

 City of Rocky Mount Addendum 1	
Refer <u>ALL</u> Inquiries regarding this RFP to: Fantashia Dickens Purchasing Associate III	RFP # 320-050526FD
	RFP Due Date: June 30, 2026, 2:00 P.M.
	Contract Type: Professional Services

FAILURE TO RETURN THIS ADDENDUM IN ACCORDANCE WITH INSTRUCTIONS MAY SUBJECT YOUR BID TO REJECTION ON THE AFFECTED ITEM(S):

Question 1: Reference Section 5.1 (2A) Page 17: What is your current funding structure?

Answer 1: We are self-funded.

Question 2: Reference Section 5.1 (6A) Page 17: Can you provide the City's claims data and utilization history? Please confirm whether raw, de-identified claims and pharmacy data is available, and whether it can be provided on at least a quarterly basis for independent analytics, benchmarking, and predictive modeling.

Answer 2: We will release census and claims data to the selected consultant.

Question 3: Reference Section 5.1 (7D) Page 18 / Section 5.1 (5A) Page 17: What benefits administration, enrollment, and HRIS platforms does the City currently use? Please identify each platform, clarify whether the selected consultant will be expected to manage, configure, audit, or coordinate with those platforms/vendors, and confirm who is responsible for paying the associated fees.

Answer 3: The benefits platform is Selerix. Our HRIS platform is Munis. Our current broker has access to Selerix and does random audits and reporting.

Questions 4 & 5: Does the City allow a proposing vendor to utilize subcontractors or strategic partners to perform certain portions of the required scope of work, such as actuarial services, compliance support, claims analytics, employee enrollment support, or benefits communication services? If subcontractors are permitted, please confirm whether they must be identified in the proposal, whether their qualifications and key personnel should be included, and whether the prime vendor would remain responsible for their performance under the contract.

Answers 4 & 5: Subcontractors and strategic partners are permitted; however, the consultant must identify all subcontractors within the proposal. The consultant must also indicate the key personnel, their specific duties, and their qualifications. The consultant will remain responsible for the performance of all subcontractors.

To properly evaluate the program, perform a thorough carrier and vendor analysis, and prepare a comprehensive proposal, we request the following information:

Census Information

- Current Employee Census: Date of Birth, Gender, ZIP Code, Hire Date, Salary, Occupation/Job Title, Employment Status, and Benefit Elections.
- Dependent Census: Spouses and children.
- Additional Populations: COBRA, Pre-65 retirees, and City Council member enrollment.

Benefit Elections & Contributions

- Elections by Tier: Medical, Dental, and Vision.
- Plan Elections: Basic and Voluntary Life, Short-Term Disability (STD), Long-Term Disability (LTD), Healthcare FSA, and Dependent Care FSA.
- Financials: Current employee and employer contribution schedules, retiree and council member schedules, and rates for all coverage tiers (EE Only, EE + Spouse, EE + Child(ren), and Family).
- Current participation counts (enrolled members) for each line of coverage (medical, dental, vision, life, disability, etc.).

Medical & Pharmacy Information

- 36 months of monthly paid claims, enrolled lives, and funding rates/premiums.
- Large claimant, loss ratio, pharmacy utilization, specialty drug, top claimant, and network utilization reports.
- Current Summary Plan Description (SPD), Summary of Benefits and Coverage (SBC), and renewal information.
- Stop-Loss Details: Carrier, specific deductible, aggregate attachment point, current rates, renewal history, and confirmation of whether the contract includes renewal rate caps, 'no new laser' provisions, or maximum liability guarantees.
- PBM contract details: confirmation of pass-through pricing, full rebate disclosure, audit rights, financial performance guarantees (e.g., drug trend, generic dispensing, specialty savings), and date of last formal PBM audit or market check.

Ancillary Benefits (Dental, Vision, Life, & Disability)

- Current plan documents, in-force certificates, rates, and enrollment reports.
- 36 months of experience data and renewal history.
- Disability Specifics: Open STD/LTD claims reports, LTD reserve report (if available), and confirmation of whether programs are employer-paid or voluntary.

