



City of Raleigh

Request for Proposals # 274-2026-HRHCBCS

Title: Health Care and Benefits Consulting Services

Issue Date: August 1, 2025

Due Date: ~~August 29, 2025, no later than 5:00PM EST~~

September 2, 2025, no later than 5:00 PM EST

LATE PROPOSALS WILL NOT BE ACCEPTED

ADDENDUM NO. 1

Issuing Department: Human Resources

Direct all inquiries concerning this RFP to:

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Assistant Director, Human Resources

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City of Raleigh

ADDENDUM NO. 1 to RFP 274-2026-HRHCBCS

Issue Date: August 26, 2025

To: All Proposers

This addendum, containing the following additions, clarifications, and/or changes, is issued prior to receipt of proposal packages and does hereby become part of the original RFP documents and supersedes the original RFP documents in case of conflict.

Receipt of this addendum must be acknowledged by signing in the area indicated below. Please review the following additions, clarifications, and/or changes to the RFP as listed below and **sign and return this addendum with your proposal package.**

Andrew Bullard

Assistant Director, Human Resources

Questions Received and Answers

Q1: Does the City have any interest in combining Core and Voluntary benefits under one brokerage?

A1: Core and Voluntary Benefits are currently managed separately. While the City may consider combining them in the future, the scope of the RFP is Core Benefits only.

Q2: Does the 457(b) plan fall within the scope of this RFP?

A2: No, the 457(b) Plan is not part of this RFP.

Q3: How satisfied are employees with the current plan design?

A3: Employees are generally satisfied. The current design is traditional but well received, and enhancements have been made based on prior employee surveys.

Q4: Is the City a proponent of conducting surveys?

A4: Yes, employee surveys are a cornerstone of our planning process and have directly informed plan design and supplemental offerings.

Q5: Are retirees included in those surveys?

A5: No, retirees are not surveyed. However, the City continues to evaluate OPEB obligations and retiree plan design.

Q6: How does the City anticipate retirees will react to potential benefit changes?

A6: The City recognizes that change can be difficult, but cost containment and management are critical priorities in this area.

Q7: What's the City's approach to employee education, and how does it handle changes resulting from employee surveys?

A7: The City follows a Total Compensation philosophy. Survey feedback is carefully considered and part of our benefits and wellness strategy. Educational efforts include weekly newsletters and other communications to keep employees informed.

Q8: Is the City evaluating a new benefits administration system?

A8: The City currently uses PeopleSoft as its system of record. The City is not seeking a new platform as part of this RFP.

Q9: Does the City want to add a Benefits Administration System as a part of the RFP?

A9: It's not required, but the City is open to reviewing proposals that include a Benefits Administration System.

Q10: Is the City considering an onsite health clinic?

A10: The City already operates an onsite Employee Health Center (EHC).

Q11: Do you envision transitioning the Employee Health Center (EHC) into more of a primary care setting?

A11: Currently, the City has no plans to transition EHC into a primary care setting. However, the City is open to hearing more about that option.

Q12: Does the City have a preferred compensation model for the awarded consultant (e.g., PEPM or flat fee)?

A12: A flat fee is preferred, but no final decision has been made.

Q13: What's the magnitude of current fees and hours? How long has the incumbent broker been in place?

A13: The current broker has been under contract since 2019. The most recent contract amendment was signed in 2024, and it extended services for an additional year.

Q14: How effective is the Wellness Program and is the City looking to make changes?

A14: The City's wellness program is well received, and participation is consistent. The City is always evaluating opportunities to expand engagement and align wellness with cost-containment strategies.

Q15: Will mental health continue to be an area of focus?

A15: Yes, mental health will continue to be an area of focus. In 2025, the City transitioned to a new EAP carrier through an RFP process. Employees and household members now have access to eight free sessions per issue, per year.

Q16: Given Raleigh's location in the Research Triangle, does the City have formal relationships with local hospital systems?

A16: No, the City does NOT have exclusive partnerships with local hospital systems. The City's carrier's broad network ensures access to high-quality, cost-effective care, and the City prefers not to limit employees to one system.

