00)
Board Adjustment***					
Investment Credit***	(\$5.00)	(\$10.00)	(\$15.00)	(\$20.00)	(\$25.00)
CIS Administration*	\$10.00	\$15.00	\$20.00	\$25.00	\$30.00
Total	\$524.75	\$1,044.50	\$1,564.25	\$1,148.45	\$2,084.00
% Change	3.91%	3.93%	3.94%	3.09%	3.68%
<b>Plan B</b>					
Base Rate +5.0%	\$551.25	\$1,155.00	\$1,785.00	\$1,260.00	\$2,205.00
Pool Mod (-1%)	(\$5.51)	(\$11.55)	(\$17.85)	(\$12.60)	(\$22.05)
Board Adjustment					
Investment Credit	(\$5.00)	(\$10.00)	(\$15.00)	(\$20.00)	(\$25.00)
CIS Administration	\$10.00	\$15.00	\$20.00	\$25.00	\$30.00
Total	\$550.74	\$1,148.45	\$1,772.15	\$1,252.40	\$2,187.95
% Change	3.96%	4.03%	4.06%	3.25%	3.74%
<b>Plan C</b>					
Base Rate +5.0%	\$619.30	\$1,351.20	\$2,026.80	\$1,463.80	\$2,477.20
Pool Mod (-1%)	(\$6.19)	(\$13.51)	(\$20.27)	(\$14.64)	(\$24.77)
Board Adjustment					
Investment Credit	(\$5.00)	(\$10.00)	(\$15.00)	(\$20.00)	(\$25.00)
CIS Administration	\$10.00	\$15.00	\$20.00	\$25.00	\$30.00
Total	\$618.11	\$1,342.69	\$2,011.53	\$1,454.16	\$2,457.43
% Change	11.47%	11.61%	11.63%	10.84%	11.30%

<b>EBS--Final CY 2024</b>	EE	EC	EC(ren)	ES	EF
<b>Plan A</b>					
Base Rate +3.30%	\$500.00	\$1,000.00	\$1,500.00	\$1,100.00	\$2,000.00
Pool Mod (-1%)	(\$5.00)	(\$10.00)	(\$15.00)	(\$11.00)	(\$20.00)
Board Adjustment					
Investment Credit					
CIS Administration	\$10.00	\$15.00	\$20.00	\$25.00	\$30.00
Total	\$505.00	\$1,005.00	\$1,505.00	\$1,114.00	\$2,010.00
<b>Plan B</b>					
Base Rate +3.30%	\$525.00	\$1,100.00	\$1,700.00	\$1,200.00	\$2,100.00
Pool Mod (-1%)	(\$5.25)	(\$11.00)	(\$17.00)	(\$12.00)	(\$21.00)
Board Adjustment					
Investment Credit					
CIS Administration	\$10.00	\$15.00	\$20.00	\$25.00	\$30.00
Total	\$529.75	\$1,104.00	\$1,703.00	\$1,213.00	\$2,109.00
<b>Plan C</b>					
Base Rate +3.30%	\$550.00	\$1,200.00	\$1,800.00	\$1,300.00	\$2,200.00
Pool Mod (-1%)	(\$5.50)	(\$12.00)	(\$18.00)	(\$13.00)	(\$22.00)
Board Adjustment					
Investment Credit					
CIS Administration	\$10.00	\$15.00	\$20.00	\$25.00	\$30.00
Total	\$554.50	\$1,203.00	\$1,802.00	\$1,312.00	\$2,208.00
% Change	-13.15%	1.08%	13.79%	-3.55%	20.89%