Technology, Administration, & Compliance

- Details on current benefits administration, payroll, HRIS, and ACA reporting platforms.
- Carrier feed and integration information.
- FSA/Section 125: Current administrator, participation levels, annual elections, and plan documents.

Retiree & Additional Information

- Retiree eligibility, contribution schedules, and enrollment reports.
- OPEB reports or valuations and clarification on whether retiree claims are blended with active employees.
- Current Employee Benefits Guide, Open Enrollment guides, and presentation materials.
- Wellness program details and any available actuarial or IBNR reports.

We will provide census and claims data to the selected consultant.

Question 6: What prompted the City to issue this RFP at this time, and what are the City's primary goals and top three priorities for the benefits program over the next few years? Is the priority cost savings, benefit enhancements, improved employee experience, compliance, administrative relief, or a combination?

Answer 6: The City issued this RFP at this time to evaluate the marketplace and ensure that it is receiving the highest level of service, strategic guidance, and value from its employee benefits brokerage partnership. The City has maintained a longstanding relationship with its current broker since 1992; however, given the evolving healthcare landscape, changing workforce expectations, and the City's current financial challenges, it is prudent to conduct a comprehensive review of available resources, expertise, and strategies.

The City is currently navigating significant fiscal constraints and, as a result, the sustainability and affordability of its benefits program are critical considerations. While cost containment is a high priority, the City's objective is not simply to reduce expenses at the detriment of employee benefits. The City recognizes that a competitive benefits program remains essential to attracting, retaining, and supporting a high-performing workforce.

Over the next several years, the City's primary goals and top priorities for its benefits program are:

1. Long-term financial sustainability and cost management – Develop innovative strategies to control rising healthcare costs, optimize plan performance, and ensure the long-term viability of the City’s benefits offerings.
2. Maintaining a competitive and valuable employee benefits experience – Identify opportunities to preserve or enhance the employee experience through effective communication, education, wellness initiatives, and benefits strategies that meet the evolving needs of employees and retirees.
3. Strategic partnership, compliance, and administrative efficiency – Establish a proactive brokerage relationship that provides data-driven recommendations, assists the City in navigating complex regulatory requirements, identifies emerging trends and best practices, and reduces administrative burden on City staff.

The City seeks a broker who will serve as a strategic partner, providing innovative solutions and objective guidance that align with both the City's fiscal realities and its commitment to supporting its employees and retirees.

Question 7: What would define a successful outcome for this RFP process?

Answer 7: A successful outcome of this RFP will be the selection of a benefits broker that serves as a true strategic partner to the City and helps balance fiscal responsibility with the need to maintain a competitive and sustainable benefits program.

Success will be measured by the broker's ability to provide innovative cost-containment strategies, meaningful data analysis, and proactive recommendations that improve the long-term financial stability of the City's benefits program. The selected broker should also demonstrate the ability to identify opportunities to optimize plan design and vendor relationships while preserving a positive employee and retiree experience.

Additionally, the City considers a successful partnership to be one in which the broker provides exceptional customer service, timely and accurate guidance on regulatory compliance, effective employee communication and education, and administrative support that allows City staff to operate more efficiently.

Ultimately, the City seeks a collaborative partner that understands the unique challenges facing municipal employers, provides objective and transparent recommendations, and delivers measurable value through cost management, strategic planning, compliance expertise, and improved service to employees and retirees.

Question 8: Are there specific concerns with current carriers or vendors?

Answer 8: N/A

Question 9: Have there been significant benefit changes in the last three years?

Answer 9: No

Question 10: Is the City satisfied with its current enrollment and administration processes?

Answer 10: Yes

Question 11: Are there anticipated changes to staffing or retiree participation?

Answer 11: No

Question 12: Which wellness initiatives would the City like to maintain or expand? Are there specific areas where additional analytics or consulting support is needed?

Answer 12: The City remains committed to supporting employee health and wellness as an important component of maintaining a productive workforce, improving employee well-being, and managing long-term healthcare costs. Although current fiscal challenges have required the City to reevaluate certain wellness expenditures and temporarily suspend some incentives, the City intends to continue promoting a culture of health and wellness and seeks innovative, cost-effective strategies to support this objective.

