



Department of

General Services

Pre-Response Conference

RFQ 33501-242001

Insurance Actuarial Services

Solicitation Coordinator

Karen Conway

Department of General Services

Central Procurement Office

312 Rosa L Parks Avenue, 3rd Floor

Nashville, TN 37243

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Agenda

- Notices
- Schedule of Events
- Overview of Solicitation process
- Overview of RFQ Attachments & Evaluation Models
- Overview of Scope of Services
- Overview of Contract sections B-E
- Questions

Notice

- Scope overview will not cover all Scope items, and is only meant to be a brief overview
- Responses given here today cannot be considered binding or official until put into writing by the State
- Questions must be submitted in writing prior to the Written “Questions & Comments” Deadline in order to receive an official answer from the State. Deadline is on **March 8, 2024, at 2:00 p.m. CT.**
- Please make sure to read all solicitation documents including attachments
- **ANY** contact with any person other than the Solicitation Coordinator is grounds for disqualification
 - All questions or comments must be routed through the Coordinator and a response will be issued through them.
- The State will not be accepting any redlines to the solicitation
 - Per section 3.4. of the RFQ doing so will potentially result in the response being found non-responsive

Schedule of Events

EVENT	TIME (CT Zone)	DATE
1. RFQ Issued		March 1, 2024
2. Disability Accommodation Request Deadline	2:00 p.m.	March 6, 2024
3. Pre-response Conference	10:00 a.m.	March 8, 2024
4. Notice of Intent to Respond Deadline	2:00 p.m.	March 13, 2024
5. Written "Questions & Comments" Deadline	2:00 p.m.	March 15, 2024
6. State Response to Written "Questions & Comments"		March 26, 2024
7. RFQ Response Deadline	2:00 p.m.	April 5, 2024
8. RFQ Cost Proposal Opened (ONLY for the apparent successful Respondents)	2:00 p.m.	April 19, 2024
9. RFQ Negotiations		April 22 - 24, 2024
10. State Notice of Intent to Award Released and RFQ Files Opened for Public Inspection		April 26, 2024
11. End of Open File Period		May 3, 2024
12. State sends contract to Contractor for signature		May 6, 2024
13. Contractor Signature Deadline	2:00 p.m.	May 8, 2024

Solicitation Process

- RFQ Section 3 – Response Requirements
- 3.1 Response Contents
 - Mandatory Requirements (Attachment A)
 - General Qualifications & Experience (Attachment B)
 - Technical Qualifications, Experience & Approach (Attachment C)
 - Cost Proposal (Attachment D) (Separate)
- 3.2 Response Delivery Location

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Solicitation Process

RFQ Section 3 - Response Requirements

- 3.4 Response Prohibitions
 - Restrict the rights of the State or otherwise qualify the response to this RFQ;
 - Include, for consideration in this procurement process or subsequent contract negotiations, incorrect information that the Respondent knew or should have known was materially incorrect;
 - Include more than one response, per Respondent, to this RFQ;
 - Include any information concerning costs (in specific dollars or numbers) associated with the Technical Response;
 - Include the respondent's own contract terms and conditions (unless specifically requested by the RFQ); or
 - Include the respondent as a prime contractor while also permitting one or more other respondents to offer the respondent as a subcontractor in their own responses.

Solicitation Process

RFQ Section 5 – Procurement Process & Contract Award

- The complete vendor selection will be a two-part process: (1) Qualification of Technical Responses and (2) Successful contract negotiation.
- Qualification of Technical Responses: Technical Responses will be short-listed for further evaluation, analysis, or negotiation if they are responsive, responsible, and within the competitive range (“Competitive Range”). A Technical Response will be deemed within the Competitive Range based on the following criteria:

Solicitation Process

RFQ Section 5 – Procurement Process & Contract Award

The Technical Response must be ranked in the top four (4) after the Technical Response score is totaled and put in the ordinal ranking (1 - the best-evaluated ranking).

- **Phase I:** The State will evaluate the Mandatory Requirements outlined in RFQ Attachment A on a pass/fail basis.
- **Phase II:** Following the Phase I evaluation, the State will apply a standard equitable evaluation model, which will represent a qualitative assessment of each response. Each response will be scored by Evaluation Team members according to the Technical Response & Evaluation Guides (See RFQ Attachments B & C). The Solicitation Coordinator will total the average score from the evaluation team for each responsive and responsible Respondent's Technical Response Points for RFQ Attachments B & C to determine which of the Respondents are considered Qualified and within the Competitive Range.

