



Housing Authority of the City of Pittsburgh

Contracting Officer
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January 29, 2015

WORKERS' COMPENSATION ACTUARIAL SERVICES

3 Quote Bid

ADDENDUM NO.3

This addendum issued January 29, 2015 becomes in its entirety a part of the 3 Quote Bid as is fully set forth herein:

- Item 1:** Q: How many open claims did the HACP have as of 12/31/ 2014?
A: As of 12/31/2014 there were 5 claims open.
- Item 2:** Q: Are individual claim reserves established?
A: Yes.
- Item 3:** Q: What were your total claim payments in 2014?
A: Total claims paid in 2014 was \$57,603.00.
- Item 4:** Q: Are claims data segmented by type of claim (medical versus wage loss)
A: Yes.
- Item 5:** Q: Do you segment data by injury classification (permanent total, temporary, etc.)?
A: Yes.
- Item 6:** Q: Does you segment data by type of injury (back strain, traumatic brain injury, etc.)?
A: Yes.

Item 7: Q: Does payroll capture NCCI class code?
A: Yes.

Item 8: Q: Are data captured electronically? Will data be made available in Excel or other electronic format?
A: Yes, to the awarded vendor.

Item 9: Q: Have you had prior actuarial analyses and reports on the HACP workers' compensation program? Will those analyses and reports be make available for this engagement?
A: Yes, to the awarded vendor.

Item 10: Q: If an external actuarial analyses has been conducted in the past, what were the fees associated with the most recent completed study?
A: The fees will not be provided as part of this 3 Quote Bid

Item 11: Q: If you have not had an actuarial study before, who determined the GAAP value of the HACP workers' compensation liabilities reported in the past financial statements?
A: HACP has had a previous actuarial study completed.

Item 12: Q: The GAAP conversion is due no later than December 1st of the contract year. When will the report be due by?
A: Generally the report is provided to HACP in September. The actual letter is usually provided in December and pulls the page from the valuation showing the calculation and explains the adjustment to December 31st.

Item 13: Q: What is the date of the data evaluation to be used in the study, and when will the data be made available?
A: Jan 1 through December 31st of current year.

Item 14: Q: Do you anticipate an on-site presentation of results?
A: From time to time the employer may require on-site presentations and meetings.

Item 15: Q: Will any other on-site visits be required?

A: Yes.

Item 16: Q: Is it acceptable to e-mail in our completed bid sheet as opposed to submitting by facsimile?

A: Yes, it is acceptable to e-mail in the completed bid as long as it is in by the correct date and time deadline. HACP strongly suggests following-up with a fax or e-mail for confirmation of receipt.

Item 17: Q: If the cost submittal is accepted, will there be an opportunity to reach mutually agreeable contract terms?

A: No. HACP will use their standard contract.

Item 18: Q: Would you be able to provide the prior actuarial report in order to better gauge the scope of work involved? If not, would you be able to provide an estimate of the 2014 payroll and an estimate of the total outstanding liabilities as of December 31, 2014? If the 2014 report is unavailable, the 2013 report would be helpful.

A: Information cannot be provided.

Item 19: Q: Would you be able to provide the amount of the fees being paid to the current vendor?

A: Please see answer at Item 10.

Item 20: Q: Can you provide the name of the current vendor providing actuarial services?

A: The current vendor is Baily Raabe & Associates.

Item 21: Q: What is it that you need for the data conversion to GAAP?

A: The City of Pittsburgh requires this information each year.

Item 22: Q: What actuarial firm is currently providing the services outlined in the RFP (3 Quote Bid)?

A: Please see the answer at Item 20.

Item 23: Q: How long has the current actuarial firm been providing the services outlined in the RFP (3 Quote Bid)?

A: The current firm has been providing these services for 3 (three) years.

Item 24: Q: What is the current actuarial firm charging for the services outline in the RFP (3 Quote Bid)?

A: Please see the answer at Item 10.

Item 25: Q: Why has the RFP (3 Quote Bid) been issued at this point in time?

A: The previous contract has expired.

Item 26: Q: Is discounting of reserves to be undertaken?

A: Yes.

Item 27: Q: Is a reasonable for the needed reserve level needed?

A: Please clarify the question, unsure of what is being asked.

Item 28: The proposal due date and time changes to February 6, 2015 at 2:00 PM the location remains unchanged at the HACP Procurement Dept., 100 Ross St. 2nd Floor, Suite 200, Pittsburgh, PA 15219.

END OF ADDENDUM NO. 3


Mr. Kim Detrick
Procurement Director/Contracting Officer

1/29/15
Date