

**Embassy of the United States  
Avigiras E12-170 y Eloy Alfaro  
Quito, Ecuador**

May 31, 2012

To: Potential Offerors

Subject: Answers to questions posed by potential offerors.

The purpose of this memorandum is to answer questions and clarify some points that pertain to solicitation SEC750-12-R-0001:

Question 1. Is this a new requirement? Answer 1. No, this is not a new requirement but rather a follow-on contract.

Question 2. Who is the incumbent contractor and what is the current contract number? Answer 2. The incumbent contractor is Interoceanica, C.A. Seguros y Reaseguros, and the contract number is SEC750-08-C-0001.

Question 3. What time zone is Embassy Quito in? Answer 3. Quito is in the Bogota, Colombia time zone.

Question 4. Is the Embassy currently working with an insurance broker. Answer 4, No, the Embassy is not working with a broker and does not enter into contractors with insurance brokers. The Embassy will enter into a contract with an insurance firm.

Question 5. Is it possible to submit two independent proposals or maybe just one of them? Answer 5, Interested firms are directed to read paragraph M. 7. Price Evaluation, which states that the structure of the award(s) may be one or two awards (health and life insurance, or either health or life). Regardless of the award structure, this requirement is for both types of insurance.

Question 6. Is there an age limit for health insurance? Question 6, no there is not an age limit for health insurance. Retirees will be covered for life.

Question 7. What is the structure of the current plan versus what is in the solicitation package?

Answer 7. The structure of the previous plan versus what is required presently is listed below:

CURRENT CONTRACT	NEW CONTRACT
US\$32,500 per year per illness for employee and each dependant	US\$57,600 per year for employee and each dependant
deductible: US\$55	no deductible

Hospitalization, prescription drugs, professional services and treatment: 80/20%	Hospitalization, prescription drugs, professional services and treatment: 100%
Dental: US\$32.000 per year for employee and each dependant	Dental: US\$2000 per year for employee and each dependant

Question 8. Is there a list of employees? Answer 8. A list of employees and dependents was provided under Section J. of the solicitation in the form of an Xcel spreadsheet, called "Employee Statistics." Please refer to Section J. of solicitation SEC750-12-R-0001.

Question 9. What is the loss rate information for the past three years? Answer 9. Loss rate information for the past three years is provided below.

**EMBASSY EMPLOYEES**

Year	Premiums Paid	Claims Paid	Loss Record on Life	Health Premiums	Health claims	loss record on health
2008-2009				419,059.41	181,335.85	43.00%
2009-2010				453,322.64	221,963.68	48.96%
2010-2011				508,597.98	303,022.66	59.58%
2011-2012	136875.42	74097.43	54%	743,713.11	536,642.10	72.16%

**RETIREES**

Year	Life Premiums Paid	Life Claims Paid	Loss Record on Life	Health Premiums	Health claims	loss record on health
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2008-2009	-	-	-	121,525.85	101,951.18	83.89%
2009-2010	-	-	-	123,308.04	143,941.13	116.73%
2010-2011	-	-	-	139,985.28	195,556.25	139.70%
2011-2012	3,437.01	50,336.91	1464.56%	128,797.80	218,082.38	169.32%

Question 10. What are the current rate charges for each line of coverage? Answer 10. The current rate charges for each line of coverage are the following:

Rates per pay period (26 per year) health:

HLTH INS.W/F	100.51
HLTH INS.WO/F	33.50

Rates life factors use base salary for calculations:

LIFE INSURANCE FACT.	0.0114
LIFE INS. MIN. COVER.	4,000.00
LIFE INS. MAX. COVER.	132,250.00

Question 11. Is the life and disability coverage only for active employees and dependents? Answer 11. The life and disability coverage are only for active employees and retirees. Dependents are not included in this type of coverage.

The point of contact for additional information is Contracting Officer, Ramon Best, who can be contacted via email [bestre@state.gov](mailto:bestre@state.gov) or telephone, 593-2398-5106.

Sincerely,  
(Signed)  
Ramon E. Best  
Contracting Officer