Q17: How long has the City been with Blue Cross – Blue Shield (BCBS), and when was the last carrier RFP?

A17: The City has worked with BCBS for several years. The last carrier RFP was conducted in 2024.

Q18: How is participation in the Wellness Program tracked?

A18: Starting in 2025, the City contracted with WebMD to serve as the City's Wellness Carrier and track activity.

Q19: The RFP mentions five paper copies or email for pricing. Will one emailed proposal be acceptable?

A19: Yes, a single emailed proposal is acceptable if pricing is clearly separated in the submission.

Q20: Is the pricing formula provided in the RFP accurate?

A20: Yes, the formula included on page 15 (of 35) is correct as written.

Q21: Is there an MWBE participation target?

A21: No, there is no percentage requirement for MWBE participation.

Q22: Should prospective contractors include recommended voluntary benefits in their response?

A22: The scope of the RFP is limited to core benefits. However, contractors can include additional add-on services for the City to consider

Q23: Can the contractor receive compensation from the voluntary benefits, which can be used to help offset consulting fees?

A23: No, the scope of the RFP is limited to core benefits. However, contractors can include additional add-on services for the City to consider.

Q24: Our firm specializes in voluntary benefits along with providing benefit administration systems and enrollment services. Can we propose our services separately, or will the city release another RFP for these services?

A24: The scope of the RFP is limited to core benefits. However, contractors can include additional add-on services for the City to consider.

Q25: What is the current broker's compensation?

A25: The current contracted amount is \$248,000 annually.

Q26: Is the City going out to bid the brokerage/consulting business on the employee medical similar to the City of Durham, where it requires to go out every 3 years? Or, is the City wanting to realistically look at what else is out in the marketplace?

A26: The City goes out to bid for medical vendors based on the contract terms.

Q27: Is there anything that the City is looking for that it may not be getting from the current broker?

A27: All required services are noted in the Scope of Services section in the RFP.

Q28: Will all the questions submitted by bidders and the City's response be compiled and provided to all bidders?

A28: Yes, all questions and responses will be published as an addendum and published in the North Carolina electronic Vendor Portal (eVP).

Q29: Can you provide the number of employees, dependents, and retirees currently enrolled in the health plan?

A29: As of 07/31/2025, enrollment included:

Relationship	Active	Retiree
Child	2,933	513
Spouse	942	282
Subscriber	4,080	944
Grand Total	7,955	1,739

Q30: What benefits are offered to retirees?

A30: The City offers Medical, Vision, and Life Insurance to retirees.

Q31: Regarding PeopleSoft, is this a new vendor for the City? Is PeopleSoft being used for benefits administration and online enrollment? How has the experience been so far, and is the City considering alternative solutions? Would having an EDI/API-capable team within your broker partner be beneficial to HR/HRIS?

A31: PeopleSoft is the City's ERP system and is used for benefits administration and online enrollment. PeopleSoft has been in use for but is not a new vendor.

Q32: What is the City's budget for Health Care and Benefits Consulting Services?

A32: The current contract is for \$248,000 annually, but the City is open to reviewing any bidder's cost based on services provided.

Q33: It was indicated that the City recently went through an RFP for its medical benefit provider and BCBS of North Carolina (BCBSNC) retained the business. Is that arrangement a multi-year contract? If so, what is the length of the multi-year arrangement?

A33: Yes, the City is currently under contract with BCBSNC. The City signed a three-year contract effective 01/01/2025.

Q34: Other than the Peoplesoft technology platform, what other benefit administration & payroll technology solutions has COR evaluated?

A34: The City has not evaluated other benefit administration & payroll technology solutions.

Q35: The stated main goals as the trigger for this RFP were noted as 1) Attract & Retain talent, 2) Motivate employees, 3) Looking for new approaches to benefits, 4) Cost Savings. What order would you rank the importance of those goals?

A35: The order is as follows: 1) Attract & Retain talent, 2) Motivate employees, 3) Looking for new approaches to benefits, 4) Cost Savings.

Q36: Could you clarify the expected frequency for key actuarial deliverables such as trend analysis, plan design changes, IBNR estimates, OPEB analysis, and budget forecasting? Are these expected monthly, quarterly, annually, or on an ad hoc basis?

