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STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

**REQUEST FOR QUALIFICATIONS # 33501-242001
AMENDMENT # 2
FOR INSURANCE ACTUARIAL SERVICES**

DATE: APRIL 3, 2024

RFQ # 33501-242001 IS AMENDED AS FOLLOWS:

1. This RFQ Schedule of Events updates and confirms scheduled RFQ dates. Any event, time, or date containing revised or new text is highlighted.

EVENT		TIME (Central Time Zone)	DATE (all dates are State business days)
1.	RFQ Issued		March 1, 2024
2.	Disability Accommodation Request Deadline	2:00 p.m.	March 6, 2024
3.	Pre-Response Conference	10:00 a.m.	March 8, 2024
4.	Notice of Intent to Respond Deadline	2:00 p.m.	March 13, 2024
5.	Written "Questions & Comments" Deadline	2:00 p.m.	March 15, 2024
6.	State response to written "Questions & Comments"		April 3, 2024
7.	RFQ Response Deadline	2:00 p.m.	April 15, 2024
8.	RFQ Cost Proposal Opened (ONLY for the apparent successful Respondents)	2:00 p.m.	April 29, 2024
9.	RFQ Negotiations		April 30 – May 2, 2024
10.	State Notice of Intent to Award Released and RFQ Files Opened for Public Inspection		May 6, 2024
11.	End of Open File Period		May 13, 2024
12.	State sends contract to Contractor for signature		May 14, 2024
13.	Contractor Signature Deadline	2:00 p.m.	May 16, 2024

2. State responses to questions and comments in the table below amend and clarify this RFQ.

Any restatement of RFQ text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFQ document.

RFQ SECTION	PAGE #	QUESTION / COMMENT	STATE RESPONSE
		1 Please confirm that the State is only extending one contract for this RFQ and not separate ones for P&C and one for life, accident, and health?	Yes, that is correct.
		2 Please confirm that the required hours expected per month are 120 for P&C?	One hundred and twenty (120) hours is an estimation of the actuarial services relating to property and casualty insurance policies needed per month. This number of hours is not a maximum or minimum, nor is it guaranteed. Pursuant to this Amendment's Item 3 below, RFQ Section 1.1.2. has been revised to clarify this.
		3 May we obtain a copy of the last winning proposal for these services?	Yes, please see attached winning proposals attached in this Amendment 2's email correspondence. It will also be provided on the CPO website within the documents for this solicitation.
		4 Can you share the slides that you covered?	Yes, please see Pre-Response Conference Presentation that is attached in this Amendment 2's email correspondence. It will also be provided on the CPO website within the documents for this solicitation.
		5 Is the state open to considering proposals for individual lines of insurance, or are they seeking to contract with a single firm capable of reviewing all lines?	The State is seeking a single firm capable of reviewing all lines of insurance. It is permissible for the company to have P/C and LAH split within the organization.
		6 We do remain concerned about the combination of the two contracts, as well as the removal of all references to the Casualty Actuarial Society and the professional designations of FCAS and ACAS	Pursuant to this Amendment's Items 4, 5, 6 & 8 below, the RFQ and Pro Forma Contract have been revised to clarify that employees performing work under the RFQ's resulting contract concerning property and casualty insurance filings must be either an Associate of the Casualty Actuarial Society (ACAS) or a Fellow of the Casualty Actuarial Society (FCAS) and a Member of the American Academy of Actuaries (MAAA).
		7 Who is(are) the current vendor(s) performing the services listed in this RFP?	The current providers are INS Consultants, Inc. and the Burkhalter Group, Inc. INS Consultants, Inc. initially provided actuarial services for life, accident, and

