



## REQUEST FOR PROPOSALS

**HEALTH PLAN ADMINISTRATION FOR MEDICAL, PHARMACY, DENTAL, VISION, COBRA, FLEXIBLE SPENDING ACCOUNTS, AND STOP LOSS RFP**

**SOLICITATION NO: R-14-004-MF**

**ADDENDUM #1 | April 21, 2014**

CHANGE TO OBJECTIVE: REQUEST FOR QUALIFICATIONS

The following file – “*Health Plan Administration RFP Questionnaire.xls*” is to be deleted in its entirety and replaced with the following file - “*Add-1\_ Health Plan Administration RFP Questionnaire-042114.xls*”.

The file will be listed as Supplemental information on the website. The file contains a new pre-formatted tab entitled Explanation, as well as modifications to Section II question 15 on both the Standalone Pricing and Bundles Pricing Tabs. Vendors should use their 2013 MAC list.

The following data (contained in various data files) are being added to the solicitation and will be listed as Supplemental information on the website. The documents are as follows:

- Census
  - *Add-1\_Census with Medicare Indicator.xls*
  
- Claims and Enrollment experience
  - *Add-1\_SAWS Dental Disruption.xlsx*
  - *Add-1\_Enrollment\_Disenrollment Report.xlsx*
  - *Add-1\_Rx\_2013\_Claims\_Detail.xlsx*
  - *Add-1\_Vision Claims Reporting.pdf*
  
- Benefit Summaries for all plans
  - *Add-1\_2014 SAWS Caremark Prescription Drug Benefits Summary.docx*

END CHANGE TO OBJECTIVE: REQUEST FOR QUALIFICATIONS

CHANGE TO NETWORK DISRUPTION: REQUEST FOR QUALIFICATIONS

Add the following paragraph at the end of the section:

“SAWS is requesting vendors bidding on dental administration complete a network disruption analysis. The file “*Add-1\_SAWS Dental Disruption.xlsx*” contains historical dental provider utilization to facilitate the network disruption analysis. Bidders should complete and attach an excel file of the dental network disruption results and name the file: **[Your Organization's Name]\_Dental Disruption.**

END CHANGE TO NETWORK DISRUPTION: REQUEST FOR QUALIFICATIONS

No other items, dates, or deadlines for this RFP are changed.

END ADDENDUM #1

**SOLICITATION NO: R-14-004-MF**  
**Health Plan Administration for Medical, Pharmacy, Dental, Vision, COBRA,**  
**Flexible Spending Accounts, and Stop Loss**  
**QUESTIONS AND ANSWERS**  
**April 21, 2014**

**1. Questions concerning the above RFP who is currently the agent of record.**

The Hay Group is the benefits consultant on contract to SAWS and is assisting with all aspects of this RFP process including the development and evaluation.

**2. Is this a public bid for other broker's to quote or are you using The Hay Group as the exclusive consultant?**

Please refer to response to Question #1.

**3. The Excel Health Plan Administration RFP Questionnaire.xls indicates that the proposal responses must be submitted via a single electronic submission by 2:00 p.m. on May 5. If electronic submissions are received by the requested date and time, is it permissible for the hard copies requested in the RFP instructions in 2014 Health Benefits RFP Final.pdf to follow and be delivered on Tuesday, May 6? Or, are both hard copy and electronic submissions due by Monday, May 5 at 2:00 PM?**

Both hard copy and electronic submissions are due by Monday, May 5<sup>th</sup> at 2:00 p.m. Central Time.

**4. On the pricing tabs, you ask "Please provide a listing of the top twenty-five most frequently utilized retail generic drugs on your proposed MAC in 2011. For these top drugs please provide the 11-digit NDC #, drug name and potency, the undiscounted AWP and the MAC price per 100 as of 1/1/13 and the total number of drugs dispensed in 2013." Please clarify if you want us to use our 2011 MAC list or our 2013 MAC list?**

Vendors should use their 2013 MAC list. In both the Standalone Pricing and Bundled Pricing tabs, Section II question 15 on the "*Health Plan Administration RFP Questionnaire.xls*" should read:

"Please provide a listing of the top twenty-five most frequently utilized retail generic drugs on your proposed MAC in **2013**. For these top drugs please provide the 11-digit NDC #, drug name and potency, the undiscounted AWP and the MAC price per 100 as of 1/1/13 and the total number of drugs dispensed in 2013".