A36: The frequency of actuarial deliverables is variable – dependent on area of focus for the City and items impacting employees. Some deliverables, such as trend analysis and financial reporting, will be expected monthly. Plan design changes would be requested annually at a minimum. The City will work with the selected broker to identify appropriate timelines for deliverables.

Q37: Can you provide examples of the types of “special projects” anticipated during the contract term, and their expected frequency or scope?

A37: An example would be completing a benchmark of retiree plans and options for comparators.

Q38: How often is benchmarking data expected to be delivered? Additionally, could you clarify the deliverables associated with integrating the wellness strategy into the overall benefits plan?

A38: At a minimum, the City expects benchmarking data annually to ensure it is keeping up with the market. The key deliverable for integrating the wellness strategy into the overall benefits plan is to pair outcomes with initiatives.

Q39: Is the selected vendor expected to manage ACA compliance and filings directly, or provide advisory support only?

A39: The selected vendor is expected to provide support only, as the City has a separate vendor for ACA compliance. The selected vendor would assist in the bid process for this service.

Q40: Since the RFP allows for multiple awards, may firms submit proposals for specific components of the scope (e.g., actuarial analysis only)? If so, how should this be indicated in the proposal?

A40: Prospective contractors that do not intend to bid on the entire scope of services should clearly indicate what services they are bidding on in their submissions.

Q41: Should pricing be broken down by service category and role (e.g., lead actuary vs. support staff)? Should the “not to exceed” amount reflect the full three-year term or be presented annually?

A41: Prospective contractors have the option to break down pricing as they deem appropriate. The not-to-exceed amount should reflect all three years.

Q42: Could you share the name of the current vendor providing these services and how long they have been holding the engagement?

A42: *USI Insurance Services: Insurance Brokerage and Consulting* have been providing services to the City since 2019.

Q43: What has been the historical cost and time commitment for similar services? Are there average annual hours or budget ranges available?

A43: There are no historical average hours, and the current contract is for \$248,000 annually.

Q44: The scope references monthly and quarterly meetings. Could you clarify which meetings are expected monthly versus quarterly, and whether these are typically in-person or virtual?

A44: The City has a monthly benefits committee meeting, which typically includes our broker's support. In addition, Human Resources staff meets with the current broker on a biweekly basis. Finally, the broker is normally part of quarterly utilization reviews. These meetings are both in person and virtual.

Q45: Are there any restrictions or preferences regarding subcontractor roles?

A45: There are no restrictions regarding subcontractors.

Q46: What systems or platforms will be used to share data with consultants? Are there specific security or confidentiality protocols?

A46: The City uses SharePoint. The City expects the consultant to provide a secure means of transferring information and/or adhere to City cybersecurity requirements. The selected vendor will be required to fill out a Cybersecurity Questionnaire as part of the contracting process.

Q47: What is the expected frequency of travel for this engagement? Are there any regularly scheduled on-site meetings that the contractor is expected to attend?

A47: Travel requirements are dependent on the meeting, consultants may request a person, but that is not always the case.

Q48: Can the City confirm the brokerage annual fees and hours for each of the last two years?

A48: The current broker earned \$225,000 in 2024 and \$248,000 in 2025. There are no annual hours related to this contract.

Q49: With respect to budget forecasting, what scenarios are considered and how many scenarios are evaluated?

A49: Being self-insured, the City expects the broker to provide accurate forecasts based on various potential scenarios. The City will work with the selected broker to identify key factors that could impact budget forecasts. This way, the City can make informed decisions and adjust strategies accordingly.

Q50: Will there be a separate RFP for the voluntary benefits or is the intent for the consultant to make any recommendations?

A50: The scope of the RFP is limited to core benefits. However, contractors can include additional add-on services for the City to consider. The City has no plans currently to open an RFP for voluntary benefits.

Q51: Is the City planning benefits changes for plan year 2026 or 2027?

A51: The City is currently administering a benefits survey to help guide future planning.

Sign below and return this addendum with your proposal.

Proposer Name & Company: _____ **Date:** _____

Signature: _____ **Title:** _____