Solicitation Process

- RFQ Section 5 – Procurement Process & Contract Award
- Proposals will be evaluated with the following point totals

Evaluation Category	Maximum Points Possible
Mandatory Requirements (refer to RFQ Attachment A)	Pass/Fail
General Qualifications, Experience, Technical Qualifications, Experience & Approach (refer to RFQ Attachment B)	20
Technical Qualifications, Experience & Approach (refer to RFQ Attachment C)	80

RFQ Attachments & Evaluation Models

- Attachment E must be signed without exception or qualification and **MUST** be signed by someone who has the legal authority to bind the Respondent.
 - **DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO DO SO BY THE ENTITY RESPONDING TO THIS RFQ.**
- Attachment A-C Response items
 - Column 1 – Response page numbers
 - Respondents complete
 - Not mandatory, but immensely helpful to evaluators
 - Mandatory Requirements (Attachment A)
 - Four items that will need to be addressed
 - Pass/Fail – All lines must pass to move on to technical evaluations

RFQ Attachments & Evaluation Models

- General Qualifications & Experience Items (Attachment B)
 - 17 items, scored in totality for a possible total of 20 points
- Technical Qualifications, Experience, and Approach (Attachment C)
 - Eight items, scored by each item against evaluation factors for a possible total of 80 points
 - Some items may be more involved please ensure all aspects of the items are addressed
- Cost Proposal (Attachment D) (Separate)

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<https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810>

Scope of Services Overview

- Please review **ALL** Scope of Services, Section A of the pro forma document
- The State is seeking to contract for the following services:
 - The Policy Analysis Section of the Division of Insurance of the Department of Commerce and Insurance (the “Department”) intends to procure one (1) contract for the provision of actuarial services related to the valuation of life, accident, health, property, and casualty insurance policies. The Contractor of the resulting contract shall also provide related services, such as representing the Department as an expert witness at rate hearings and analyzing proposed, pending, and recently enacted state and federal laws and regulations relating to insurance.
 - Pursuant to Tennessee Code Annotated §12-3-103(a), contracts for services by professional persons with high ethical standards shall not be based upon competitive procurement methods but shall be awarded based on the basis of recognized competence and integrity. Accordingly, costs will not be evaluated for the services this RFQ intends to procure.

Scope of Services Overview

- Based on historical data, during the Term of the resulting contract the Contractor will be expected to provide approximately two hundred and thirty (230) hours of actuarial services relating to life, accident, and health insurance policies per month and approximately one hundred and twenty (120) hours of actuarial services relating to property and casualty insurance policies per month, The Contractor will be expected to represent the Department as an expert witness at rate hearings only as required by the Tennessee General Assembly. In addition, the Contractor will be expected to assist in special studies and training consistent with the State's regulatory and oversight functions as to the operation of insurance companies in the State of Tennessee for less than ten (10) hours per year.

Scope of Services Overview

- (A.3.) The Contractor shall provide actuarial and related services for insurance rate and form filings to determine compliance with applicable laws, regulations, and actuarial standards of practice as assigned by the Director of the Policy Analysis Section of the Insurance Division, Department of Commerce and Insurance (the “Director”). Services shall include, but are not limited to the following:
 - a. Analyzing life, accident, and health rate and form filings to determine compliance with applicable Tennessee and Federal laws and regulations relating to the requirements for effective rate review, including but not limited to, analysis of rate and data templates, the impact of geographic factors, and changes within a single risk pool;

Scope of Services Overview

- b. Analyzing property and casualty rate and form filings and predictive models to determine compliance with applicable Tennessee laws and regulations and actuarial standards of practice;
- c. Providing timely review, analysis, and recommendations concerning proposed, pending, and recently enacted state and federal laws and regulations relating to life, accident, health, property, and casualty insurance;
- d. Providing expert testimony concerning actuarial and funding issues at rate hearings and in judicial, legislative, and other proceedings, as requested by the State;
- e. Assisting in special studies and training consistent with the State's regulatory and oversight functions as to the operation of insurance companies in the State of Tennessee; and
- f. Preparing estimates, prospective work plans, and budget(s) in response to specific requests by the State for Actuarial Services.

