

Supplemental Questions and Answers

Insurance Services

Project 13-35

1. I was interested in knowing when the markets will be assigned and if this is a multi-year proposal.

Answer: HCC seeks firm insurance quotations per the specifications set forth in the “attachment 1”. HCCS will not assign specific insurance carriers/markets to specific agents/vendors.

Contract term will be for one (1) year period beginning September 1, 2013 through August 31, 2014, with five (5) one year renewal options, unless otherwise extended or terminated by Houston Community College accordance with the terms and conditions.

2. Can you please tell us the expiring premiums?

Answer: You can request this information through a public information request.

<http://www.hccs.edu/portal/site/hccs/menuitem.5fc1e5d66248062f3227a2ced07401ca/?vgnnexto id=91ab7b618576f110VgnVCM2000001b4710acRCRD&applInstanceName=default>

3. Where do we find exhibits A-Y?

Answer: These exhibits can be downloaded from the HCC Procurement Operations website or the Electronic State Business Daily website.

4. Do you happen to have an Excel spreadsheet file with your property and auto schedules so our carriers can then upload that data into their rating system directly from the Excel spreadsheet file?

Answer: This information is provided within the solicitation document. An Excel version does not exist.

5. We would like clarification for this RFP response. Are you looking to select a broker to provide services to canvass the insurance market on behalf of HCC to procure the best possible insurance terms. Or, are you looking in this RFP for brokers to obtain actual quotes for these individual lines of insurance in the open market, and state the pricing in the RFP response? If so, are you doing any type of market assignment?

Answer: HCC seeks firm insurance quotations per the specifications set forth within the solicitation “attachment 1”. HCCS will not assign specific insurance carriers/markets to specific agents/vendors.

6. Are we to go out and seek out our own market assignments or will HCC be assigning markets?

Answer: See the answer to question #5.

7. Can you please help me understand how we are supposed to approach the marketplace? Our education practice is asking if we should be approaching markets ourselves or will HCC be assigning each bidding broker with specific markets to approach.

Answer: See the answer to question #5.

8. Could you please confirm for us whether markets will be assigned to your different bidding brokers or if we should start approaching carriers directly?

Answer: See the answer to question #5.

9. Is Texas Mutual offering renewal on the workers compensation? Are you on a dividend plan?

Answer: The incumbent insurance companies have not yet indicated their ability to offer renewal terms. Yes, the college system is eligible to receive dividends.

10. Can you provide s schedule of expiring premiums for your policies?

Answer: Yes, Please see section “Account Loss History” noted within the RFP.

11. (Can you provide) details of any large workers comp claims, including what measures are in place to avoid similar losses?

Answer: On March 25, 2008 a faculty employee was injured at an offsite campus location. The employee slipped and fell off sidewalk with his walker. The employee has vertebrae and spinal cord injuries. Employee is paralyzed chest down. The claim is still open. The amount paid to date

\$2,432.968.98. (See Workers Compensation Loss Runs exhibit (T))

The Workers Compensation loss control representative and HCC’s Safety Manager make monthly site visits and recommend improvements to campus sites. Recommendations are documented and sent to

Campus Managers and the Risk Management Office for review and corrections. It is the goal of HCC to make all campus locations safe.

12. Do you have the ability to give a payroll breakdown per campus location for your 3 class codes for Workers Compensation purposes?

Answer: We have summary of District and Colleges by the three class codes (see page 38 workers' Compensation)

13. Can HCC assign two markets to each broker with whom they must obtain pricing for the layer which drives the premium: the primary \$50MM?

Answer: See the answer to question #5.

14. Can the broker selected based on criteria in the RFP including premium for the \$50MM be awarded the balance of the market to complete the placement?

Answer: See the answer to question #5.

15. In this RFP we did not see a place to bid for the NFIP Flood coverage. This has historically just been given to the property broker, but in fairness it should be bid like all other lines. HCCS spends over \$230,000 per year on NFIP coverage that is not connected to your property program and should be awarded separately. You mention in the pre-bid that contracts over \$50,000 have to be awarded & approved by the board, and this is certainly a separate contract. A number of other public entities award this separately (HISD, U of H, TSU, Metro etc.). It is an excellent place to award a portion of your insurance program to a small business because they do not have to be connected to a larger broker. By the way, all pricing on this insurance is the same, because the prices are set by FEMA. You pick your broker based on service.