The City would like to maintain and strengthen initiatives that encourage preventive care, chronic disease management, mental health resources, health education, and employee engagement in healthy behaviors. The City is particularly interested in wellness strategies that demonstrate measurable outcomes and provide a meaningful return on investment.

The City is seeking additional analytics and consulting support to better understand healthcare utilization trends, cost drivers, and opportunities for targeted interventions. This includes detailed claims analysis, identification of high-cost conditions, evaluation of population health risks, benchmarking against comparable municipal employers, and recommendations for strategies that improve health outcomes while controlling long-term costs.

A successful broker partner will provide proactive, data-driven insights and assist the City in developing a sustainable wellness strategy that aligns with the City's financial realities while continuing to support the health and well-being of employees and retirees.

Question 13: Please confirm whether the City expects the selected consultant to perform an initial compliance review/gap analysis at the beginning of the engagement, or whether the consultant is expected to continue from the current process already in place. If an initial compliance review is expected, please clarify the desired scope (e.g., ACA, HIPAA, public-sector COBRA/continuation coverage, Section 125/FSA, wellness program compliance, plan documents, notices, eligibility practices, and reporting processes).

Answer 13: The City currently maintains established processes for benefits administration and regulatory compliance through its existing broker relationship. However, due to the length of the current partnership and the City's desire to evaluate opportunities for improvement, the City expects the selected consultant to perform an initial comprehensive compliance review and gap analysis at the beginning of the engagement.

The purpose of this review is not to presume deficiencies in the City's current practices, but rather to validate compliance efforts, identify potential areas of risk, and provide recommendations to strengthen administrative processes and ensure alignment with current laws and industry best practices.

The desired scope of the initial compliance review should include, at a minimum, an assessment of applicable requirements related to the Affordable Care Act (ACA), HIPAA privacy and security requirements as they relate to employee benefits, public-sector continuation coverage obligations, Section 125 cafeteria plan administration, flexible spending account (FSA) compliance, wellness program compliance, plan documents and required employee notices, eligibility and enrollment practices, and applicable reporting and documentation processes.

Following the initial assessment, the City expects the selected consultant to provide ongoing compliance guidance, timely updates regarding regulatory changes, practical recommendations, and administrative support necessary to maintain a compliant and efficient benefits program.

Question 14: Section 2.1, Current Benefits Program: Does the City currently maintain independent contracts with vendors for ACA reporting, COBRA/continuation coverage administration, flexible spending account administration, benefits administration/enrollment technology, wellness programming, and employee communication support? If so, are those contracts held directly by the City, or are any of them tied to the current broker/consultant relationship?

Answer 14: The City currently maintains an independent contract for ACA reporting services. This agreement is held directly by the City and operates independently from the current broker/consultant relationship.

The City previously supported wellness programming through an internal Wellness Coordinator position. Due to the City's financial challenges and the reduction in force implemented in October 2025, this position was eliminated. The City remains committed to promoting employee health and wellness and is interested in exploring cost-effective wellness strategies and resources that may be available through the selected consultant or other partnerships.

The City's current benefits administration/enrollment technology platform, employee communication support, and flexible spending account (FSA) administration are provided as part of the existing broker/consultant relationship. As part of this RFP process, the City is interested in understanding the technology platforms, communication resources, administrative services, and additional value-added support available through prospective consultants and evaluating whether alternative solutions may improve efficiency, enhance the employee experience, and provide greater overall value.

The City does not currently maintain an independent contract for COBRA/continuation coverage administration. Proposers should identify the services and support they can provide in this area as part of their response.

Question 15: Section 2.1 and Section 3.1, Ongoing Service/Compliance: How often does the City currently engage with benefits compliance counsel or a compliance specialist (e.g., monthly, quarterly, annually, during open enrollment only, or as needed)? For ACA Forms 1094-C and 1095-C reporting, does the City currently use a third-party reporting vendor, payroll provider, benefits administration platform, or internal HR process? Should the selected consultant advise only, coordinate with an existing vendor, recommend a vendor, or include vendor filing support in the proposed fixed fee?