Scope of Services Overview

- (A.4.) The Contractor shall ensure that any employee performing work under this Contract is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA). All Actuarial Services must be performed in accordance with applicable laws, regulations, and standards of practice.
- (A.5.) The Contractor shall when requested to do so by the Director, provide an estimate of the number of hours required to complete a specific work assignment within three (3) business days following the date of request. The Contractor shall not begin work for which an estimate has been requested until written authorization has been provided by the Director.
- Assignments that require the Contractor to analyze life, accident, health, property, and/or casualty rate and form filings, as outlined in Sections A.3.a. and A.3.b., shall be completed within thirty (30) days of assignment, unless written approval of a later date has been obtained from the Director.

Scope of Services Overview

- (A.6.) The Contractor shall create actuarial reports concerning property and casualty insurance in compliance with actuarial standards of practice, containing analysis and recommendations on NCCI loss cost filings, and provide said reports to the Advisory Council on Workers' Compensation within six (6) weeks of the filing date. The Contractor shall provide an executive summary containing final analysis and recommendations to the Commissioner within one (1) week after the aforementioned Advisory Council meeting.

Scope of Services Overview

- (A.7.) The Contractor shall perform Audit Services at the offices of the Department of Commerce and Insurance, or, at the discretion of the State, other offices specified by the Director.
 - a. The Director will assess which rate and form filings require an audit and will contact the Contractor to discuss the number of audits the Contractor shall perform, as well as the schedule the Contractor shall follow.
 - b. The Contractor shall analyze the rate and form filings to determine if the rate(s) included is (are) excessive, inadequate, or unfairly discriminatory, as defined by Tenn. Code Ann. § 56-5-103.
 - c. The Contractor shall complete an initial review of the rate(s) in question no later than twenty-five (25) days after the assignment of the filing. After the initial review is completed, the Contractor shall conduct an audit, and prepare an audit report detailing the Contractor's assessment of the rate(s) in question. The Contractor shall submit the audit report to the Director no later than thirty (30) days after the rate and form filing is completed, or at a later date as agreed upon by the parties.

Scope of Services Overview

- (A.8.) The Contractor shall limit resources to US-based (onshore) resources only (including personnel).

Clauses of Note for *Pro Forma* Sections B through E

- Contract term is for 60 months (B.)
- Payment Methodology (C.2.)
 - The Contractor shall be compensated based upon the following payment methodology:

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Actuarial Analysis (Section A.3.a.; A.3.b.; A.3.e.)	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour
Expert Witness Testimony (Section A.3.c.)	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour
Special studies and training (Section A.3.d.)	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour

Clauses of Note for *Pro Forma* Sections B through E

- TN Dept of Revenue Registration (*D.22*)
 - In order to be awarded the contract, the Contractor must register according to TN Code Ann. 67-6-601-608
 - Must also register with Edison

Clauses of Note for *Pro Forma* Sections B through E

- Insurance (D.32.)
 - **Please review this section for specific limits**
 - Certificate Holder/Additional Insured must be the following:
 - State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3rd Floor Central Procurement Office, Nashville, TN 37243
 - Commercial General Liability Insurance
 - Workers' Compensation and Employer Liability Insurance
 - Automobile Liability Insurance
 - Professional Liability Insurance
 - Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance
 - Crime Insurance

Clauses of Note for *Pro Forma* Sections B through E

- Conflicting Terms and Conditions (*E.1.*)
- Contractor Commitment to Diversity (*E.2.*)
- State Ownership of Goods (*E.3.*)
- Additional lines, items, or options (*E.4.*)
- Extraneous Terms and Conditions (*E.5.*)
- *Contractor Hosted Services Confidential Data, Audit, and Other Requirements (E.6.)*

Clauses of Note for *Pro Forma* Sections B through E

- State Furnished Property (*E.7.*)
- Work Papers Subject to Review (*E.8.*)
- Prohibited Advertising or Marketing (*E.9.*)
- Personally Identifiable Information (*E.10.*)
- Survival (*E.11.*)

Questions

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March 15, 2024, at 2:00 p.m. CT