The revised file, entitled "*Add-1\_ Health Plan Administration RFP Questionnaire-042114.xls*" has been provided under Supplemental Information.

**5. Will SAWS provide bidders with a copy of your current RX plan design?**

The following file has been provided as part of the responses to bidders' questions: "2014 SAWS Caremark Prescription Drug Benefits Summary.docx".

**6. In order to help prepare our financial offer, will SAWS provide a detailed claims data (preferably 12 months) during the initial RFP phase, as opposed to the finalist phase?**

The following file has been provided as part of the responses to bidders' questions: "Rx 2013 Claims Detail.xlsx".

**7. Can we expect an Rx claims file for SAWS as part of the RFP? I did not see this posted on the website and Prime is requesting in order to provide financials, we will need a 12 month claims file with the following information:**

- 1) **Date of Service**
- 2) **11 digit NDC number of the drug product**
- 3) **NABP Number of the Pharmacy**
- 4) **Metric Quantity**
- 5) **Mail / Retail Indicator**
- 6) **Specialty Indicator**
- 7) **Days Supply**
- 8) **Formulary Indicator**

The following file has been provided as part of the responses to bidders' questions: "Rx 2013 Claims Detail.xlsx"

**8. Can you provide a full pharmacy claim file with the following information so that we can respond to the RFP.**

- **Claim Information by Drug dispensed for a 12 month period (note period)**
- **Average employee counts and members for claim information provided**
- **Date of Service**
- **National Drug Code (NDC) = 11 digit number**
- **NABP (Pharmacy) Number**
- **Quantity Dispensed**
- **Days' Supply**
- **Retail/Mail Indicator**
- **Brand/Generic Indicator**

Please refer to response to Question #7 above.

**9. Please provide a copy of the pharmacy plan designs.**

The following file has been provided as part of the responses to bidders' questions: "2014 SAWS Caremark Prescription Drug Benefits Summary.docx".

**10. We are working on this RFP and we are needing more information regarding Self-funded Prescription Drug with CVS Caremark. Can you send us any information on the prescription drug benefits for this group? Please send as soon as possible.**

Please refer to responses to Questions #7 and #9 above.

**11. Are your rebates currently being paid within 90 days after the end of each quarter?**

Yes.

**12. You mention both a 4-year bid and a 3-year bid. Please clarify whether the contract awarded will be for a 3-year or 4-year term.**

The contract will be awarded for a 5-year term with options to renew for three additional one-year periods.

**13. Our standard termination clause is 90-day notice after the 1st year. Is this acceptable?**

Yes.

**14. Does SAWS currently have a maintenance choice or limited network program plan in place (for prescription drugs)?**

SAWS's pharmacy plan does not currently include maintenance choice nor a limited network program.

**15. What prescription drug clinical programs do you currently have in place?**

Please see "2014 SAWS Caremark Prescription Drug Benefits Summary.docx" which has been provided as part of the responses to bidders' questions.

**16. The explanation tab in the Excel questionnaire is locked and the cells are read-only. Can we please get a version with this tab unlocked so that we may complete it?**

The following file has been provided as part of the responses to bidders' questions: "SAWS Health Plan Administration RFP Explanation tab.xls". This file contains a copy of the "Explanation" tab in the original RFP questionnaire file with the appropriate cells unlocked for vendors to input supplemental explanations for any responses to the questionnaire.

**17. For the dental quote, would the group like to see a full proposal from a network disruption and discount analysis? The questionnaire asked for a geo access report however based on the information provided we would need dental claims for discount repricing purposes.**

A dental geo access analysis and a dental network disruption analysis are requested; however, a discount repricing analysis is not being requested at this time.

**18. Dedicated Account Manager: Please define dedicated with regards to this role? All of our National Accounts are assigned to an Account Executive and an Account Manager to act as**

**strategic partners providing our groups daily support. Is this description suggesting that the group have a single dedicated Account Manager who is assigned to no other groups?**

A dedicated account manager is intended to mean a single manager who is assigned and dedicated to the group. This role should not be fulfilled by multiple managers. This is not suggesting the dedicated account manager not be assigned to other groups.