Answer 15: The City currently engages with benefits compliance counsel and compliance specialists on an as-needed basis to address specific regulatory questions, emerging compliance issues, and complex benefits matters.

For Affordable Care Act (ACA) Forms 1094-C and 1095-C reporting, the City currently utilizes a third-party vendor, Workxtime, to prepare and facilitate the required reporting. The City's existing ACA reporting arrangement is held independently from the current broker/consultant relationship.

The City would prefer a proactive and coordinated approach to benefits compliance administration and values a broker that can assist with oversight, coordination with existing vendors, compliance guidance, and overall management of the process. However, the City recognizes that the scope of services and associated costs may vary.

Proposers are encouraged to outline the compliance support services included in their proposed fee structure, including whether they will coordinate with the City's existing ACA reporting vendor, recommend alternative solutions, provide vendor management, or include ACA reporting support as part of their fixed-fee proposal. The City will evaluate these options based on the overall value provided, service model, and cost effectiveness.

Question 16: Section 2.1, Flexible Spending Accounts: Please identify the current FSA vendor. Does the current FSA vendor provide plan document support, nondiscrimination testing, claims administration, substantiation, participant notices, and annual renewal support?

Answer 16: The City's current Flexible Spending Account (FSA) vendor is Flexible Benefit Administrators (FBA). FBA currently provides comprehensive FSA administration services, including plan document support, nondiscrimination testing, claims administration, claim substantiation, participant communications and notices, and annual plan renewal support.

The City is generally satisfied with the scope of services currently provided and expects any proposed solution to offer comparable or enhanced administrative support and compliance services.

Question 17: Section 2.1, Annual Open Enrollment: Please clarify the City's expected open enrollment support. Does the City anticipate onsite meetings, virtual meetings, an open enrollment fair, employee call center support, printed materials, Spanish-language materials, evening/shift meetings, or support at multiple City locations?

Answer 17: The City expects the selected consultant to provide comprehensive open enrollment support that ensures all employees, regardless of work location, schedule, or preferred method of communication, have meaningful access to benefits education and enrollment assistance.

The City anticipates a combination of onsite and virtual employee meetings, including support for an open enrollment fair, individual employee assistance, and availability of a dedicated call center or similar support resource to address employee questions throughout the enrollment period.

The selected consultant should provide clear and comprehensive employee communication materials, including printed materials and resources available in Spanish and other languages as needed to effectively communicate with the City's workforce.

Because the City operates multiple facilities and includes employees working various shifts, the consultant must be prepared to conduct meetings and provide enrollment

support at multiple City locations, including evening and shift-friendly meeting times to ensure equitable access for all employees.

The City expects the selected consultant to work collaboratively with Human Resources to develop an effective annual open enrollment strategy, communication plan, and employee education campaign that promotes understanding of available benefits and supports informed enrollment decisions.

Question 18: Section 1.0 and Section 3.1, Actuarial Services/Claims Analysis: Please clarify the expected frequency and scope of actuarial and claims reporting. For example, should the selected consultant provide quarterly claims reporting, annual budget projections, plan design modeling, stop-loss marketing support, IBNR analysis, prescription drug analysis, or renewal projections?

Answer 18: The City expects the selected consultant to provide comprehensive actuarial, financial, and claims reporting to support strategic decision-making and the long-term sustainability of the self-funded benefits program.

At a minimum, the City expects quarterly claims reporting and analysis, including identification of key cost drivers, utilization trends, high-cost claims, emerging risks, and opportunities for cost containment. The selected consultant should also provide annual budget projections, renewal forecasting, and strategic recommendations to assist the City with financial planning.

The City expects the consultant to provide plan design modeling and cost impact analysis to evaluate potential benefit changes and cost-management strategies. Additionally, the consultant should provide ongoing support with stop-loss marketing and renewal negotiations, incurred but not reported (IBNR) claims analysis, and detailed prescription drug analysis, including trend reporting and recommendations for managing pharmacy costs.

The City expects the consultant to serve as a proactive strategic partner by providing timely data analytics, benchmarking, forecasting, and actionable recommendations throughout the plan year rather than only during the annual renewal cycle.