Answer: HCC encourages and supports small business participation within the competitive procurement process and requires a good faith effort for subcontracting with small businesses within respondent's proposal offering. To ensure the proper coordination of coverage (particularly from a named storm event), HCC prefers that the same insurance agent responsible for handling the "property/flood/windstorm" insurance as well as being responsible for placement of the NFIP flood policies.

16. As you know HCCS has been with these underwriters for over 10 years. Other underwriters are very reluctant to provide a quote because in the past HCCS simply selects United Educators and Texas Mutual. If HCCS intends to retain these underwriters (which is understandable), shouldn't HCCS bid or select the broker separate from the underwriter, since the underwriters have already been determined?

Answer: HCC seeks competitive responses to the RFP requirements and we encourage creative competitive responses meeting those requirements for a best value solutions for the system. It is our intent to select the proposal (from the broker-underwriter proposers) that represents the best overall value to the college system based upon the criteria established within the solicitation.

17. Please confirm we have an extended period to submit other questions.

Answer: Questions can be submitted up until 1:00pm local time on Friday, June 7th, 2013

18. Most Schools the size of HCC are taking an Enterprise Risk Management approach to their Risk Management philosophy... We have vetted this opportunity for several months waiting for an opportunity to bid. All of the markets are blocked meaning that the incumbent brokers have already sent a submission...

Answer: Interested parties should seek to provide the most competitive response to HCC's posted RFP and the listed requirements. Proposals will be evaluated based upon the criteria set forth within the solicitation document.

19. Can you provide five (5) years of Account Loss History Analysis (of) your property insurance?

Answer: Refer to exhibit B.

20. How is your current Property Program structured (ie. Are limits layered or quota-shared?).

Answer: HCC maintains a "property insurance program" with multiple layers split among multiple underwriters.

21. Your Casualty program appears to be on Guaranteed Cost basis. Would you be interested in retro options, if it could save you money?

Answer: HCC invites alternative deductible and retention plans, and will award the contract to the proposer that represents the best overall value to the college system.

22. Regarding the Accident policies (Accident Upward Bound Program, Accident Truck Driver Program, Health Science Program, and High School Construction Trades), please delineate the participation per policy as follows:

- number of employees
- number of employees who travel
- length of stay
- destinations outside of USA
- salary (for limits or principal sum determination)

Answer: The above Accident policies are for students. All HCC employees are covered under the Workers compensation policy. Health Science Program (see Exhibit I Truck Driver Program See Scope of Coverage (page 43) Upward Bound Programs (see Scope of Coverage page 44) The Central College Program take (5) Trips during the year to different states length of stay 4 to 5 days for each trip. High School Construction Trade (10 to 12) students upon request if the class is filled.

23. Have there been any acquisitions, mergers or new entities in the past year, or are any planned within the next 12 months?

Answer: There have been no new acquisitions within the past year. New acquisitions, if any, will be provided to the respondent who earns the award.

24. Will the educational institution or any of its affiliates, departments or divisions close within the next 12 months or are any such closures under consideration?

Answer: There are no plans presently to close any departments or divisions within the next 12 months.

Summary FY12 Earnings

		8810	8868	9101
100	District	\$ 7,168,926.31	\$ 25,365,392.02	\$ 5,346,811.52
200	Central	\$ 1,939,381.63	\$ 21,820,145.10	\$ 153,009.31
300	Northwest	\$ 1,394,150.89	\$ 20,075,749.50	\$ 4,480.00
400	Northeast	\$ 1,683,327.41	\$ 15,489,380.69	
500	Southwest	\$ 1,567,235.35	\$ 24,348,051.16	\$ 4,848.06
600	Southeast	\$ 1,083,453.64	\$ 12,314,017.70	
700	Coleman	\$ 767,323.36	\$ 10,095,725.62	
800	DEL	\$ 1,324,766.75	\$ 11,607,908.67	\$ 17,182.50
Q10	CCQ	\$ 29,040.68	\$ 4,865,703.82	
Total		\$ 16,957,606.02	\$ 145,982,074.28	\$ 5,526,331.39
Grand Total				

Work-Study Students (8810)