

**ATTACHMENT A1**

**PROPOSAL FORM 1 – QUESTIONNAIRE**  
(Submit with Technical Proposal)

**A. Life/AD&D QUESTIONNAIRE**

1. Confirm that quoted rates will be guaranteed for the period January 1, 2017 through December 31, 2019.
2. Confirm that you will administer a no gain/no loss takeover provision. Describe how this will work.
3. All Basic Life is Guarantee Issue. For Supplemental Life confirm that you are offering a plan that does not require satisfaction of evidence of insurability to new hires for up to 1 x salary, as long as the employee signs up when first eligible.
4. Will you offer a one-time open enrollment for supplemental life for late entrants to enroll without evidence of Insurability? If yes, describe your offer.
5. Please identify your company's most recent ratings by the major agencies, including Moody's, A.M. Best, and Standard & Poor's, for each of the last five years. Have there been any upgrades or downgrades of your credit ratings in the last two years? Have you been placed on watch or outlook by any of the rating agencies? If yes, explain the reason.
6. Is there a charge to the client for conversions to individual policies? If so, specify what the charges are and how conversions are charged?
7. Will you accept beneficiary designations existing under the current employee life programs? If an employee dies without naming a beneficiary, does the policy have a preferential beneficiary designation (i.e., wife, children, parents, etc.)?
8. From what location will claims be paid?
9. What is your company's goal regarding number of days for payment of life claims? What was the actual length of time that it took to pay claims during 2015 and 2016 YTD?

	<b>Average # of Days</b>	<b>Longest # of Days</b>	<b>Goal</b>
Group Term Life 2015			
Group Term Life 2016 YTD			

10. Confirm that the following services are included in your quoted rates. If there is an additional charge for these services, please indicate the charge.
  - a. Booklets/certificates of coverage
  - b. Revision to booklets if benefits change in subsequent years
  - c. Pricing any proposed benefit modifications

11. Confirm that you will capture the following information, and will report it to HCG and BP each year based on the plan year (January through December):
  - a. Premium paid, by month
  - b. Claims paid, by month
  - c. IBNR reserve at end of period
  - d. If applicable, detail on the existing waiver claims
13. Please provide sample applications, policies, bills and forms necessary to file a claim.
14. Confirm that you provide an accelerated death benefit in cases of terminal illness and it duplicates the current plan accelerated death benefit. If your accelerated death benefit differs from the current, make certain any differences are clearly noted in your response to this question. Indicate if this benefit is included in the Basic Life, Supplemental Life or both.
15. Under your Accelerated Death benefit what constitutes a terminal illness? How much of the benefit is paid early and when is it paid?
16. Describe in detail how your waiver of premium provision works for employees who become disabled. How long a period will HCG have to file for waiver claims after date of disability?
17. Confirm there will be no premium increase for a salary increase during the year; however, the higher death benefit will be paid.
18. Confirm that you are duplicating all other provisions and benefits of the current plans, particularly the provisions relating to continued coverage when employees are not actively at work, line of duty benefit and the aviation benefit.
19. Confirm you have duplicated the current Dependent Life benefits and all coverage is guarantee issue.
20. Confirm an employee may purchase Dependent Life without Supplemental employee life?
21. For plans where the benefit is tied to salary, describe what happens when salaries increase. Does the benefit automatically increase at that time? Is evidence of good health ever required with increases in benefit as a result of salary increases?
22. Describe what happens when employment terminates. Is the coverage portable? Describe the portability provision you are proposing, especially focusing on:
  - limits on qualifying for coverage due to illness or injury
  - when a ported policy can be cancelled by you
  - what premiums are charged initially (as compared to HCG group premiums) and what determines future changes to premiums
  - what happens to portability coverage if HCG subsequently cancels its contract with you
23. What is the age limit for coverage for the Supplemental Term product?

24. Confirm there are no minimum participation requirements for Supplemental Life?
25. Describe the underwriting process for late entrants. Does it require employees answer medical questions? Can employees be denied coverage or does this only affect the cost?

**B. LTD QUESTIONNAIRE**

1. Confirm that quoted rates will be guaranteed for the period January 1, 2017 through December 31 2019.
2. Please provide sample policies, bills, and forms necessary to file a claim.
3. Please identify your company's most recent ratings by the major agencies, including, Moody's A.M. Best and Standard & Poor's, for each of the last five years. Have there been any upgrades or downgrades of your credit ratings in the last two years? Have you been placed on watch or outlook by any of the rating agencies? If yes, explain the reason.
4. Can you withhold health insurance benefit contributions from the LTD check and remit to HCG?
5. Confirm you will administer the self-funded LTD plan for the closed group of HCG employees.
6. Are benefits reduced by any other sources of income besides family Social Security and State Retirement?
7. Does the contract contain a Work Incentive Benefit?
8. Does the plan provide for Partial Disability Benefits? Please describe.
9. Is the mental health condition benefit limited? Are there any limits for self-reported conditions? Are there limits for any other types of condition (musculoskeletal; chemical/environmental)?
10. Is there a pre-existing condition clause under the plan?
11. Describe the definition of earnings your quoted plan assumes.
12. In determining how much you would pay if a claimant is disabled and working, do you (a) look only at what they are earning; or (b) determine what they could be earning if working at maximum capacity?
13. Regarding your gainful occupation provision once a person reaches the any occupation phase of disability:

- (a) what is the income threshold for a potential new occupation (i.e. 60% of pre-disability earnings)?
- (b)
- (b) do you stop disability payments at the point when they could begin earning above the threshold or do you stop payments at an earlier date if the claimant is deemed able to work at the threshold level at some point in the future?
14. Does your quoted rate contain a Cost of Living Adjustment (COLA)? If yes, please describe. If no, what would be the rate increment to add your standard COLA?
15. What age reduction schedule does your offer assume? Confirm it complies with ADEA.
16. Does your quote include a conversion benefit? A survivor benefit? Please describe.
17. Is the plan portable? If so, is it at the same rates and with the same benefits?
18. What differentiates your company's LTD product from your competitors? Please summarize.
19. What changes, if any, are you proposing to the current benefits, including benefit limitations.
20. Confirm that you are duplicating all eligibility provisions of the current plan, including provisions relating to coverage while the employee is not actively at work.
21. For 2015, for your total customer base, for new claim filings, how long has it taken, on average, for claim payments to begin (starting from the date of disability)?
22. Do you assist employees in filing for Social Security Disability when appropriate? What percentage of all LTD claimants (disabled two years or more) receives Social Security Disability?
23. How do you adjudicate claims that involve self-reported disabilities (i.e. those not verifiable by a physician using standard test, procedures, or clinical examinations)?
24. What information do you require to evaluate and approve a disability? How do you ensure the employee is eligible?
25. Please describe how your company properly monitors, administers and investigates LTD claims to prevent abuse.
26. Following the initial LTD benefit payment, how frequently do you follow-up for continued evidence of disability? Please describe the process.
27. Describe your telephonic intake process. Please include hours of operation and quality control measures.

28. How will rates for this group be determined in the future? Will you use the group's experience?  
Will HCG be part of a Trust or Pool?