Question 19: Section 2.1, Self-Insured Medical Plan: Please identify the current stop-loss carrier, contract basis, specific deductible, aggregate attachment point, and whether the City expects the selected consultant to market stop-loss coverage annually.

Answer 19: The City's current stop-loss carrier is Blue Cross Blue Shield. The City maintains a specific stop-loss deductible of \$125,000. The current contract is an annual contract.

The City does not expect the selected consultant to market stop-loss coverage annually. However, the City does expect the consultant to periodically evaluate the stop-loss

market, provide strategic recommendations regarding the appropriateness of current coverage levels and pricing, and advise the City when marketing the coverage would be beneficial based on market conditions, claims experience, or other relevant factors.

Question 20: Section 3.1, Management/Benefits Committee Meetings: How frequently does the City expect the selected consultant to participate in management or benefits committee meetings, and should those meetings be onsite, virtual, or a combination of both?

Answer 20: The City expects the selected consultant to maintain regular engagement with City leadership and staff through a combination of scheduled meetings and ongoing consultation. At a minimum, the City expects quarterly strategic benefits meetings with Human Resources, Finance, and Budget staff to review claims experience, financial performance, compliance updates, market trends, ongoing initiatives, and emerging issues affecting the City's benefits program.

In addition to scheduled quarterly meetings, the City expects the consultant to be readily available to participate in additional meetings as needed to address significant issues, regulatory changes, cost concerns, plan performance matters, or other developments that may impact the City's benefits strategy.

The selected consultant should also be prepared to attend and present at meetings with executive leadership and City Council, as requested, to provide expert guidance, explain recommendations, present financial and actuarial information, and assist the City in making informed decisions regarding its benefits program.

The City prefers in-person meetings whenever practical, particularly for strategic planning, financial discussions, and presentations to executive leadership and City Council. However, the City recognizes the value and efficiency of virtual meetings and anticipates utilizing a combination of onsite and virtual meeting formats as appropriate.

Question 21: Section 2.1, Pre-65 Retirees: Please clarify the level of support expected for pre-65 retirees, including eligibility, billing coordination, communications, Medicare transition education, and enrollment support.

Answer 21: The City expects the selected consultant to provide comprehensive support for pre-65 retirees throughout the retiree benefits lifecycle. This includes assistance with retiree eligibility determinations, enrollment support, billing coordination, ongoing communications, and administration of retiree benefits.

The City also expects the consultant to provide proactive education and guidance to retirees approaching Medicare eligibility, including Medicare transition education, communication regarding available options, and assistance with the transition process

to ensure retirees have a clear understanding of their benefits and enrollment requirements.

The selected consultant should serve as a resource for both the City and its retirees by providing responsive customer service, resolving benefits-related questions and issues, developing clear and effective communications, and assisting with the administration and management of retiree benefit programs.

The City seeks a consultant that can provide a high level of retiree support while reducing the administrative burden on Human Resources staff and ensuring retirees experience a smooth and well-supported transition through each stage of their benefits journey.

Question 22: How many firms are participating in the RFP?

Answer 22: All qualified firms are encouraged to participate.

Question 23: Is your current advisor included in the RFP?

Answer 23: Yes.

Question 24: What is the primary reason behind distributing this RFP?

Answer 24: The City issued this RFP at this time to evaluate the marketplace and ensure that it is receiving the highest level of service, strategic guidance, and value from its employee benefits brokerage partnership. The City has maintained a longstanding relationship with its current broker since 1992; however, given the evolving healthcare landscape, changing workforce expectations, and the City's current financial challenges, it is prudent to conduct a comprehensive review of available resources, expertise, and strategies.

Question 25: Looking ahead to the three-year initial period covered by the RFP, what is the anticipated employee headcount growth?

Answer 25: The City recently underwent a reduction in force in October 2025 as part of broader efforts to address significant financial challenges and ensure long-term fiscal sustainability. As a result, the City does not anticipate significant employee headcount growth during the initial three-year term of this agreement.

The City's focus over the next one to three years will be on maintaining a stable and effective workforce while carefully evaluating staffing needs based on operational demands, service priorities, and available financial resources. Any future growth in employee headcount will be intentional, responsible, and sustainable, with consideration given to the City's long-term financial condition and strategic objectives.

