



August 18, 2019

PROJECT: Permanent Life Insurance

Dear Prospective Submitter:

You are invited to submit a sealed price proposal for the above project. A copy of the Public Notice, Affidavits Form, and Request for Proposal are attached. Please make certain you sign the Proposal Form and Affidavits Form (must also be notarized) and include with your sealed proposal. Other items may be required to be included in your proposal so please read the documents thoroughly.

If you have questions please contact me at (423) 229-9315 or email [brentmorelock@kingsporttn.gov](mailto:brentmorelock@kingsporttn.gov). We look forward to receiving your proposal.

Regards,

A handwritten signature in blue ink that reads "Brent Morelock".

Brent Morelock, CPPO, CPPB  
Procurement Manager

## REQUEST FOR PROPOSAL

Sealed Price Proposals for the following will be received by the Procurement Manager until 4:00 P.M., Eastern Time, September 10, 2019, and at that time publicly opened in the Council Room, City Hall located at 225 W. Center St., Kingsport, TN. All proposals will be considered for award or rejection at a later date.

PROJECT: Permanent Life Insurance

Documents for the above referenced item are available online at <https://www.kingsporttn.gov/city-services/purchasing/> . Interested parties may also contact the Procurement Department at (423) 229-9419.

By submission of a signed proposal bid, the bidder certifies total compliance with Title VI and Title VII of the Civil Rights Act of 1964, as amended, and all regulations promulgated thereunder.

No submitted proposals may be withdrawn for a period of one hundred twenty (120) days after the scheduled closing time of the receipt of proposals. All proposals shall be signed, sealed and addressed to the Procurement Manager, City of Kingsport, 225 W. Center St., Kingsport, TN 37660 and marked "Permanent Life Insurance". The City by its governing regulations reserves the right to accept or reject any or all proposals received, to waive any informalities in bidding and to re-advertise.

PUB 1T: 08/18/19

Chris McCartt  
City Manager

**COMPLIANCE AFFIDAVIT(S) (TOTAL OF 2 PAGES)**

**THIS COMPLIANCE AFFIDAVIT MUST BE SIGNED, NOTARIZED AND INCLUDED WITH ALL BIDS – FAILURE TO INCLUDE THIS FORM WITH THE BID SUBMITTED SHALL DISQUALIFY THE BID FROM BEING CONSIDERED.**

**VENDOR:** \_\_\_\_\_

**CONFLICT OF INTEREST:**

1. No Board Member or officer of the City of Kingsport or other person whose duty it is to vote for, let out, overlook or in any manner superintend any of the work for the City of Kingsport has a direct interest in the award of the vendor providing goods or services.
2. No employee, officer or agent of the grantee or sub-grantee will participate in selection, or in the award or administration of an award supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer or agent, any member of their immediate family, his or her partner, or an organization, which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
3. The grantee's or sub-grantees officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from vendors, potential vendors, or parties to sub-agreements.
4. By submission of this form, the vendor is certifying that no conflicts of interest exist.

**DRUG FREE WORKPLACE REQUIREMENTS:**

5. Private employers with five or more employees desiring to contract for construction services attest that they have a drug free workplace program in effect in accordance with TCA 50-9-112.

**ELIGIBILITY:**

6. The vendor is eligible for employment on public contracts because no convictions or guilty pleas or pleas of nolo contendere to violations of the Sherman Anti-Trust Act, mail fraud or state criminal violations with an award from the State of Tennessee or any political subdivision thereof have occurred.

**GENERAL:**

7. Vendor fully understands the preparation and contents of the attached offer and of all pertinent circumstances respecting such offer.
8. Such offer is genuine and is not a collusive or sham offer.

**IRAN DIVESTMENT ACT:**

9. Concerning the Iran Divestment Act ( TCA 12-12-101 et seq.), by submission of this bid/quote/proposal, each vendor and each person signing on behalf of any vendor certifies, and

in the case of a joint bid/quote/proposal, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each vendor is not on the list created pursuant to § 12-12-106.

**NON-COLLUSION:**

10. Neither the said vendor nor any of its officers, partners, owners, agents, representatives, employees or parties interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other responder, firm, or person to submit a collusive or sham offer in connection with the award or agreement for which the attached offer has been submitted or to refrain from making an offer in connection with such award or agreement, or collusion or communication or conference with any other firm, or, to fix any overhead, profit, or cost element of the offer price or the offer price of any other firm, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City of Kingsport or any person interested in the proposed award or agreement.
11. The price or prices quoted in the attached offer are fair, proper and not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the firm or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

**BACKGROUND CHECK REQUIREMENT FOR SCHOOL SYSTEM SUPPLIERS:**

12. In submitting this bid/quote/proposal, you are certifying that you are aware of the requirements imposed by TCA § 49-5-413 (d) to conduct criminal background checks through the Tennessee Bureau of Investigation and the Federal Bureau of Investigation on yourself and any of your employees who may come in direct contact with students or who may come on or about school property anytime students are present. You are further certifying that at no time will you ever permit any individual who has committed a sexual offense or who is a registered sex offender to come in direct contact with children or to come on or about school property while students are present.

