LORAIN CITY SCHOOL DISTRICT

Request for Proposal — Employee Benefits Consulting Services

Consolidated Vendor Questions and District Responses

The questions below were submitted by firms responding to the District's Request for Proposal for Employee Benefits Consulting Services. Questions have been compiled without attribution, consolidated where multiple firms raised the same issue, and lightly edited for clarity and consistency. The District's response to each question follows the question. This document, together with the District's responses, is issued to all firms that received the RFP and is incorporated into the RFP by reference.

Date issued: September 16, 2026

A. RFP Process, Schedule, and Submission

1. Section C (Schedule of Activities) lists the proposal due date as September 11, 2026, while Section E (Submission Requirements) states that proposals are due no later than 4:00 p.m. Eastern Time on September 8, 2026. Please confirm the official proposal submission deadline.

District Response: The proposal due date has been extended. Proposals are now due Wednesday, September 23, 2026 at **4:00 pm** Eastern Time. The September 8, 2026 date appearing in Section E and the September 11, 2026 date appearing in Section C are superseded by this addendum. All other submission requirements and delivery instructions remain unchanged.

2. The RFP indicated that vendor questions were due August 28, 2026 at 4:00 p.m., while the District's website listed August 26, 2026. Please confirm which deadline governed.

District Response: The vendor question period closed August 28, 2026 at 4:00 p.m. Eastern Time, as stated in the RFP. All questions received have been consolidated and are answered in this addendum.

3. Sections D3 and G3 reference a pricing template and the District's Purchase Order and General Terms and Conditions as posted with the RFP materials on the District's website. These do not appear to be available on the site. Please provide direct links to both, along with any other referenced attachments, or provide them directly to responding firms.

District Response: No pricing template has been provided with this RFP. The references in Sections D3 and G3 to a posted pricing template should be disregarded. Responding firms should present pricing in their own format, using the fee structure and methodology they believe best fits the scope of services described in Section B. Firms should state clearly what is included in any base or retainer fee and what would be billed separately as project work

4. The District's operations web page has been unavailable at times during the question period. Where will the District's written responses to vendor questions be posted, and by what date?

District Response: The District's written responses to all vendor questions are issued in this addendum, posted on the District's website on Wednesday, September 16, 2026.

5. Would the District be willing to schedule a brief pre-proposal discovery call or meeting with responding firms prior to the proposal deadline?

District Response: The District's written responses to all vendor questions are issued in this addendum, posted on the District's website on Wednesday, September 16, 2026.

6. For the September 24 finalist presentations, will the District provide guidance on preferred format, length, or specific topics it wants addressed? Will finalists present to the Health Insurance Committee, the administration, or both?

District Response: The date for the finalist presentations will be determined and format provided at that time. Presentations will be made to the selection committee.

B. Self-Insurance Transition and Implementation Timeline

7. Is the January 1, 2027 self-insurance effective date a firm target, or is there flexibility if the transition timeline warrants it?

District Response: While it is a firm date, the district will evaluate based on financials and preliminary stop loss quotes if that is the final date or if it is deferred to a later date.

8. The RFP contemplates that a consultant will not be selected until early October. Has the District already begun the implementation process, including RFPs for carriers, third-party administrators, pharmacy benefit managers, and stop-loss providers?

District Response: The district is working with the interim actuary to start the RFP process for stop loss carrier and also provide databases and history to the new consultant.

9. Have the following activities been completed, or will they be completed by the anticipated transition date: (a) self-insured financial modeling, including illustrative rates and contributions, and budget development; (b) determination of the type and level of stop-loss coverage needed; (c) a stop-loss coverage RFP; (d) development of ongoing financial reporting; and (e) calculation of IBNR and claims fluctuation reserves?

District Response: The district is working with the interim actuary to start the analysis and the RFP process for stop loss carrier and also provide databases and history to the new consultant.

10. Has the District received any actuarial feasibility analysis or stop-loss indications to date in support of the January 1, 2027 self-insurance transition, and will that information be made available to responding firms?

District Response: The district is working with the interim actuary to start the analysis and the RFP process for stop loss carrier and also provide databases and history to the new consultant.

11. Has the Board adopted a resolution to establish a self-insurance program under O.R.C. 9.833, or is that action still pending? If pending, what is the target date for adoption?

District Response: The district is working with the interim actuary to start the analysis and the RFP process for stop loss carrier and also provide databases and history to the new consultant.

12. Section B2 notes that additional strategies will be pursued as mutually agreed with the District's employee representative groups. Health benefits are ordinarily a mandatory subject of bargaining. Has the transition to self-insurance been agreed with the bargaining units, or does that agreement remain outstanding?

District Response: The district reserves the right to determine funding of the health insurance benefits program.

13. Are any plan design changes under consideration for the January 1, 2027 plan year?

District Response: Only change being implemented for 1/1/27 is the removal of GLP1's for weight loss.