			<p>health insurance. Due to some insurance products containing portions of multiple lines of business, (i.e., travel insurance) as of January 2024, INS Consultants, Inc. provides actuarial services for life, accident, health, property, and casualty insurance.</p> <p>The Burkhalter group provides actuarial services for property and casualty insurance.</p>
		8	<p>What is the length of time the current vendor(s) has(have) been providing these services to the State of Tennessee?</p> <p>INS Consultants, Inc. has provided life, accident, and health insurance actuarial services to the Department of Commerce and Insurance (the "Department") since 2012.</p> <p>The Burkhalter Group, Inc. has provided property and casualty insurance actuarial services to the Department since 2019.</p>
		9	<p>What other vendors have you used for the actuarial services listed in the RFP aside from the current vendor(s) and for how many years for each vendor?</p> <p>The Department of Commerce and Insurance (the "Department") has contracted with INS Consultants, Inc. for the provision of life, accident, and health insurance actuarial services since 2012.</p> <p>For property and casualty actuarial services, the Department contracted with:</p> <ul style="list-style-type: none"> - Select Actuarial Services, LLC for five (5) years, from July 1, 2009 – June 30, 2014; - Bickerstaff, Whatley, Ryan & Burkhalter, Inc. for five (5) years, from July 1, 2014, to June 30, 2019; and - The Burkhalter Group, Inc. for five (5) years from July 1, 2019, to June 30, 2024.
		10	<p>What is the current annual fee and rates per hour; and were the services provided for that fee and rates per hour consistent with the current RFP?</p> <p>The INS Consultants, Inc. ("INS") contract allows INS to charge two hundred thirty-five dollars (\$235.00) per hour to perform actuarial services; this fee was consistent from May 1, 2019, to April 30, 2024.</p> <p>The Burkhalter Group, Inc. ("Burkhalter") contract allowed Burkhalter to charge one hundred fifty-five dollars (\$155.00) per hour to perform actuarial services during the first year of the contract (July 1, 2019 – June 30, 2020); this fee increased annually by five dollars (\$5.00).</p> <p>In the previous RFQs, the rates provided were for all actuarial services listed in the Scope of Services; the rate was not divided into "Actuarial Analysis", "Expert Witness Testimony", and "Special Studies and Training", as it is in the current RFQ.</p>

		11 This RFP combines actuarial support for Life, A/H and P&C. Why is it a combined RFP versus the separate RFPs that were issued in the past?	There are several factors that played into this decision. Both contracts run for terms of five (5) years, this decision eases the procurement process. This also streamlines all the monthly administration duties (budget tracking, submission of invoices, etc.). Additionally, the State intends to hire several in-house actuaries within the next several months. The contract actuaries will work in conjunction with the in-house actuaries.
		12 In Attachment B, section B.15 addresses commitment to diversity. Is there a target Disadvantaged Business Enterprise Goal for this RFP? If so, what is it? If there is not a specific target, is there any advantage given to proposals from DBEs?	Commerce & Insurance has a small goal of 4% diversity goal. However, there is no mandate or set-aside for the RFQ. Although there is no specific points per question in Section B, the B.15 area is included with other questions in Section B that has an overall point value.
General		13 Is there an incumbent Health actuarial consultant? If so, what service(s) are being provided by the incumbent, what are the hours, hourly rates and total fees for these services for the past three years? Is the incumbent eligible to participate in this RFP process?	<p>Please note the Department does not receive split invoices for health and life reviews, the information below is reflective of all life, accident, and health products received in the past thirty-six (36) pay periods.</p> <p>INS Consultants, Inc. ("INS") currently provides actuarial services for life, accident, and health insurance. Within the INS team there are certain actuaries who handle specific lines of business.</p> <p>What service(s) are being provided by the incumbents: Actuarial Services</p> <p>Number of hours over past 3 years: 5,886 hours</p> <p>Hourly rate: \$235.00</p> <p>Total Fees: \$1,383,444.50</p> <p>Yes, the incumbent is eligible to participate in this RFQ process.</p>
General		14 Is there an incumbent Life actuarial consultant? If so, what service(s) are being provided by the incumbent, what are the hours, hourly rates and total fees for these services for the past three years? Is the incumbent eligible to participate in this RFP process?	Please see the State's response to question #13.
General		15 Is there an incumbent Property/Casualty actuarial consultant? If so, what service(s) are being provided by the incumbent, what are the hours, hourly rates and	The Burkhalter Group, Inc. and INS Consultants, Inc. currently provide actuarial services for property and casualty insurance.

