

## NYC Office of the Actuary OPEB RFP

### Bidder Questions

1. Please provide the most recent copies of the experience study.  
**Response:** The most recent experience study is posted here:  
<https://www.nyc.gov/site/actuary/reports/reports.page>
  
2. How much in total has been paid to the incumbent in the last 3 years?  
**Response:** Approximately \$1.5 million total
  
3. Were there any special projects or analyses required over the last 3 years that impacted the fees? If so, please briefly identify and describe.  
**Response:** A gain/loss analysis by system for the OPEB valuation, customized mortality improvement scale study, and assistance with development of a social security offset calculator. Past consultant work, however, does not necessarily predict future work.
  
4. What were the fees charged for the OPEB valuation work for the last 3 years?  
**Response:** Approximately \$1.4M in total for all 3 years. This includes the gain/loss analysis and Proval sub-lease fee.
  
5. What were the fees charged for the Pension consulting work the last 3 years?  
**Response:** \$0
  
6. Approximately when is the data provided for the OPEB valuation?  
**Response:** Late April to Early May
  
7. Are there additional points awarded to firms that partner with a certified MBE/WBE to complete this work? If so, how many?  
**Response:** We do take into consideration proposed MBE/WBE vendors and partners, but there are no predetermined additional points for such proposals.
  
8. Our firm prefers to contract for actuarial services with a limit on liability for ordinary mistakes. However, we accept unlimited liability for: (i) willful, fraudulent, or criminal misconduct, (ii) breach of the confidentiality provisions; and (iii) bodily injury, including death, or damage to tangible personal or real property incurred while performing the Services and to the extent caused by the negligent or willful acts or omissions of our

personnel. Please confirm that the City is willing to negotiate a prudent amount of potential payment that is acceptable to both parties, with exceptions noted.

**Response:** Please refer to Appendix E in the RFP. Insurance coverage and liability may, to some extent and upon approval of the Corporation Counsel, be negotiated.

9. Section 2 – Instructions, Proposal Requirements, Item 4 states: “Proposal must include OPEB valuation, an optimal ProVal sub-lease, and actuarial and OPEB consulting services.” Could you please provide clarification on the “optional Proval sub-lease” requirement?

**Response:** The OA requires the ability to sub-lease Proval from the winning bidder rather than lease it directly from WinTech.

10. Over the course of the most recent contract how many fiscal notes were prepared?

**Response:** The OA has prepared approximately 55 to 75 fiscal notes per year for each of the last 4 years.

11. Will the OA provide an example of a fiscal note analysis?

**Response:** If selected as a finalist the OA can share examples.

12. The Inflation Reduction Act of 2022 (IRA) made material changes to the Medicare Part D program and pricing for prescription drugs under Medicare Part D plans.

- a. Will the proposer be required to develop cost estimates for the impact of the Inflation Reduction Act?

**Response:** The City does not subsidize prescription drug coverage for employees or retirees so there is no prescription drug liability included in the OPEB liability. The selected bidder would, however, be expected to estimate the impact to the OPEB liability of any new or existing legislation.

- b. Will OA be developing revised healthcare cost trend rates to reflect the IRA or will that be the responsibility of the proposer?

**Response:** The selected bidder would be expected to recommend a valuation trend assumption that reflects the impact of any new or existing legislation as well as any other relevant factors (such as inflation).