AOCIT Regence Rates

AOCIT (Counties)--Final CY 2025						AOCIT--Final CY 2024					
	EE	EC	EC(ren)	ES	EF		EE	EC	EC(ren)	ES	EF
<b>Plan A</b>						<b>Plan A</b>					
Base Rate +10.0%	\$550.00	\$1,100.00	\$1,650.00	\$1,210.00	\$2,200.00	Base Rate +1.2%	\$500.00	\$1,000.00	\$1,500.00	\$1,100.00	\$2,000.00
Pool Mod (-.5)	(\$2.75)	(\$5.50)	(\$8.25)	(\$6.05)	(\$11.00)	Pool Mod (+1.5)	\$7.50	\$15.00	\$22.50	\$16.50	\$30.00
Board Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Board Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Investment Credit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Investment Credit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CIS Administration	\$27.29	\$50.81	\$67.77	\$58.21	\$78.17	CIS Administration	\$28.63	\$53.31	\$71.11	\$61.07	\$82.02
Total	\$574.54	\$1,145.31	\$1,709.52	\$1,262.16	\$2,267.17	Total	\$536.13	\$1,068.31	\$1,593.61	\$1,177.57	\$2,112.02
% Change	7.16%	7.21%	7.27%	7.18%	7.35%						
<b>Plan B</b>						<b>Plan B</b>					
Base Rate +10.0%	\$687.50	\$1,320.00	\$1,980.00	\$1,430.00	\$2,420.00	Base Rate +1.2%	\$625.00	\$1,200.00	\$1,800.00	\$1,300.00	\$2,200.00
Pool Mod (-.5)	(\$3.44)	(\$6.60)	(\$9.90)	(\$7.15)	(\$12.10)	Pool Mod (+1.5)	\$9.38	\$18.00	\$27.00	\$19.50	\$33.00
Board Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Board Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Investment Credit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Investment Credit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CIS Administration	\$27.29	\$50.81	\$67.77	\$58.21	\$78.17	CIS Administration	\$28.63	\$53.31	\$71.11	\$61.07	\$82.02
Total	\$711.35	\$1,364.21	\$2,037.87	\$1,481.06	\$2,486.07	Total	\$663.01	\$1,271.31	\$1,898.11	\$1,380.57	\$2,315.02
% Change	7.29%	7.31%	7.36%	7.28%	7.39%						
<b>Plan C</b>						<b>Plan C</b>					
Base Rate +10.0%	\$797.50	\$1,540.00	\$2,090.00	\$1,870.00	\$2,530.00	Base Rate +1.2%	\$725.00	\$1,400.00	\$1,900.00	\$1,700.00	\$2,300.00
Pool Mod (-.5)	(\$3.99)	(\$7.70)	(\$10.45)	(\$9.35)	(\$12.65)	Pool Mod (+1.5)	\$10.88	\$21.00	\$28.50	\$25.50	\$34.50
Board Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Board Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Investment Credit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Investment Credit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CIS Administration	\$27.29	\$50.81	\$67.77	\$58.21	\$78.17	CIS Administration	\$28.63	\$53.31	\$71.11	\$61.07	\$82.02
Total	\$820.80	\$1,583.11	\$2,147.32	\$1,918.86	\$2,595.52	Total	\$764.51	\$1,474.31	\$1,999.61	\$1,786.57	\$2,416.52
% Change	7.36%	7.38%	7.39%	7.40%	7.41%						

CIS  
Medical Experience Mods

Exhibit 4

**Experienced Rated**

	2025 Uncapped	2025 +/-4% Cap	2025 Change	2024 +/-4% Cap
<b>EBS (Cities)</b>				
Entity 1	19.50%	13.00%	2.82%	10.18%
Entity 2		-3.00%	-0.96%	-2.04%
Entity 3		-0.41%	-4.00%	3.59%
Entity 4	-2.50%	3.50%	2.93%	0.57%
<b>Pooled</b>	-0.70%	-1.00%	0.00%	-1.00%
<b>AOCIT (Counties)</b>		+/-4% Cap		+/-4% Cap
Entity 1	0.57%	-6.68%	2.00%	-8.68%
Entity 2				
Entity 3	4.16%	-1.85%	3.98%	-5.83%
Entity 3	25.00%	20.72%	4.00%	16.72%
Entity 4		-6.84%	1.88%	-8.72%
<b>AOCIT Pooled</b>	-9.69%	-0.50%	-2.00%	1.50%