		total fees for these services for the past three years? Is the incumbent eligible to participate in this RFP process?	<p>What service(s) are being provided by the incumbents: Actuarial Services</p> <p>Number of hours over past 3 years:</p> <ul style="list-style-type: none"> - INS Consultants, Inc.: 6 hours - The Burkhalter Group, Inc.: 2,099 hours <p>Hourly rate:</p> <ul style="list-style-type: none"> - INS Consultants, Inc.: \$235.00 - The Burkhalter Group, Inc.: <ul style="list-style-type: none"> o 7/1/2019 – 6/30/2020: \$155 o 7/1/2020 – 6/30/2021: \$160 o 7/1/2021 – 6/30/2022: \$165 o 7/1/2022 – 6/30/2023: \$170 o 7/1/2023 – 6/30/2024: \$175 <p>Total Fees:</p> <ul style="list-style-type: none"> - INS Consultants, Inc.: \$1,410 - The Burkhalter Group, Inc.: \$325,393.75 <p>Yes, the incumbents are eligible to participate in this RFQ process.</p>
General		16 How often will the State require work to be conducted on-site?	<p>On the Property and Casualty side, there is a minimum of one (1) on-site visit. This on-site visit is in the fall for the Workers Compensation Advisory Board. The company will present and defend their actuarial analysis to the board.</p> <p>Beyond the minimum one (1) on-site visit, the Department would like to set up other on-site visits.</p>
General		17 If the required work is to be conducted on-site, does the State expect the Contractor to travel to execute the tasks as described in the RFP?	<p>If there is work necessary on-site, the contractor is expected to travel to the Department to execute tasks as described in the RFQ.</p>
General		18 The RFQ does not specify a requirement for the P&C work to be done by a Fellow or Associate of the Casualty Actuarial Society. Fellows/Associates of the Society of Actuaries are unlikely to have the proper qualifications to perform P&C work. Please clarify this requirement.	<p>Please see the State's response to question #6.</p>

General	19	For item A.4, will the State accept printouts from www.actuarialdirectory.org ? Per the directory, "The Directory of Actuarial Memberships helps you find actuaries, whether you are an actuary or you are seeking an actuary's expertise. You can conduct a simple or advanced search and see results in multiple ways including my map. The Directory is comprised of actuaries from the following organizations: Society of Actuaries, American Academy of Actuaries, American Society of Pension Professionals & Actuaries, Canadian Institute of Actuaries, Casualty Actuarial Society, and Conference of Consulting Actuaries."	This is permissible.
Scope	20	As a part of A.3, what is the State's estimated number of Accident & Health filings for review each year?	Over the past year, we assigned 205 filings to our actuaries.
Scope	21	As a part of A.3, what is the State's estimated number of Property and Casualty filings for review each year?	Over the past year, we assigned 110 filings to our actuaries.
Scope	22	As a part of A.3, what is the State's estimated number of Life filings for review each year?	The Department is not able to separate out life filings from the data included in the State's response to questions #20 and #21.
Scope	23	A.6 specifies creating actuarial reports for Property and Casualty only. Does the State need reports for Accident & Health?	The actuarial reports contemplated in Pro Forma Contract Section A.6. are only required for property and casualty insurance. However, the Contractor will be required to create reports/memos after reviewing LAH and PC filings. Pursuant to this Amendment's Item 7 below, Pro Forma Contract Section A.3. has been revised to clarify the need for post-filing memos/reports.
Scope	24	A.6 specifies creating actuarial reports for Property and Casualty only. Does the State need reports for Life?	Please see the State's response to question #23.
Scope	25	As a part of A.3, please clarify what kind(s) of life filings are requested for review. Is it individual and annuity insurance?	Tennessee is a member of the IIPR (interstate insurance compact), so a lot of applicable filings are sent directly to the compact, however, Tennessee does receive a lot of non-compact filings including individual and annuity products.