The undersigned hereby acknowledges and verifies that the response submitted to this solicitation is in full compliance with the applicable laws/listed requirements.

SIGNED

BY: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

SUBSCRIBED AND SWORN TO BEFORE ME THIS DATE: \_\_\_\_\_

BY (NOTARY PUBLIC): \_\_\_\_\_

MY COMMISSION EXPIRES ON: \_\_\_\_\_

## PROCUREMENT PROCESS

- A. Proposals will be received by the Procurement Manager until 4:00 P.M., Eastern Time on September 10, 2019 at which time it will be publicly opened in the Council Room, City Hall, 225 W. Center Street, Kingsport, Tennessee.
- B. The Sealed Proposal shall be signed by an authorized representative and the sealed envelope addressed as follows:

Procurement Manager  
City of Kingsport  
225 W. Center Street  
Kingsport, Tennessee 37660  
Proposal for Permanent Life Insurance

- C. An original hard copy and three (3) additional hard copies of the Proposal are required.
- D. Proposals, modifications, or corrections received after the scheduled closing time of the receipt of Proposals will not be considered. The City of Kingsport is not responsible for delays in delivery by mail, courier, etc.
- E. No submitted Proposal may be withdrawn for a period of one hundred twenty (120) days after the scheduled closing time of the receipt of Proposals.
- F. No oral interpretation will be made to any Proposer as to the meaning of the Proposal Specifications or any part thereof. Each written request for clarification or interpretation shall be made in writing to the City.

NOTE – It is the intent of the City to issue one (1) addendum, if necessary. Written request for clarification and/or interpretation must be submitted via email to the Procurement Manager by the end of the business day, August 23, 2019, and addendum will be issued by 4:00 P.M., Eastern time, on August 30, 2019 and will be available online at <https://www.kingsporttn.gov/city-services/purchasing/>. Written requests for clarification shall be submitted to the Procurement Manager by email to [brentmorelock@kingsporttn.gov](mailto:brentmorelock@kingsporttn.gov).

It shall be the Proposer's responsibility to make inquiry as to the addenda issued. Any and all addenda shall become part of the specifications and all Proposers shall be bound by such addenda, whether or not received by Proposer.

### General Terms and Conditions

- A. Taxes – The City is exempted from Federal Excise Taxes, State of Tennessee and local sales taxes and Proposer must quote prices which do not include such taxes, unless by law the taxes must be a part of the price. Exemption Certificates will be furnished upon request.
- B. Indemnification – The City of Kingsport, its officers, agents and employees shall be held harmless from liability from any claims, damages and actions of any nature arising from the use of any service and/or materials furnished by the Proposer, provided that such liability is not attributable to negligence on the part of the using agency of failure of the

using agency to use the materials in the manner outlined by the Proposer in descriptive literature or specifications submitted with the Proposal. The City will not indemnify the successful Proposer.

- C. Patent Liability – The successful Proposer, at his own expense, will defend any suit which may be brought against the City to the extent that it is based on a claim that the goods furnished through a contract/agreement infringes a United States patent, and in any such suit will pay those costs and damages which are attributable to such claims and finally awarded against the City.
- D. Limitation of Remedies – Any remedies in the Proposer's Proposal, to include Agreement, License Product Agreement, Terms and Conditions, Literature, etc., that may be considered in agreement to waive the legal rights of the citizens of the City of Kingsport may be considered cause for rejection.
- E. All agreements related to the purchase and sale of any product pursuant to this bid document will include the following conditions: "Notwithstanding anything in this section to the contrary, any provision of provisions of this Section will not apply to the extent they are (it is) finally determined by a court of competent jurisdiction, including Appellate review if pursued, to violate the laws or Constitution of the State of Tennessee."
- F. Insurance – During any work performed by the successful Proposer(s) on the premises of the City or otherwise, the successful Proposer(s) agrees to take such measures as to effectually prevent any accident to persons or property during or in connection with the work; and especially to indemnify and save harmless the City from all loss, costs, damages, expense and liability for property damage and for bodily injuries to, or death of, any persons, including without limitation, as to both property damage and bodily injury, and the Proposer and the City and their representative agents and employees, occasioned in any way by the acts or omissions of the Proposer, or the Proposer's agents, employees, during or in connection with said work, excepting only property damage, bodily injury or death caused by the sole negligence of the City, its agents or employees.