**19. Dedicated Wellness Coordinator: Please describe the expectation of dedicated with regards to this role. Similar circumstances apply to our wellness coordinators and account managers in terms of case loads.**

A dedicated wellness coordinator is intended to mean a single coordinator who is assigned and dedicated to the group. This should not be fulfilled by multiple coordinators. This is not suggesting the dedicated wellness coordinator not be assigned to other groups.

**20. FSA: Can you please provide estimated enrollment/participation in the current FSA?**

Please see the Dependent Spending Account and Medical Spending Account tabs of the “*Active and Retiree Census.xlsx*” for census information.

**21. For COBRA administration - how many individuals are currently on COBRA?**

As of April 2014, there are 55 employees on COBRA

**22. For COBRA administration - How many new hires occur each month or annually? How many qualifying events occur a month or annually?**

The following file has been provided as part of the responses to bidders’ questions: “*Enrollment Disenrollment Report.xlsx*”.

**23. Can you disclose what the current fees are for FSA (per participant per month fee)? For COBRA (per notice fee or per insured employee per month fee).**

FSA fee per participant per month is \$5.50.

COBRA Fees:

- Monthly minimum for ongoing services \$250.00
- Qualifying Event Notification - \$19.00 per event
- HIPAA Certificate of Creditable Coverage (HIPAA Event Only) - \$7.50 per certificate
- New Hire COBRA/HIPAA General Rights Notice - \$3.00 per notice
- COBRA Participant Termination Notice - \$5.00 per notice
- Custom Mailings (Non-standard Notices) - \$5.00
- Open Enrollment Packets - \$15.00 per packet + postage
- Premium Disbursement to Carriers - \$50.00 per carrier per month

**24. Why are these services being bid out at this time?**

Per the RFP stated objectives, SAWS is interested in reviewing all aspects of their benefit programs to ensure price competitiveness, service, and benefit access are at optimum levels. SAWS is also particularly interested in exploring options for health promotion/health risk management and retiree benefit options.

**25. Any services issues?**

SAWS desires overall improvements in service, price, and capabilities.

**26. Can we provide additional attachments in excess of the list described in the Proposal Format and as outlined in Part 3? If so, how would you like these displayed or included?**

If vendors wish to share any additional **relevant** files or documents, please include the file (both electronic and hard copy) with your response and clearly label the file so it is easily identifiable by vendor and by subject. That being said, vendors are strongly encouraged to minimize collateral that is not purposeful and germane. Any additional information provided must be referenced in the responses to the questionnaire in order to be considered.

**27. PDF page 3/4 Scope of Services: The last note states "Please expand on the above attributes in your response." Does the RFP allow for a free flowing document to describe additional product and service innovations that we would like to share with the group as requested?**

Please refer to response to Question #26.

**28. If we are providing a proposal for both a Medigap plan as well as a Part D offering, how should these two products be addressed with regards to the questionnaire? Do you want both included in response boxes for the customer service and other information section related to this product?**

Yes, please provide information for both clearly indicating which product is being described.

**29. Are you open to receiving the references once we are named finalists and will providing references in this manner negatively impact our scoring?**

Please provide references as part of your proposal submission. References will be considered as part of the evaluation.

**30. Can we receive a member based Medicare census?**

Please see file "SAWS Census with Medicare Indicator.xls" which has been provided as part of the responses to bidders' questions.

**31. What is the employer contribution for the retirees?**

SAWS has a contribution philosophy for retirees that varies by enrollment date and years of service at retirement. The employer contribution also varies by enrollment tier.

**32. Can we receive a copy of the current Medicare Advantage plan designs?**

SAWS does not currently have MA plans.

**33. The repricing request is for a line by line repricing. Based on confidentiality provisions in our provider contracts, we can release the line by line repricing but we would request approval to send the results/data direct to your consultant and would request that your consultant complete the attached NDA signed.**

No non-disclosure agreements will be signed by SAWS nor the consultants. Responses to this Solicitation (Proposals) become the exclusive property of SAWS. Proposals will be opened by SAWS so as to avoid disclosure of contents to competing Proposers and kept secret during the process of negotiation. Proposals will not be publicly read. After Contract award, all proposals submitted become a matter of public record and, upon request, shall be open for public inspection, with the exception of those portions of each proposal which are defined by the Proposer as business or trade secrets and are clearly marked as “Trade Secret,” “Confidential” or “Proprietary.”