Scope	26	<p>A.4 states: “The Contractor shall ensure that any employee performing work under this Contract is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA). All Actuarial Services must be performed in accordance with applicable laws, regulations, and standards of practice.”</p> <p>Please clarify that the Contractor may have employees who are seeking to obtain actuarial credentials with the Society of Actuaries, American Academy of Actuaries, or Casualty Actuarial Society perform work.</p>	<p>It is permissible for noncredentialed individuals to review filings. However, it is critical that a credentialed actuary review all work prior to submission to the state.</p>
Scope	27	<p>Please confirm any communications with insurers during the analysis will be made through the Director as the main point of contact.</p>	<p>The contractor will be responsible for submitting objections in the Systems for Electronic Rate & Forms Filing (“SERFF”). However, the Director or assigned Department of Commerce and Insurance analyst will always remain as the point of contact for communications. The actuary should never meet with the company or communicate without the Department of Commerce and Insurance copied/present. Correspondence between the actuary and the company should be limited to SERFF.</p>
Scope	28	<p>What types of manuals and guidelines have you typically asked your service providers to review in the past? What other types of data will be provided for each entity? What format will it be provided in?</p>	<p>The Insurance Policy Analysis Section (the “Section”) of the Department of Commerce and Insurance has created a robust guidebook for Property and Casualty lines of business, this can be given to the contractor. We will also provide links to statutes, rules, regulations, and bulletins.</p> <p>The Life, Accident and Health unit has been developing a filing guidebook which the Section can share. We will also provide links to statutes, rules, regulations, and bulletins.</p>
Scope	29	<p>Is the previous actuarial work product public information and can it be made available for review?</p>	<p>All filings are public in the Systems for Electronic Rate & Forms Filing (“SERFF”), which can be accessed at this link: https://filingaccess.serff.com/sfa/home/TN</p> <p>If there are any issues accessing this information, please let the Solicitation Coordinator know and examples can be provided.</p>

Payment Terms and Conditions		30 Please confirm that the State is requesting one rate for all personnel proposed for each service description in Section C.3.b.	Yes, the State is requesting one rate for all personnel proposed for each service description in Section C.3.b.
Payment Terms and Conditions		31 Please confirm that the Contract is a Time & Materials contract.	<p>The contractor will be compensated according to the payment methodology listed in C.3. of the RFQ's Pro Forma Contract (RFQ Attachment G).</p> <p>The rates submitted by the Respondent in the Cost Proposal should take all applicable materials and equipment needed to perform the services into account.</p>
		32 Is the omission of Casualty Actuarial Society credentials as a qualification option deliberate? The RFQ states "The Contractor shall ensure that any employee performing work under this Contract is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA)." Virtually all property & casualty work in the United States is performed by members of the Casualty Actuarial Society, not the Society of Actuaries. Requiring an actuary with an ASA or an FSA designation to review property & casualty rate filings would eliminate virtually all candidates in the United States. While the CAS membership numbers around 10,000, a search of the Society of Actuaries website showed 42 actuaries nationwide with the RFQ's required designation and experience in "general insurance" (i.e., property & casualty).	Please see the State's response to question #6.
		33 Would the Procurement Office consider splitting the contracts into the two former contracts? Combining the contracts once again greatly reduces the Department's choices of qualified actuaries, eliminating exclusively-life/health/pension firms and exclusively-property/casualty firms.	No, the Department will not split the RFQ into two (2) contracts.