The successful Proposer shall maintain such insurance as will protect it from claims under Workers' Compensation Acts and from any claims for bodily injuries, including death, either to its employees or others, and from all claims on account of property damage, which may arise in connection from said work.

All Certificates of insurance and policies shall contain the following clause: "The insurance covered by this Certificate will not be canceled or materially altered, except after thirty (30) days written notice has been received by the City."

Insurance required with a minimum of One Million Dollars (\$1,000,000.00) limits are Comprehensive General Public and Professional Liability, Comprehensive Automobile Liability and Owner's Liability. Malpractice Insurance is required with a minimum limit of One Million Dollars (\$1,000,000.00) per occurrence, Five Million Dollars (\$5,000,000.00) aggregate.

This requirement will be effective for the life of any contract/agreement entered into by the Proposer and the City.

- G. F.O.B. – All prices will be quoted F.O.B. Kingsport, Tennessee, delivery to City of Kingsport’s location shall be without additional charge.
- H. By submission of a signed Proposal, the Proposer certifies total compliance with Title VI and Title VII of the Civil Rights Act of 1964, as amended, and all regulations promulgated thereunder.
- I. Contracts and purchases will be made or entered into with the lowest, responsible, compliant Proposer meeting specifications for the particular grade or class of material, work or service desired in the best interest and advantage to the City of Kingsport. Responsible Proposer is defined as a Proposer whose reputation, past performance, and business and financial capabilities are such that he would be judged by the appropriate City authority to be capable of satisfying the City’s needs for a specific contract or purchase order.
- J. The City reserves the right to determine the low Proposer either on the basis of the individual items or on the basis of all items included in its Request for Proposal, unless otherwise expressly provided in the Request for Proposal. The City reserves the right to accept any item or group of items of any kind and to modify or cancel in whole or in part, its Request for Proposal.
- K. All contracts or purchase orders issued for this award will be governed by the laws of the State of Tennessee. Arbitration is not permitted and if a dispute arises between the parties concerning any aspect of the contract or purchase order and it cannot be resolved by mutual agreement, any party may resort to resolution of the dispute by litigation in the state or federal courts for Kingsport, Sullivan County, Tennessee. The parties waive their right to a jury trial. Mandatory and exclusive venue and jurisdiction for any disputes shall be in state or federal courts for Kingsport, Sullivan County, Tennessee.
- L. The City, in accordance with its governing directives, reserves the right to reject any and all Proposals, to waive any informality or irregularities in Proposals and unless otherwise specified by the Proposer, to accept any item.
- M. All contracts, purchase orders, and any documents or material obtained by the City may be subject to disclosure in whole or in part pursuant to the Tennessee Open Records Act set out in T.C.A. 10-7-503 et seq. without regard to any provision contained in the document declaring information confidential.
- N. All contracts or purchase orders will include a provision that is not assignable by the Proposer without the written consent of the City.

**City of Kingsport - Permanent Life Insurance  
Request for Proposal**

# Request for Proposal

City of Kingsport, TN

Permanent Life Insurance

Prepared by:

City of Kingsport

August 18, 2019



**City of Kingsport - Permanent Life Insurance  
Request for Proposal**

Enclosed is a request for proposal to provide a Permanent Life Insurance proposal for the City of Kingsport, TN. This is a voluntary benefit that would be funded entirely by City employees. Employees would not be required to participate in this Permanent Life Insurance plan.

Enclosed are the following:

- Significant Issues
- Eligibility
- Marketing Guidelines
- Product Questionnaire
- Product Excel Exhibit
- Census Information

You will be asked to address each significant issue, as defined within, with reasons and/or examples of why your firm should be selected by The City to provide coverage for their Employees. Certain information must be returned with your response. You will need to review the entire bid specifications to formulate response.

All responding vendors will need to adhere to the format of this Request for Proposal. This includes completing all enclosed forms and submitting all information requested.

If you need clarification on any of the information contained herein, please do not hesitate to contact us.

# **City of Kingsport - Permanent Life Insurance Request for Proposal**

## **Significant Issues**

The decision of The City to consider your product will be dependent, in part, upon the following significant issues:

1. Competitive costs.
2. Outstanding service, including, but not limited to, strong client service support, your home office underwriting, contracts and legal service departments, claims processing, and related customer service.
3. Sound financial status of your firm.
4. Ongoing quality service and a service team that is dedicated to solving problems that arise during the plan year.

## **Client History**

**The City** is constantly being challenged to provide quality employee benefits at a reasonable cost to its employees. The leadership is looking to ensure they have a competitive employee benefits package for their employees and family. In light of this, an offer, which is financially competitive and offers competitive benefits, will be seriously considered.

