

RFP # UW-05
Insurance Broker Services
Proposal Due Date: February 19, 2015 4PM CT

Amendment No. 1 – Response to Questions

1. Will there be a scoring preference for firms with offices in the State of Louisiana?

There is no set scoring preference in regards to office location, however the committee may take this into account in their scoring.

2. Please provide any available actuarial reports for the Casualty program.

Due to the confidentiality clause in the contracted actuary's documents, we are unable to release these reports with regards to this RFP. The reports will be made available to the awarded proposer.

3. Will the State please provide a breakdown of the premium paid over the past three years for all lines of insurance covered by this RFP?

Please See Exhibit A.

4. How many man-hours are anticipated to provide the consulting and placement services for the State and LSU respectively?

This is left to each individual proposer, and should be outlined in your approach and methodology.

The perspective broker will review and analyze each line of coverage that is listed in the Scope of Services, and provide re-structuring options within the State's Self-Insured retentions, or through commercial market placements. ORM/LSU will choose the best options that are both fiscally responsible, and provide sufficient coverage for the State's current exposures.

5. To what extent are loss control services required? Is the State looking for daily service for all locations or monthly or quarterly consulting with the State and LSU safety team?

The Contractor under this RFP shall be subject to providing only incidental loss control services. Per item Z. of Attachment I of the RFP, the Contractor shall make loss control/loss prevention recommendations as part of the overall risk management review and at the request of ORM or LSU on specific topics, as needed. If an unexpected, high profile, high dollar situation arises that warrants ORM or LSU to request a loss control review or assistance from the Contractor, then the Contractor shall provide it at no additional cost.

Daily service is not anticipated. Services will be provided on an as needed basis. However, a high profile event may warrant daily oversight being requested for a specified duration.

6. Will the broker be responsible for issuing all certificates of insurance, including those issued to certify the self-insurance policies?

The broker will only be responsible for issuing certificates in regards to the commercial placements. ORM will be responsible for certificate requests on the self-insured policies internally.

7. What are the current premiums for the four Excess Liability policies covering the LSED (Superdome Sports Complex)?

Please see Exhibit A.

8. What is the current broker structure? Is it on a fee or commission basis?

The current brokers are all on a commission based structure.

9. What is the total broker compensation on the current program the State and LSU?

Currently, LSU has no casualty insurance placed through a broker in the commercial markets. The State has separate brokers for Wet Marine, Superdome Commercial General Liability, Crime, and Superdome Worker's Compensation. Please refer to Exhibit A for the current compensation schedule.

10. The Summary of insurance coverages dated July 1, 2014 (copy attached) does not specify many of the coverages listed below and on page 19 of the RFP. Please confirm these coverages are currently self-insured with no excess liability coverage in place (except with respect to LSED).

Please see Exhibit A.

11. Does the State typically obtain stand alone "one-off" policies for specific purposes, such as special events and construction projects from the private insurance marketplace? If so, please forward a schedule of such policies issued in the last year.

ORM does not currently purchase "one-off" policies, but would be open to this in the future if it proved to be a fiscally responsible alternative.

12. What loss portfolio transfer needs are anticipated in the coming three years?

The selected proposer will assist LSU with analyzing outstanding legacy workers compensation and liability claims that will be transferred to LSU from ORM on July 1, 2015. The proposer will engage prospective third-party firms in year one to provide an estimated cost of transferring open legacy claims. If LSU administration chooses to transfer outstanding claims, the proposer shall assist in such transfer. LSU does not expect LPT services in year two or three.

13. Regarding Paragraph T on page 21 of the RFP, please confirm claim reporting is not required in connection with the State and LSU Self-Insurance policies?

That is correct.

14. On page 20 of the RFP, Tasks and Services, paragraph A says "Act as broker-of-record for new coverages placed during the contract term". Please confirm the appointed broker would also handle renewal coverage for the State and LSU.

The awarded proposer would handle renewal coverages during the contract term.

15. Please provide a schedule of current surety placements. Include the name of the surety and obliges.

This is currently a self-insured program through the Office of Risk Management. Please see Exhibit B for a listing of the current bonds.

The following pages are revised pages to the RFP. Please refer to these pages in lieu of the original RFP pages.

Official responses to all questions submitted by potential proposers will be posted by *the date specified in the Schedule of Events* at the following websites:

<http://wwwprd.doa.louisiana.gov/osp/lapac/pubmain.asp>

<http://doa.louisiana.gov/orm/rfp.htm>

Only the RFP Coordinator has the authority to officially respond to proposer's questions on behalf of the State. Any communications from any other individuals are not binding to the State.

2.4 Definitions

Contractor - The successful proposer who is awarded a contract; broker; broker-of-record

LSU – Louisiana State University and Agricultural and Mechanical College

LSED – Louisiana Stadium and Exposition District

ORM - The State of Louisiana, Office of Risk Management

Proposer - An individual or organization submitting a proposal in response to an RFP

Shall, Must, Will - Words used to denote a mandatory requirement

Should, May, Can - Words used to denote an advisory or permissible action

2.5 Schedule of Events

<u>Event</u>	<u>Date</u>
RFP Release Date	January 16, 2015
Deadline for receipt of written inquiries	January 26, 2015 (4:00 PM CT)
Issue responses to written inquiries	February 12, 2015
Deadline for receipt of proposals	February 19, 2015 (4:00 PM CT)
Tentative Dates of Oral Presentations	<u>March 9, 2015</u> <u>March 10, 2015</u>
Announce Award of Contractor selection	March 16, 2015
Estimated Contract Execution	April 15, 2015

NOTE: The State of Louisiana reserves the right to change this schedule of RFP events, as it deems necessary.