	34	<p>Question regarding Section A.4. of the contract. A.4. includes the following language: The Contractor shall ensure that any employee performing work under this Contract is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA). All Actuarial Services must be performed in accordance with applicable laws, regulations, and standards of practice.</p> <p>Property and casualty filings would normally be reviewed by a member of the Casualty Actuarial Society, and would the state consider modifying the request that any employee performing work under this Contract for property and casualty filings be either an Associate of the Casualty Actuarial Society (ACAS) or a Fellow of the Casualty Actuarial Society (FCAS) and a Member of the American Academy of Actuaries (MAAA)?</p>	Please see the State's response to question #6.
	35	<p>Question regarding Section A.4. of the contract. A.4. includes the following language: The Contractor shall ensure that any employee performing work under this Contract is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA). All Actuarial Services must be performed in accordance with applicable laws, regulations, and standards of practice.</p> <p>Does the language in Section A.4. mean that all aspects of work such as intake, drafting, and organizing of work must be done by a credentialed actuary?</p>	Please see the State's response to question #26.
	36	<p>Section 1.1.2 of the RFQ Introduction indicates that "costs will not be evaluated for the services this RFQ intends to procure." Later in the RFQ, Item 3.1.4 of the Response Requirements section indicates that a Cost Proposal is only required "if included as part of the solicitation." There is a cost proposal document on page 23 of the RFQ document. Does that mean that a Cost Proposal should be submitted with the proposal?</p>	Yes. Cost will not be evaluated as part of determining Contract award, respondents meeting the competitive range identified in RFQ section 5.2. will have their cost proposals opened and reviewed, see RFQ section 5.3. and 5.4.

		<p>37 If a cost proposal is required with the proposal, is it acceptable to provide several tiers of pricing for each category (Actuarial Services, Expert Witness Testimony, Special Studies and Training)? For instance, can different rates be provided for a credentialed actuary and an actuarial analyst? Different types of filings may need different levels of expertise in their review. For instance, a long term care or a P&C complex model filing may require that most of the work is performed by a more experienced actuary.</p>	<p>No. Please see RFQ section 3.1.4.1. and 3.1.4.2.</p>
		<p>38 Section 1.1 of the RFQ Introduction describes providing services related to life, accident, health, property, and casualty insurance policies. However, item A4 of the Scope section has the following language: <i>"The Contractor shall ensure that any employee performing work under this Contract is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA). All Actuarial Services must be performed in accordance with applicable laws, regulations, and standards of practice."</i></p> <p>Typically, SOA-credentialed actuaries are associated with life, accident, and health insurance while Casualty Actuarial Society (CAS) actuaries typically are associated with property and casualty insurance. We understand that the SOA now provides a general insurance track; however, most property and casualty actuaries are still credentialed by the CAS. Are CAS-credentialed actuaries allowed to work on this project?</p>	<p>Please see the State's response to question #6.</p>
		<p>39 In the Scope of Services section of the RFQ document, item A3 describes analyzing and reviewing rate and form filings. Item A7 describes auditing rate and form filings. Are these two items different services? If so, please elaborate on the differences between A3 and A7.</p>	<p>Reviewing and auditing filings are used synonymously at the Department.</p>

		40 Pages 6 and 7 of the RFQ document describe submitting the proposal via paper and via e-mail. Do we have the option of submitting via email only, or is there a need to send both paper and email versions?	Yes, respondents can provide their response via email only. See RFQ section 3.3.2. A Respondent must submit their response as specified in one of the two formats below .
		41 We were unable to attend the Pre-Response Conference held on March 8. Is there a recording of that Conference available?	No. The Pre-Response Conference was not recorded. Please also see response to Question #4.
		42 Who is the incumbent providing the same services described in this RFQ to the Division of Insurance? For how many years have they been the provider?	Please see the State's response to question #7 and #8.
		43 Approximately how many filings do you expect to have for review in a year in the following categories? 1. Rate increases - Long Term Care 2. Rate increases – All Other Health 3. Life and health - New product filings 4. Property and casualty – personal lines 5. Property and casualty – non-NCCI commercial lines	Currently, the Department does not have a way to pull this information and provide a reliable estimate of the requested filings. Respondent's are encouraged visit Tennessee's Systems for Electronic Rate & Forms Filing ("SERFF") site and view the various filings stored there.
		44 Is it possible to provide a distribution of filings by SERFF TOI reviewed in a typical year?	Tennessee's Systems for Electronic Rate & Forms Filing ("SERFF") site is entirely public. The Department encourages the applicants to review the website. The SERFF site can be accessed at here: https://filingaccess.serff.com/sfa/home/TN
		45 Section A.4. of the Pro Forma Contract states, "The Contractor shall ensure that any employee performing work under this Contract is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA)." However, property and casualty services are also listed in the Scope section of the contract as well as elsewhere in the RFP. Given this, please confirm that Fellows and Associates of the Casualty Actuarial Society (FCAS/ACASs) are also required under this contract and in our RFP response along with FSA/ASAs.	Please see the State's response to question #6.