The selected consultant should anticipate a relatively stable employee population during the contract period but should maintain the flexibility to support strategic workforce changes should future organizational needs warrant adjustments.

Question 26: What programs and strategies are currently offered to employees to support mental health and wellbeing? Are there any perceived gaps within the City of Rocky Mount's program offerings today?

Answer 26: The City currently supports employee mental health and wellbeing primarily through its Employee Assistance Program (EAP) and the behavioral health benefits available through the City's medical insurance plan. These resources provide employees and their eligible dependents access to counseling services, mental health professionals, crisis support, and other wellness-related resources.

While these programs provide a solid foundation for employee support, the City is interested in learning about additional strategies and best practices that may enhance employee wellbeing, increase awareness and utilization of available resources, and address emerging workforce needs. In particular, the City would welcome recommendations related to employee engagement, resilience, stress management, supervisor training, behavioral health education, and other innovative approaches that have proven successful in comparable public-sector organizations.

At this time, the City has not identified any specific deficiencies in its current offerings but is interested in opportunities to strengthen and expand its overall approach to employee wellbeing in a fiscally responsible manner.

Question 27: From an HR perspective, if there was one thing you would like to see or have (I call it my 'Things I would like to have for \$200, Alex'), what would that be?

Answer 27: If I had a "Things I Would Like to Have for \$200, Alex" wish list item from an HR perspective, it would be a strategic partner who helps us maximize the value of every benefits dollar we spend.

The City has experienced significant financial challenges over the past year and has been required to make difficult decisions affecting staffing, compensation, retirement contributions, training opportunities, and other employee programs. As a result, our greatest need is not necessarily a new benefit or technology platform, but rather a trusted advisor who can help us identify innovative, cost-effective solutions that improve the employee experience while maintaining fiscal responsibility.

Specifically, I would like access to actionable data, benchmarking, and strategic recommendations that help us better understand what our employees value most, improve engagement with available benefits, manage long-term healthcare costs, and strengthen our ability to recruit and retain talent. If a consultant can help us accomplish those goals while simplifying administration and reducing the burden on our limited HR staff, that would provide tremendous value to the organization.

Question 28: Are you seeking broader support in any particular area based on claims experience, employee feedback, or benchmarking insights?

Answer 28: At this time, the City is seeking a consultant that can provide comprehensive support across all areas of employee benefits administration and strategy. Due to recent organizational and financial challenges, the City is particularly interested in identifying opportunities to improve plan performance, control long-term costs, enhance employee understanding and engagement with available benefits, and ensure the overall competitiveness of its benefits program.

The selected consultant should be prepared to analyze claims experience, identify cost drivers and utilization trends, provide benchmarking against comparable public-sector employers, and recommend strategies that balance fiscal responsibility with employee needs. The City also values proactive communication, employee education, wellness initiatives, and recommendations that support recruitment and retention efforts.

Respondents are encouraged to highlight any areas where they believe additional value can be provided based on their experience, industry best practices, and analysis of available data.

Question 29: What is the desired level or expectation for administrative support for technology (e.g., enrollment portal, consolidated technology app for members)? If a consolidated technology app is in place, who is the vendor and is it part of your offering from your current advisor?

Answer 29: The City expects the selected broker/consultant to provide comprehensive administrative and technology support for the annual open enrollment process. At a minimum, the selected firm should conduct employee open enrollment meetings, provide and maintain an online enrollment portal through which employees can enroll in or make changes to their benefit elections, and ensure a user-friendly enrollment experience for employees.

Following the enrollment period, the selected firm will be expected to provide enrollment and eligibility data to the City in a format that can be uploaded into the City's HRIS/payroll system. The selected firm should also provide appropriate support and troubleshooting assistance throughout the enrollment process.

The City does not currently utilize a consolidated benefits technology application and does not have an existing vendor providing such a platform through its current advisor. Respondents are encouraged to describe any enrollment technology, benefits administration platforms, or member-facing applications included in their service offering, as well as any associated costs and implementation requirements.

