

**The Philadelphia Parking Authority
Mellon Independence Center
701 Market Street, Suite 5400
Philadelphia, PA 19106**

**RFP No. 15-24 – Professional Actuarial Services
Addendum Two**

To: See Email Distribution List
From: Mary Wheeler
Manager of Contract Administration
Date: December 28, 2015
No Pages: 2 (Including Cover Page)

This addendum is issued on December 28, 2015 prior to the proposal due date to add, delete, modify, clarify and/or to respond to questions submitted by prospective proposers regarding the work included in the above referenced request for proposals.

CLARIFICATIONS, CHANGES AND ADDITIONS TO THE RFP DOCUMENTS

1. Disregard the following requirement listed on page 2 of the RFP document:
 - Please submit evidence of the firm’s membership in the American Academy of Enrolled Actuaries.

QUESTIONS

1. **Question:** Please explain why the Authority is requiring that all project members be Enrolled Actuaries. The Enrolled Actuary designation was established under federal law (ERISA) to establish minimum qualification standards for actuaries performing professional services to private sector pension plans. These standards do not appear to be relevant to your RFP, since the scope of services does not entail pension benefits, and the Authority is a public sector employer.

Response: See Clarification #1 above.

2. **Question:** Do you want the actuary to derive appropriate disclosures under GASB Statement 45 for covered retirees?

Response: The actuary will derive claims for the active employees and those employees on COBRA only. All retirees under and over 65 years of age will continue under the present actuarial arrangement for GASB 45.

3. **Question:** How many employees, retirees and COBRA participants are currently covered by this program?

Response: The Philadelphia Parking Authority currently has 567 employees enrolled in its group healthcare plan. Within these 567 employees are 5 former employees have enrollment under COBRA. 36 are under age 65 retirees.

4. **Question:** Can you provide a copy of a prior actuarial report that contains the information you require?

Response: This will be the first time the Authority will employ the use of actuaries in providing healthcare claim estimates. The Authority became self-funded for healthcare claims effective April 1, 2015. It had been fully insured prior to becoming self-funded.

END OF ADDENDUM TWO