C. Claims, Financial, and Enrollment Data

14. Will the District provide responding firms or finalists with the following: 24 months of paid claims by month, with medical and pharmacy reported separately; monthly paid-versus-incurred reporting for the same period; large claimant detail above $50,000, de-identified as appropriate, including diagnosis category and ongoing status, for the most recent two years; monthly enrollment history over the same period; current premium rates by plan and tier; and the most recent month of prescription drug overall

summary and benefit overview detail? Please confirm availability, format, and the data-sharing mechanism.

District Response: The District is not releasing claims experience, large claimant detail, enrollment history, premium rate detail, or census data during the RFP process. This information will be made available to the selected consultant following award, subject to a confidentiality agreement and a Business Associate Agreement as appropriate. Responding firms should prepare their proposals from the information contained in the RFP and should describe the analytical approach and the data they would apply once engaged.

15. Is a current claims utilization report or loss ratio summary available from the current carrier?

District Response: No claims utilization or loss ratio reporting will be released during the RFP process. This information will be made available to the selected consultant following award.

16. Will the last two fully insured renewal documents be made available, including the current carrier and premium information needed to support stop-loss carrier selection, specific deductible analysis, and funding recommendations?

District Response: Those documents will be provided by the interim actuary to the winning consultant to assist with transition and future planning.

17. Will the District provide current premium contributions and employer/employee cost sharing by plan tier?

District Response: Those documents will be provided by the interim actuary to the winning consultant to assist with transition and future planning.

18. Section A1 references 600–700 participants. Please confirm whether that figure represents enrolled employees or total covered lives, and provide current employee census data, including employee groups, locations, enrollment by plan and tier, and the employee and dependent split.

District Response: Current employee census data will not be released during the RFP process and will be made available to the selected consultant following award.

19. Section B2.6.c asks responding firms to recommend specific and aggregate stop-loss levels. Absent claims experience and enrollment data, any figure would be an estimate. Will the District release experience data before the proposal deadline, or should firms present methodology now and a specific recommendation at a later stage? Would the District accept a confidentiality agreement or Business Associate Agreement to facilitate the release of that data?

District Response: The District will not release claims experience or enrollment data before the proposal deadline, and responding firms are not expected to produce specific stop-loss figures. Firms should present the methodology they would apply to determine appropriate specific and aggregate stop-loss levels. A specific recommendation is expected from the selected consultant following award and review of the District's data.

D. Current Plans, Vendors, and Contracts

20. Please confirm the start date of the next plan year.

District Response: Pending legal review, targeting 1/1/27 but may revert to 7/1/27.

21. Will the District provide its current benefit guide or Summary of Benefits and Coverage for each medical plan option, including the minimum, base, standard, and premium options?

District Response: Those documents will be provided by the interim actuary to the winning consultant to assist with transition and future planning.

22. Who is the incumbent broker or consultant, and how long have they held the contract? Is the incumbent permitted to respond to this RFP?

District Response: The District does not currently have a benefits consultant or broker of record. An interim actuary is assisting the District with current-year requirements, including the marketing of stop-loss coverage. The preliminary results of that solicitation will be shared with the selected consultant to support transition. The interim actuary will not be responding to the RFP and will assist the on-boarding of the new consultant with data, history and insights.

23. What are the current annual fees and commissions paid to the incumbent broker or consultant?

District Response: The District is not disclosing current or historical consulting compensation. The District's objective is to receive each firm's independent pricing for the scope of services described in Section B, without reference to prior arrangements. Firms should price the engagement using their own fee structure and methodology.

24. Does the incumbent offer services, or have particular areas of strength, that the District would like maintained or enhanced under a new consultant?

District Response: The District is not designating particular services for continuation or enhancement. Responding firms should propose the service model they believe best fits the scope of services described in Section B.

25. When were the medical, prescription drug, dental, vision, life, accidental death and dismemberment, short-term disability, and long-term disability plans last put out to bid?

District Response: Prior to July 1, 2025.

26. The RFP references Medical Mutual as the current third-party administrator. As the District moves to self-insurance, does it intend to retain Medical Mutual as medical TPA and network provider, or does it anticipate marketing that role as part of the transition?

District Response: This will be one of the roles of the new consultant to help determine vendors and best practices.

27. Are there any existing multi-year agreements or contractual obligations with Medical Mutual, Delta Dental, or other current vendors that would affect the January 1, 2027 transition timeline?

District Response: No

28. Is the District currently receiving any specific performance guarantees or service commitments from its existing vendors?

District Response: There are no material guarantees nor service commitment. This will be the role of the new consultant to help establish those for LCS.

E. Benefits Administration and Open Enrollment

29. What benefits administration system is currently in use, if any?

District Response: The district does not currently have a benefits administration system in place.

30. Has the District begun any evaluation of benefits administration system vendors, or is that process expected to begin with the selected consultant?

District Response: That process is expected to begin with the selected consultant.

31. Is the benefits administration system expected to be live for January 1, 2027 open enrollment, or is implementation contemplated as a later phase with a January 1, 2028 go-live? Has a budget been established for it? Note that most carriers impose a fourth-quarter blackout period and will not permit new file feeds to be established during that window — would the District accept completion of this initiative in the first or second quarter of 2027?