1 PROPOSAL INFORMATION

1.1 Minimum Qualifications of Proposer

Proposers must meet the following minimum qualifications. Failure to respond to or comply with any of the following will result in disqualification of the proposal.

EXHIBIT A

State of Louisiana					
Coverage Lines					
RFP UW-05					
		Premium	Commission	Premium	Premium
Line of Coverage	Market	FY 2014-2015	FY 2014-2015	FY 2013-2014	FY 2012-2013
Commercial General Liability	Self-Insurance	N/A		N/A	N/A
Professional Liability	Self-Insurance	N/A		N/A	N/A
Publishers Media	Self-Insurance	N/A		N/A	N/A
Elevator and Escalator Liability	Self-Insurance	N/A		N/A	N/A
Watercraft Liability	Self-Insurance	N/A		N/A	N/A
Public Officials and Employees Liability	Self-Insurance	N/A		N/A	N/A
Employee Benefits Liability	Self-Insurance	N/A		N/A	N/A
Garage Keepers' Liability	Self-Insurance	N/A		N/A	N/A
Special Event/Entertainment Liability	Self-Insurance	N/A		N/A	N/A
Liquor Liability	Self-Insurance	N/A		N/A	N/A
Educators' Legal Liability	Self-Insurance	N/A		N/A	N/A
Law Enforcement Liability	Self-Insurance	N/A		N/A	N/A
Sexual Abuse and Molestation	No Current Policy	N/A		N/A	N/A
Workers' Compensation and Employers' Liability	Self-Insurance	N/A		N/A	N/A
Medical Malpractice	Self-Insurance	N/A		N/A	N/A
Wet Marine Hull and P&I	Commercial	\$ 1,214,678.00	\$ 98,119.26	\$ 1,470,985.50	\$ 1,592,168.00
Aircraft Hull and Liability	Self-Insurance	N/A		N/A	N/A
Airport Liability	Self-Insurance	N/A		N/A	N/A
Cyber Liability	No Current Policy	N/A		N/A	N/A
Publisher's Media	Self-Insurance	N/A		N/A	N/A
Automobile Liability and Physical Damage	Self-Insurance	N/A		N/A	N/A
Bonds (Fidelity & Surety) and Crime	Self-Insurance	N/A		N/A	N/A
Club Sports Liability and Accident	No Current Policy	N/A		N/A	N/A
Intellectual Property Liability	No Current Policy	N/A		N/A	N/A
Student Liability	No Current Policy	N/A		N/A	N/A
Student Organization Liability	No Current Policy	N/A		N/A	N/A
Student Internship/Professional Liability	No Current Policy	N/A		N/A	N/A
Participant Accident Insurance	No Current Policy	N/A		N/A	N/A
International Travel insurance	No Current Policy	N/A		N/A	N/A
Non-Owned Aircraft Liability	Self-Insurance	N/A		N/A	N/A
Superdome Commercial General Liability (SCGL)	Self-Insurance	N/A		N/A	N/A
SCGL Excess Layer 1	Commercial	\$ 260,000.00	\$ 26,000.00	\$ 260,000.00	\$ 260,000.00
SCGL Excess Layer 2	Commercial	\$ 125,125.00	\$ 12,512.50	\$ 119,900.00	\$ 119,900.00
SCGL Excess Layer 3	Commercial	\$ 80,000.00	\$ 8,000.00	\$ 75,000.00	\$ 75,000.00
SCGL Excess Layer 4	Commercial	\$ 65,000.00	\$ 6,500.00	\$ 78,832.00	\$ 78,832.00
Superdome Bond and Crime	Commercial	\$ 16,310.00	\$ 1,631.00	\$ 16,310.00	\$ 16,310.00
Superdome Workers' Compensation	Commercial	\$ 220,266.00	\$ 50,187.20	\$ 295,534.00	\$ 393,018.00
LSU Workers' Compensation	Self-Insurance	N/A		N/A	N/A

EXHIBIT B

State of Louisiana				
Current Bonds				
Fiscal Year 2014-2015				
Bond Type	Principle	Surety	Obligee	Liability
Surety	Daryl G. Purpera, Legislative Auditor	State of Louisiana	House of Representatives and Senate	\$ 50,000.00
Postal	University of New Orleans	State of Louisiana	U. S. Postal Service	\$ 30,000.00
Postal	Nicholls State University	State of Louisiana	U. S. Postal Service	\$ 10,000.00
Postal	Louisiana Tech University	State of Louisiana	U. S. Postal Service	\$ 20,000.00
Postal	Northwestern State University	State of Louisiana	U. S. Postal Service	\$ 10,000.00
Postal	University of Louisiana at Lafayette	State of Louisiana	U. S. Postal Service	\$ 45,000.00
Postal	McNeese State University	State of Louisiana	U. S. Postal Service	\$ 15,000.00