Question 30: Is Absence and Disability, FMLA, PTO, and leave currently managed in-house or through an external partner?

Answer 30: All are managed in-house.

Question 31: Is COBRA managed internally or through an external vendor? Please also identify the current vendor fees and who is responsible for paying them.

Answer 31: COBRA is managed by an external vendor. The COBRA premiums include a 2% administration fee.

Question 32: Do you currently receive consolidated and reconciled billing for all your benefit offerings (one invoice, one bill; you do not reconcile all your invoices, as it is done for you)?

Answer 32: We receive individual invoices for benefits that we reconcile in-house.

Question 33: What are your top three Human Capital Management objectives over the next one to three years? What is the average annual turnover, and are there trends identified by specific tenure, department, or job description? What is the average age of your employees?

Answer 33: The City's top three Human Capital Management objectives over the next one to three years are:

1. **Workforce stabilization and retention** – Following the City’s reduction in force in October 2025, the City’s priority is to maintain a stable and engaged workforce, improve retention, and continue to attract qualified candidates for critical positions while balancing fiscal realities.
2. **Employee engagement and organizational culture** – The City is focused on strengthening employee morale, rebuilding trust, and fostering a positive workplace culture through effective communication, employee support initiatives, leadership development, and continued investment in the employee experience.
3. **Strategic workforce planning and operational effectiveness** – The City seeks to ensure that its workforce structure, talent strategies, and human capital programs align with organizational priorities, support succession planning, address future workforce needs, and maximize efficiency with available resources.

Prior to the reduction in force implemented in October 2025, the City's average annual turnover rate was approximately 19%. Since the reduction in force, the annual turnover rate has been approximately 13%. At this time, the City has not identified any significant turnover trends based on employee tenure, department, or job classification.

The average age of the City's workforce is approximately 41 years old.

Question 34: With rising healthcare costs, what strategies have already been implemented to mitigate or reduce risk and overall costs (e.g., narrow networks, reference-based pricing, wellness initiatives, member incentives, or tiered benefits to encourage high-value provider or center of excellence utilization)?

Answer 34: The City has implemented several strategies to promote employee wellness and manage rising healthcare costs. Historically, the City maintained a biometric screening program that included monetary incentives for employees who demonstrated

improvements in targeted health indicators. Additionally, employees who did not meet established biometric benchmarks were required to contribute a greater portion of their health insurance premiums. Due to current fiscal constraints, the City has discontinued the monetary incentive component of the biometric program; however, the City remains committed to promoting preventive care and encouraging healthy behaviors among employees.

The City is also evaluating additional cost-containment strategies, including enhanced utilization management and authorization requirements for GLP-1 medications to ensure appropriate use and better manage the significant financial impact of these prescriptions.

While the City has implemented these initiatives, it recognizes that continued increases in healthcare costs require a more comprehensive and data-driven approach. The City is seeking a strategic partner that can provide detailed claims analytics, identify emerging cost drivers and trends, recommend evidence-based cost-containment strategies, and assist in balancing financial sustainability with maintaining a competitive benefits program for employees and retirees.

Question 35: Section 2.1, Page 6; Section 4.6, Page 15: Please clarify whether the optional voluntary benefits listed on Page 6 (Accident Insurance, Cancer Insurance, Critical Illness Insurance, Term and Whole-life Insurance) are included within the scope of this RFP. Is it anticipated that the awarded bidder would become Agent of Record on those optional/voluntary benefits? If voluntary benefits are outside the scope of this RFP, please clarify who should provide the enrollment counselors. Additionally, please confirm whether commissions from optional benefits should be included in fee reductions or are outside of that calculation.

Answer 35: The optional voluntary benefits identified in the RFP, including Accident Insurance, Cancer Insurance, Critical Illness Insurance, and Term and Whole-life Insurance, are included within the scope of this RFP. It is anticipated that the selected consultant will become the Agent of Record for these voluntary benefits and will provide enrollment support and counseling services for employees as part of the overall benefits administration process.

The City expects proposers to clearly disclose all sources of compensation associated with both core and voluntary benefit programs, including any commissions, administrative fees, or other forms of remuneration received from carriers or vendors.