District Response: The benefits administration system timeline is expected to be determined with the selected consultant.

32. What are the District's current HR and payroll systems, and are eligibility and enrollment processes currently manual, automated, or a combination of both?

District Response: The process is currently done manually

33. How is open enrollment currently managed; what are the open enrollment dates for the January 1, 2027 plan year; by what date must employee communication materials be finalized; and what open enrollment support is expected from the consultant? If available, please provide sample employee communications and open enrollment materials.

District Response: The open enrollment dates have not been determined, however we anticipate open enrollment to take place in November 2026

F. Governance and Labor Relations

34. Can the District provide additional detail on the composition of the Health Insurance Committee, including whether union representatives participate and whether the Committee has decision-making authority or serves in an advisory capacity?

District Response: The HIC is in process of being created and will have representation from administration and the unions. This will be one of the key roles of the new consultant to help with the establishment and protocols of the HIC. Recommendations are welcomed.

35. Which body holds final authority to approve stop-loss placement and funding rates — the Health Insurance Committee, the Treasurer, or the Board — and what is the last meeting date at which that approval can occur for a January 1, 2027 effective date?

District Response: The Board

36. Are any benefit plan changes subject to collective bargaining agreement negotiations? If so, when do the current agreements expire?

District Response: The district's health insurance committee may make recommendations which may include altering contractual provisions related to the current four tiers of medical coverage.

G. Pharmacy Benefit

37. Is the District open to a full pharmacy benefit manager market check or RFP as part of the January 1, 2027 transition, or is the initial focus on standing up self-insurance with the current arrangement in place? Would the District consider a carved-out PBM approach in a later plan year?

District Response: PBM strategies and vendors will be a top priority of the new consultant to establish for LCS.

38. What is the current prescription drug plan design under the Medical Mutual and ESI arrangement, including tiers, copays, and coinsurance, and what utilization management is in place?

District Response: PBM strategies and vendors will be a top priority of the new consultant to establish for LCS.

39. Is GLP-1 coverage currently allowed for obesity and weight management in addition to type 2 diabetes, and if so, under what clinical criteria?

District Response: GLP1's for weight loss will be no longer covered as of 12/31/26. PBM strategies and vendors will be a top priority of the new consultant to establish for LCS.

40. What are the renewal date and key contract terms of the Medical Mutual and ESI arrangement, including any exclusivity or bundling provisions that would affect a pharmacy carve-out?

District Response: PBM strategies and vendors will be a top priority of the new consultant to establish for LCS.

41. What is the current split of specialty drug spend between the pharmacy benefit and the medical benefit?

District Response: PBM strategies and vendors will be a top priority of the new consultant to establish for LCS.

42. Does the District have any existing relationships with local hospitals or health systems for 340B or own-use pricing?

District Response: None. PBM strategies and vendors will be a top priority of the new consultant to establish for LCS.

43. Are there member or employer disruption concerns the District would want minimized in any specialty pharmacy transition?

District Response: PBM strategies and vendors will be a top priority of the new consultant to establish for LCS.

44. What is the Health Insurance Committee's current familiarity with pharmacy benefit economics — PBM pricing models, rebate flow, and specialty trend — and what level of education would the Committee find most useful in the first year?

District Response: PBM strategies and vendors will be a top priority of the new consultant to establish for LCS. Education of the HIC will be critical during this process.

H. Scope of Services and Compensation

45. What role does the District want the consultant to play in the development and release of bids? Will the consultant take the lead, or support the District's procurement team?

District Response: Consultant takes the lead with the support of the district's procurement process to assure a fair process.

46. Section B2.8.c asks whether RFP management and vendor negotiations are included in the standard retainer. Please confirm which of the following the District expects within the base consulting fee and which it treats as separate project fees: the fully insured to self-insured conversion; stop-loss marketing and placement for January 1, 2027; TPA, PBM, and ancillary vendor RFPs; benefits administration system evaluation, selection, and implementation support; and the O.R.C. 9.833 actuarial work.

District Response: Yes.

47. Section B1.6 references the written actuarial evaluation required for a self-insurance program and coordination with a certified public accountant and a member of the American Academy of Actuaries. Does the District expect the consultant to procure and fund that work, or will the District engage the actuary directly? If the consultant is expected to procure it, should that cost be reflected in the pricing template?

District Response: Yes.

48. Is the District open to a hybrid fee arrangement, such as a flat annual retainer for core consulting services with project-based fees for discrete engagements (for example, stop-loss placement or a benefits administration RFP), or does the District prefer an all-inclusive retainer structure?

District Response: Bidding consultants should present their recommendations.

49. What are the District's expectations for consultant service levels, responsiveness, and on-site presence, and are there specific issues from prior engagements the District would like a new consultant to address?

District Response: District expects a consultant that is very hands on, present at meetings and leans heavy into the fiduciary process.

50. Does the District prefer the consultant to directly support member questions and issues, or are those managed by District staff today?

District Response: District expects a consultant that is very hands on, present at meetings and leans heavy into the fiduciary process.