

To: Prospective Offerors
 From: Dimitry Medvedev– U.S. Government Contracting Officer
 Date: Dec 09, 2020
 Subject: Questions/Answers - Solicitation #19MU30-20-R-0004 for Health & Life Insurance for locally employed staff, U.S. Embassy Muscat

1- What is the retention amount? How it should be calculated?

Ans: Retention amount includes all costs except the actual portion of the premium intended to fund claims paid to the insurance provider. It is not directly impacted by Economic Price Adjustment, which allows the contractor and Government under certain circumstances to revise premium rates upward or downward based on claim expenses. During price revisions, these retention amounts play an important role and cannot be revised. Therefore, it is in the benefit of the Government and contractor to have this amount as fixed cost instead of percentage.

The retention amount is part of the premium and may include, but not be limited to costs such as overhead and general, administrative costs, and profit. Refer to the solicitation section B.7 for more details. *(see B.7 of the solicitation for further details)*

2- Provide data for last three years to include covered amount (salaries), premium paid and claims paid under Life insurance. Also provide similar data for aged, disabled and blind (ADB) riders separately (Both numbers and amount)? Claims experience for the past 3 years (in OMR), and Individual member-wise claims with details of type of claim (Inpatient/Outpatient), claim date and claim amount.

Ans: Claim data

Year	Number of Members	Total amount of insurance claims (OMR)
2017	625	300,387.40 OMR
2018	699	350,498.60 OMR
2019	618	390,758.20 OMR
2020	647	320,445.70 OMR

3- Can you share premium paid under each category and Average salary growth rate in last five years?

Ans: Please see the claim data above. The average salary growth is approximately 3%.

4- What is the Annual Limit, is it RO 29,000/- as mentioned in the tender document – Page : 16 – Point No. : C.1.3

Ans: The annual limit is as stated in the solicitation at RO 29,000.

5- How are life insurance premiums calculated as per the pricing in the solicitation?

Ans: B.6.1 through B.6.5 are price tables for base year and all four options years. First column reads the type of insurance required, second column shall be filled in by the offeror to offer price per bi-week (14 days) per one-thousandth of the salary, third column reflects bi-weekly salary of all covered employees in thousands, fourth column is for bi-weekly total premium for each category of insurance and shall be populated by offerors by multiplying the second column times the number 98,645 shown in third column. Row "d" shall show the total of row a, b, and c, which will be bi-weekly premium to be paid to the insurance provider. In the last row of each table, the bidder shall enter the sum of row a, b, and c multiplied by 26 (number of biweekly periods in a year). This amount will represent the total premium for the entire year.

6- C.2.1 – Define each rider with examples and scope of cover to be offered under each benefit. Also provide age band wise sum assured basis. Provide definition of Dismemberment in section C.2.1.2.

Ans: The riders to the plan are domestic staff employed at the official residences of the Ambassador and Deputy Chief of Mission. Their premiums are paid separately, but the coverage should be the same.

7- C.2.6.1 – Are sickness leaves need to be covered?

Ans: Yes

8- C.2.6.2 – Please clarify is the coverage under this tender is voluntary or compulsory as premium will be paid by every employee for coverage. What does "beyond one pay period" means? Further, if an employee does not want coverage on particular days or do not pay premium, will the coverage be ceased for that period ??

Ans: Since health insurance is mandatory under Omani law, the health coverage is mandatory for all employees unless the employee is already covered by a spouse's employer-provided health insurance.

9- Are there any changes in the table of benefits for Medical Insurance & Life Insurance for the last 5 years?

Ans: No changes have been made in the last five years.

10- Do you need receipts and premium statements for each employee separately? Claim reimbursements pertains to health insurance please clarify.

Ans: Contractor shall maintain record of all premiums received and claims paid in case of death and any covered disabilities. Contractor shall submit reports as described section H.5 of the solicitation.

11- Will the coverage cease on the days of gazette holidays defined in tender document and so will the premium be deducted for those days?

Ans: Holidays do not affect coverage of claims.

12- Along with the Technical and Commercial documents – Do we need to submit any other additional information/documents. Kindly highlight.

Ans: See sections L and M for the proposal submission requirements.

13-The last date of submission to be confirmed.

Ans: Dec 21, 2020.

14-Are any persons not actively at work due to a covered disability? If Yes, please let us know the total number (please note we are not seeking protected private information, we do not need the names or identification; we just need to know the total number of people who are not actively at work to assess the risk and price accordingly).

Ans: None

15-We need more clarity on coverage limit per family.

Ans: The annual maximum benefit as set by the solicitation is per covered individual.

16- Please clarify the eligibility of children in the Solicitation which states coverage until age 26 without any requirements for being a full-time student. Typically, un-married and economically dependent children are covered:

- a. until age 18, or
- b. until age 22 if full time student or
- c. without age-limit if physically/mentally handicapped and un-able to live independently

Ans: The solicitation defines an eligible dependent for medical coverage as a child under 26. Medical coverage must be provided to eligible dependent children under the age of 26 without conditions.

17- Are there any HIV/AIDs cases. If Yes, please provide number (please note we are not seeking protected private information, we do not need the names or identification; we just need to know the total number of people who are currently being treated for HIV/AIDs to assess the risk and price accordingly).

Ans: None, this coverage is a requirement globally for the Department of State.