Proposers should identify whether commissions associated with voluntary benefits are included as an offset or reduction to proposed consulting fees, retained as separate compensation, or otherwise incorporated into their compensation model. The City will consider the overall transparency, value, service model, and cost effectiveness of the proposed compensation arrangement as part of the evaluation process.

Question 36: Can you disclose all current broker compensation, including any direct or indirect compensation associated with the PBM agreement?

Answer 36: No

Question 37: Section 5.1(2.B), Page 16; 5.1(3.A), Page 16; 5.1(5.C), Page 17: Does your plan design include member incentives or tiered benefits to encourage high-value provider or center of excellence utilization, and what results have you seen? Are there enhanced member incentives such as premium credits, plan contributions, or cash/gift card rewards for using preferred providers or participating in care management?

Answer 37: The City has implemented several strategies to promote employee wellness and manage rising healthcare costs. Historically, the City maintained a biometric screening program that included monetary incentives for employees who demonstrated improvements in targeted health indicators. Additionally, employees who did not meet established biometric benchmarks were required to contribute a greater portion of their health insurance premiums. Due to current fiscal constraints, the City has discontinued the monetary incentive component of the biometric program; however, the City remains committed to promoting preventive care and encouraging healthy behaviors among employees.

The City is also evaluating additional cost-containment strategies, including enhanced utilization management and authorization requirements for GLP-1 medications to ensure appropriate use and better manage the significant financial impact of these prescriptions.

While the City has implemented these initiatives, it recognizes that continued increases in healthcare costs require a more comprehensive and data-driven approach. The City is seeking a strategic partner that can provide detailed claims analytics, identify emerging cost drivers and trends, recommend evidence-based cost-containment strategies, and assist in balancing financial sustainability with maintaining a competitive benefits program for employees and retirees.

Question 38: Section 5.1(3.A), Page 16; 5.1(7.A)-(7.D), Page 18: What member advocacy or nurse concierge services are in place for employee navigation to high-quality, lower-cost providers, and how is their usage and impact measured? How does your broker or consultant facilitate direct engagement or incentive programs with local physicians and clinics to support preventive care and chronic condition management?

Answer 38: Aetna One Flex (this is the Case Management Model City of Rocky Mount has) uses a single-nurse model, assigning each member and their family a dedicated nurse for ongoing, personalized support. This nurse assists with acute and chronic condition management, care planning, and navigation to high-quality, cost-effective providers. A1Flex is supported by a multidisciplinary team that collaborates to address complex needs and guide members to appropriate care. Additionally, the Aetna Advice Program leverages advanced AI, member data, and analytics to deliver personalized behavior-change campaigns, including site-of-care navigation, treatment selection, and condition-specific prevention.

Members also have access to a 24-hour nurse line for clinical guidance on a wide range of health topics, as well as digital tools through the Aetna Health app and member website. Aetna DocFind uses the Aetna Smart Compare with Intelligent Matching (eff 1/1/27). This technology analyzes over 1,000 provider and member data points—including quality, cost-effectiveness, member preferences and medical history -to generate personalized provider recommendations. The top three matches are highlighted with a "Picked for You" banner, and providers with the Quality & Effective Care badge are prioritized in the results.

Aetna One Flex Program impact is measured through engagement metrics, ROI guarantees, and medical management savings. Aetna Advice campaigns further drive behavior change—such as site-of-care navigation, preventive care, and treatment selection—helping members avoid unnecessary costs and improve health outcomes. Behavior change reporting is also available.

Smart Compare utilization reports provide detailed metrics by specialty, including number of visits by provider, utilization rates for Smart Compare providers and access statistics.

Human Resources staff coordinates direct engagement and incentive programs with the assistance of the insurance carrier.

Question 39: Section 5.1(7.H), Page 18: Who manages GASB reporting for the City, and who is responsible for the related fees?

Answer 39: The City contracts with CavMac Actuarial Consulting Services. The City is responsible for associated fees.

REMINDER: All proposals must be emailed to Fantashia Dickens (Fantashia.dickens@rockymountnc.gov) or mailed to the City of Rocky Mount as stated in the RFP by 2:00 PM EST on June 30, 2026.