## **Carrier History**

The City does not currently offer a Permanent Life product.

## **Eligibility**

Employees are eligible if they are a full-time active employee working 30 hours per week

**City of Kingsport - Permanent Life Insurance  
Request for Proposal**

**Product Questionnaire**

Please complete the attached questionnaire.

**Product Excel Exhibit**

Please complete the attached Price Proposal Form for all products submitted and sign the form in the space provided.

**Census Information**

The Census information is as follows:

740 full-time employees (159 females and 581 males)

Age group summary:

19 to 30 – 126 employees

31 to 40 – 145 employees

41 to 50 – 220 employees

51 to 60 – 201 employees

Over 60 - 48 employees

**City of Kingsport - Permanent Life Insurance  
Request for Proposal**

Deviation from Specifications Form

Our offer adheres to all items specified in the Request for Proposal. If chosen as the vendor, we will abide by the terms of our response to this RFP.

Our offer adheres to all items specified in the Request for Proposal, except as detailed below. If chosen as the vendor, we will abide by the terms of our response to this RFP.

Signed by: \_\_\_\_\_

Company Name: \_\_\_\_\_

Name and Title: \_\_\_\_\_

Date: \_\_\_\_\_

**City of Kingsport, TN**

**Permanent Life Insurance Proposal Form**

		Life Insurance - \$20,000 Face Amount Please show rates for life only/No riders	
Age		Non-Tobacco	Tobacco
25	Monthly Premium		
	Cash Value @ age 65		
	Paid-up Age		
35	Monthly Premium		
	Cash Value @ age 65		
	Paid-up Age		
45	Monthly Premium		
	Cash Value @ age 65		
	Paid-up Age		
55	Monthly Premium		
	Cash Value @ age 65		
	Paid-up Age		

## Permanent Life Questionnaire – City of Kingsport, TN

### A. Vendor Information – Please explain in detail for each proposed plan.

- 1) Provide company's A.M. Best Co. rating.
- 2) Please provide the name and contact number of the person responsible for this proposal and include contact information for plan administration, customer service and billing representative.
- 3) Is the proposed company compliant with the HIPAA Privacy and Security regulations?
- 4) Do you provide an opportunity for Guarantee Issue upon initial enrollment? If so, what are the GI Amounts along with parameters? What about future enrollments?
- 5) Does your life insurance have a Long-Term Care/Chronic Illness Rider? If so, how does it work?
- 6) Do you provide any other riders or added features to your life insurance? If so, please describe them. Are these riders including Long-Term Care/Chronic Illness selected at the employer or employee level?
- 7) Is the life policy portable at same rate upon separation of service?
- 8) Do employees have to enroll before dependents are eligible?
- 9) If product is not GI, what are the questions that would be asked? Are there knock out questions?
- 10) Is your product Whole Life or Universal Life? Is it individual or Group? Can you offer both, Whole Life and Universal Life Policies, at the same time?
- 11) Do all employees that enroll receive a policy?
- 12) Is an administrative portal available where the client's benefit administrator that City of Kingsport can access reports, billing, forms and plan information?
- 13) What is the process of notifying the client of any approvals, declinations, pending requests and general status updates? Include turn-around time.
- 14) Do you accept self-administered billing from the City of Kingsport?
- 15) Please detail your portability provision. Be sure to address each of the following:

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- a. When is employee eligible to port?
  - b. How does the employee initiate the porting of your products?
  - c. Are benefits affected in any way? List any and all exclusions related to the ported benefits.
  - d. How are ported rates determined?
  - e. Does ported plan experience affect the base plan experience?
  - f. Are there any rate guarantees with ported coverage?
  - g. How is billing handled for ported policies? At what frequency?
  - h. Is there a fee to direct bill ported policies to individuals?
  - i. What happens if the City of Kingsport terminates any of the voluntary plans? Will covered individuals be able to keep their coverage amounts at the same cost?
- 16) What percentage of overall applications are approved?
  - 17) What happens if the City terminates the master contract? Will covered individuals be able to keep their coverage.
  - 18) Are there any age reductions in the plan?
  - 19) Can the plan ever be considered "paid-up" where in premiums no longer must be paid.
  - 20) How long is coverage in effect, to what age?
  - 21) What are the standard policy exclusions?
  - 22) Is the claims department separate from Customer Service? If yes, please describe the claims department. Include hours of operation, staffing, average length of experience of staff and training.
  - 23) Please attach a sample claim form.
  - 24) What is your average claim turnaround time?
  - 25) Provide in detail the claims submission process from beginning to end for the claimant?

## **B. Rate Information**

Provide a quote for the Permanent Life Insurance plan by providing a formal proposal for either Whole Life Universal Life or both.

In addition, please complete the attached Excel spreadsheet for products submitted.

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