3. Delete RFQ section 1.1. (Statement of Procurement Purpose) in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

1.1. **Statement of Procurement Purpose**

The Policy Analysis Section of the Division of Insurance of the Department of Commerce and Insurance (the "Department") intends to procure one (1) contract for the provision of actuarial services related to the valuation of life, accident, health, property, and casualty insurance policies. The Contractor of the resulting contract shall also provide related services, such as representing the Department as an expert witness at rate hearings and analyzing proposed, pending, and recently enacted state and federal laws and regulations relating to insurance.

- 1.1.2. Pursuant to Tennessee Code Annotated §12-3-103(a), contracts for services by professional persons with high ethical standards shall not be based upon competitive procurement methods but shall be awarded based on the basis of recognized competence and integrity. Accordingly, costs will not be evaluated for the services this RFQ intends to procure.

Based on historical data, during the Term of the resulting contract the Contractor will be expected to provide approximately two hundred and thirty (230) hours of actuarial services relating to life, accident, and health insurance policies per month. The Contractor will also be expected to provide approximately one hundred and twenty (120) hours of actuarial services relating to property and casualty insurance policies per month. Note, one hundred and twenty (120) hours is an estimation of the actuarial work needed per month. This number of hours is not a maximum or minimum, nor is it guaranteed.

Further, the Contractor will be expected to represent the Department as an expert witness at rate hearings only as required by the Tennessee General Assembly. In addition, the Contractor will be expected to assist in special studies and training consistent with the State's regulatory and oversight functions as to the operation of insurance companies in the State of Tennessee for less than ten (10) hours per year.

4. Delete RFQ section 1.4. (Definitions and Abbreviations) in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

1.4. **Definitions and Abbreviations**

TERM	DEFINITION
Actuarial Services	Services employed to assess the rate and form filings submitted by insurance companies operating in the state of Tennessee to determine compliance with applicable State and Federal laws and regulations. Actuarial Services are performed using the Actuarial Standards of Practice set by the Actuarial Standards Board.
Actuarial Standards of Practice or "ASOPs"	The standards set by the Actuarial Standards Board for appropriate actuarial practice in the United States through the development and promulgation of Actuarial Standards of Practice (ASOPs). These ASOPs describe the procedures an actuary should follow when performing actuarial services and identify what the actuary should disclose when communicating the results of those services.

<p style="text-align: center;">Audit Services</p>	<p>Services employed to analyze the rate reported in an insurance rate and form filing to determine if the rate is excessive, inadequate, or unfairly discriminatory, as defined by Tenn. Code Ann. § 56-5-103.</p>
<p style="text-align: center;">Associate of the Casualty Actuarial Society or “ACAS”</p>	<p>The professional designation conferred by the Casualty Actuarial Society to an individual who has met certain requirements and has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk, primarily in the property and casualty insurance industry.</p>
<p style="text-align: center;">Associate of the Society of Actuaries or “ASA”</p>	<p>The professional designation conferred by the Society of Actuaries to an individual who has met certain requirements and has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk.</p>
<p style="text-align: center;">Fellow of the Casualty Actuarial Society or “FCAS”</p>	<p>The highest professional designation conferred by the Casualty Actuarial Society to an individual who has met certain requirements and has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk, primarily in the property and casualty insurance industry.</p>
<p style="text-align: center;">Fellow of the Society of Actuaries or “FSA”</p>	<p>The professional designation conferred by the Society of Actuaries to an individual who has met certain requirements and has demonstrated a knowledge of the business environments within which financial decisions concerning pensions, life insurance, health insurance, general insurance and investments are made, including the application of mathematical concepts and other techniques to the various areas of actuarial practice.</p>
<p style="text-align: center;">Member of the American Academy of Actuaries or “MAAA”</p>	<p>The designation held by an individual that is a member of the American Academy of Actuaries, which is a professional association that provides analysis to aid in public policy creation, advances the status of the actuarial profession, and sets standards of integrity and competence for actuaries.</p>

