



THE RHODES INSURANCE GROUP
Managed Health Care & Group Insurance

September 9, 2021

Mr. Michael Naftaniel
Benefits Manager
City of Fort Lauderdale
100 N. Andrews Avenue, 3rd floor
Ft. Lauderdale, FL 33301

Re: Recommendation for Group Long-Term Disability Benefits effective January 1, 2022

Dear Michael,

The current Group Long-Term Disability benefits have been underwritten by NY Life (formerly Cigna) since January 1, 2019. The term of the initial three-year agreement expires December 31, 2021. As directed by the City, The Rhodes Insurance Group conducted a market search for competitive proposals to underwrite the current benefits being provided to eligible employees.

The objectives stated in our proposal request are outlined below:

- Minimize the cost of providing City-funded group long-term disability insurance.
- Match or enhance the current benefits.

The list of the proposers contacted, and the status of their response is included below:

Potential Proposers January 1, 2022	Contact	Email	Phone Number	180 day EP	90 day EP	
1	New York Life (Incumbent)	Crina Susman	Crina_Susman@newyorklife.com	(954) 809-4070	0% increase	25% increase
2	Hartford Life	TJ Fothias	thomas.fothiathis@thehartford.com	(860) 392-8115	25% decrease	15% decrease
3	Standard Life	Jackie Accetta	Jacqueline.Accetta@standard.com	(954) 958-0708 x1708	21% decrease	7% decrease
4	Symetra	Jake Brower	jake.brower@symetra.com	(317) 574-4981	7% decrease	15% decrease
5	Voya	Adam Widett	Adam.Widett@voyacom	(678) 778-1109	7% decrease	3% increase
6	Guardian	Paul Wootten	paul_wootten@glic.com	(813) 401-1410	4% decrease	34% increase
7	Reliance Standard	Shawn Martin	shawn.martin@rsli.com	(954) 846-7372	8% increase	12% increase
8	Lincoln Financial	Rick McNew	Rick.McNew@lfg.com	(616) 350-0788	39% increase	45% increase
9	Unum	Corey Holl	CHoll@UNUM.COM	(954) 916-6874	47% increase	50% increase
10	MetLife	Angie Fernandez	aaferandez@metlife.com	(954) 626-5165	Declined to quote. Unable to provide competitive quotes	Declined to quote. Unable to provide competitive quotes
11	Principal	Matt Tower	tower.matt@principal.com	(813) 956-0147	Declined to quote. Cannot significantly improve upon and/or match the current plan design	Declined to quote. Cannot significantly improve upon and/or match the current plan design
12	Mutual of Omaha	George Hatalowich	George.Hatalowich@mutualofomaha.com	(717) 982-2966	Unresponsive	Unresponsive
13	Sun Life	Dan Olson	daniel.d.olson@sunlife.com	561-319-5365	Unresponsive	Unresponsive

All proposers were provided a copy of the current census (April 13, 2021), updated claims experience through July 24, 2021, and the complete benefits policies and provisions. There have been no claims paid during this period. Of the 13 companies contacted, 9 responded with proposals.

The basis of our review and analysis of the proposals received consisted on the following;

- Comprehensive review of the benefits
- Detailed review of the proposed premium and guarantees
- Responses to the questionnaire regarding the vendors' ability to administer the requested plan benefits and details of the administration of plan provisions
- The best and final negotiations with the top three proposers


After the final negotiations and based on our professional opinion and review of this information, we recommend The Standard as being the most responsive to our request for the City's Group Long-Term Disability benefits.

The Standard's final proposal was the most responsive for the following reasons:

- The Standard's fixed premium guarantee is for three years with a fourth- and fifth-year guarantee of no increase, based on an overall incurred claim loss ratio for the long-term disability of 72% for the period between January 1, 2022, and March 31, 2024.
- The City's premium cost for Group Long Term Disability will decrease by \$20,620 per year. This rate equates to a reduction of 18%.
- Inclusion of a 3% Benefit Admin credit estimated at \$22,000 per year to help offset the cost of the city's benefit administration system with Selerix. This amount is in addition to the \$2,500 implementation credit The Standard offered for the Basic Life and AD&D.

Based on our comprehensive review, The Rhodes Insurance Group recommends the selection of The Standard to provide the group Long Term Disability plan effective January 1, 2022, through December 31, 2024.

Sincerely,



Lloyd F. Rhodes

Cc: Guy Hine, ARM-P, AIC, CWC, AIS
Matt Cobb AIC, AIS

attachments

Exhibit 1. Group Long Term Disability Proposal – The Standard

Exhibit 2. Sample Standard policy