**34. Pg. 6, Section B – Submission requests that the Pricing Proposal be separated from the technical proposal. Should we duplicate the pricing proposal (9 hard copies + 1 Original) or does 1 original pricing proposal fulfill the submission requirements.**

One (1) original hard copy pricing proposal is requested. The pricing must also be included on the two (2) required CD submissions.

**35. Is vision experience available? If so, can you provide with the information listed below?**

- a. Claims \$’s
- b. Claim Counts
- c. Premium \$’s
- d. Enrolled Employee/Subscriber Counts
- e. Members/Lives Counts
- f. single/bi/tri claim counts
- g. contact lens claim counts
- h. exam claim counts
- i. materials only claim counts
- j. exam only claim counts
- k. comprehensive (exam & materials combined) claim counts

Please see file “SAWS Vision claims reporting.pdf” which has been provided as part of the responses to bidders’ questions.

**36. Have vision renewal rates been released? If yes please provide**

Current rates are provided in the pricing tabs. No additional rate information will be provided.

**37. I don’t show that you are looking for a proposal on HSAs, correct?**

Correct.



**38. Regarding Section V.B.2.c. SMWB Non-Compliance (page 9), if we do not use subcontractors for our services and therefore, are unable to use SMWBs for any work associated with the RFP, is that grounds for disqualification?**

The Community Outreach Plan is one of the proposal's required documents. If the Community Outreach Plan is not submitted and signed, the proposal may be considered to be non-responsive. If your firm has not found an opportunity to use subcontractors/subconsultants, please provide a written explanation within the Community Outreach Plan documents. However, we ask proposing firms to consider whether there may be any opportunities to outsource some services to Small, Minority, and Woman-owned Businesses (SMWBs). The following areas of possible outsourcing opportunities are merely examples: statistical analysis, accounting, call center services, printing, courier services, training, or production of health plan member ID cards. Are there opportunities for your firm to create preferred lists of local SMWB vendors for services/commodities, such as providing medical equipment, etc.?

**39. Pg. 8 outlines the SMWB Community Outreach plan. Does the San Antonio Water System have a preferred vendor list of MBE/WBE/VBE or what is required in our proposal submission as evidence of SMWB certification?**

SAWS primarily uses the South Central Texas Regional Certification Agency as its source for certified vendors. Prime Consultants may go to [www.sctrca.org](http://www.sctrca.org) to search for certified vendors or subconsultants. SAWS also acknowledges the Texas Historically Underutilized Business Program (HUB) (also found at [www.sctrca.org](http://www.sctrca.org)), and federal SMWB designation, as found in the federal System for Award Management ("SAM") website at [www.sam.gov](http://www.sam.gov). Prime Consultants may also email Marisol V. Robles, SMWB Program Manager, with a list of services or commodities that they need certified SMWB firms for. Robles will then provide the Prime Consultant with custom-created lists of certified firms that the Prime Consultants may wish to reach out to. Please note that the lists of subconsultants that are sent by SAWS are certified for the commodities or services that the Prime Consultant has requested, however, they are not endorsed by SAWS in any way.

**40. On page 6, Section IV #6 it is indicated that responses should be submitted using an 8 1/2 by 11 portrait format. Many of our exhibits, brochures etc. are in landscape format. Will this be a problem and is this request for us to reformat our documents to adhere to this request?**

Exhibits, brochures, draft reports, etc., may be submitted in a landscape format.

**41. Pg. 7, #7 states that responses must be securely bound by any means except 3-ring binders, metal bindings and paper/binder clips. What does San Antonio Water System recommend? The proposal requests information, forms, certifications, attachments, etc. that will be cumbersome for a spiral bound binding method. May we recommend a 3 ring binder for this purpose if/only if the entire proposal is more than 75 pages in total?**

3-ring binders will be allowed for submission of your proposals for this solicitation.

**42. On page 7, Section IV #7 it is indicated that responses must be securely bound by any means except by 3-ring binders, metal bindings and paper/binder clips. Can you please provide the preferred or suggested binding method?**

See the response to Question #41 above.