5. Delete RFQ Attachment A, Section A (Mandatory Requirement Items) in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

TECHNICAL RESPONSE & EVALUATION GUIDE

All Respondents must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). All Respondents must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review all responses to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Solicitation Coordinator must review the responses and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFQ requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Technical Response must be delivered to the State no later than the Technical Response Deadline specified in the RFQ § 2, Schedule of Events.	
		The Technical Response must not contain cost or pricing information of any type.	
		The Technical Response must not contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must not submit alternate responses.	
		A Respondent must not submit multiple responses in different forms (as a prime and a subcontractor).	
	A.1.	Provide the Statement of Certifications and Assurances (RFQ Attachment E) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFQ and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall perform work under the contract has a possible conflict of interest (e.g., employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Respondent maintains a satisfactory business relationship with the financial institution. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.	
	A.4.	For each individual listed on the Respondent's personnel roster provided in accordance with Attachment B – Item 13 who will perform actuarial services concerning life, accident, and health insurance	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		<p>filings, provide a copy of the appropriate certificate(s) demonstrating that each individual holds the following professional designations:</p> <ul style="list-style-type: none"> ▪ Associate of the Society of Actuaries (ASA); OR Fellow of the Society of Actuaries (FSA) AND ▪ Member of the American Academy of Actuaries (MAAA) 	
	A.5.	<p>For each individual listed on the Respondent's personnel roster provided in accordance with Attachment B – Item 13 who will perform actuarial services concerning property and casualty insurance filings, provide a copy of the appropriate certificate(s) demonstrating that each individual holds the following professional designations:</p> <ul style="list-style-type: none"> ▪ Associate of the Casualty Actuarial Society (ACAS); OR Fellow of the Casualty Actuarial Society (FCAS) AND ▪ Member of the American Academy of Actuaries (MAAA) 	
<p><i>State Use – RFQ Coordinator Signature, Printed Name & Date:</i></p>			

6. Delete Section A.2. of the Pro Forma Contract (RFQ Attachment G) in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

- A.2. Definitions. For purposes of this Contract, definitions shall be as follows and as set forth in the Contract:
- a. "Actuarial Services" means services employed to assess the rate and form filings submitted by insurance companies operating in the state of Tennessee to determine compliance with applicable State and Federal laws and regulations. Actuarial Services are performed using the Actuarial Standards of Practice set by the Actuarial Standards Board.
 - b. "Actuarial Standards of Practice" or "ASOPs" means the standards set by the Actuarial Standards Board for appropriate actuarial practice in the United States through the development and promulgation of Actuarial Standards of Practice (ASOPs). These ASOPs describe the procedures an actuary should follow when performing actuarial services and identify what the actuary should disclose when communicating the results of those services.
 - c. "Advisory Council on Workers' Compensation" or "Advisory Council" means the Board that exist to provide information, research and recommendations concerning workers' compensation issues to the Tennessee General Assembly, the Department of Commerce and Insurance, and the Department of Labor and Workforce Development.

- d. "Associate of the Casualty Actuarial Society" or "ACAS" means the professional designation conferred by the Casualty Actuarial Society to an individual who has met certain requirements and has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk, primarily in the property and casualty insurance industry.
 - e. "Associate of the Society of Actuaries" or "ASA" means the professional designation conferred by the Society of Actuaries to an individual who has met certain requirements and has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk.
 - f. "Audit Services" means services employed to analyze the rate reported in an insurance rate and form filing to determine if the rate is excessive, inadequate, or unfairly discriminatory, as defined by Tenn. Code Ann. § 56-5-103.
 - g. "Business Days" means traditional workdays, including Monday, Tuesday, Wednesday, Thursday, and Friday. State Government Holidays are excluded.
 - h. "Commissioner" means the Commissioner of the Tennessee Department of Commerce and Insurance.
 - i. "Director" means the Director of the Policy Analysis Section of the Insurance Division of the Tennessee Department of Commerce and Insurance.
 - j. "Fellow of the Casualty Actuarial Society" or "FCAS" means the highest professional designation conferred by the Casualty Actuarial Society to an individual who has met certain requirements and has demonstrated knowledge of the fundamental concepts and techniques for modeling and managing risk, primarily in the property and casualty insurance industry.
 - k. "Fellow of the Society of Actuaries" or "FSA" means the professional designation conferred by the Society of Actuaries to an individual who has met certain requirements and has demonstrated a knowledge of the business environments within which financial decisions concerning pensions, life insurance, health insurance, general insurance and investments are made, including the application of mathematical concepts and other techniques to the various areas of actuarial practice.
 - l. "Holidays" mean the days on which official holidays and commemorations, as defined in Tenn. Code Ann. § 15-1-101 *et seq.*, are observed.
 - m. "Member of the American Academy of Actuaries" or "MAAA" means the designation held by an individual that is a member of the American Academy of Actuaries, which is a professional association that provides analysis to aid in public policy creation, advances the status of the actuarial profession, and sets standards of integrity and competence for actuaries.
 - n. "National Council on Compensation Insurance" or "NCCI" means the United States rating and data collection bureau specializing in statistical data relating to workers' compensation.
- 7. Delete Section A.3. of the Pro Forma Contract (RFQ Attachment G) in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**
- A.3. The Contractor shall provide actuarial and related services for insurance rate and form filings to determine compliance with applicable laws, regulations, and actuarial standards of practice as assigned by the Director of the Policy Analysis Section of the Insurance Division, Department of Commerce and Insurance (the "Director"). Services shall include, but are not limited to the following:

- a. Analyzing life, accident, and health rate and form filings to determine compliance with applicable Tennessee and Federal laws and regulations relating to the requirements for effective rate review, including but not limited to, analysis of rate and data templates, impact of geographic factors and changes within a single risk pool **and creating a memo summarizing the findings of each analysis;**
- b. Analyzing property and casualty rate and form filings and predictive models to determine compliance with applicable Tennessee laws and regulations and actuarial standards of practice **and creating a memo summarizing the findings of each analysis;**
- c. Providing timely review, analysis, and recommendations concerning proposed, pending, and recently enacted state and federal laws and regulations relating to life, accident, health, property, and casualty insurance;
- d. Providing expert testimony concerning actuarial and funding issues at rate hearings and in judicial, legislative, and other proceedings, as requested by the State;
- e. Assisting in special studies and training consistent with the State's regulatory and oversight functions as to the operation of insurance companies in the State of Tennessee; and
- f. Preparing estimates, prospective work plans, and budget(s) in response to specific requests by the State for Actuarial Services.

8. Delete Section A.4. of the Pro Forma Contract (RFQ Attachment G) in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

A.4. The Contractor shall ensure that any employee performing work under this Contract **concerning life, accident, and health insurance filings** is either an Associate of the Society of Actuaries (ASA) or a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA).

The Contractor shall ensure that any employee performing work under this Contract concerning property and casualty insurance filings is either an Associate of the Casualty Actuarial Society (ACAS) or a Fellow of the Casualty Actuarial Society (FCAS) and a Member of the American Academy of Actuaries (MAAA).

All Actuarial Services must be performed in accordance with applicable laws, regulations, and standards of practice.

9. RFQ Amendment Effective Date. The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFQ not expressly amended herein shall remain in full force and effect.