**OHB 14-01, OHB 14-02, OHB 14-03**

**November 25, 2014 Addendum #1**

This addendum addresses questions and concerns identified prior to and during the mandatory pre-proposal meeting held on November 20, 2014. The submission date remains unchanged. Various vendors identified problems with the technical questionnaire provided by Aon/Hewitt. A new version will be sent to all requestors. Please use the “new” version in your submission. The Business Associate Agreement (BAA) is now posted to the DHRM procurement website. This document does not have a vendor or contract name, you will need to customize to your submission. In addition, please sign this addendum and include as a part of your submission package. Note: when submitting electronic versions of your proposal do not use passwords, encryption or other protections on the documents.

Additional information: For OHB 14-01 Census information will be distributed via email no later than noon on Wednesday November 26th to recipients of the questionnaire. Detailed claims information will be delivered via email November 26th or overnight carrier no later than Friday November 28th, 2014.

For OHB 14-01, OHB 14-02, and OHB 14-03 revised technical and cost questionnaire which includes 5 digit zip code information, will be emailed today and file name will include today’s date of November 25, 2014.

X

DHRM is adding the following Special Term and Condition:

1. AWARD: An award will be made to the lowest responsive and responsible. Evaluation will be based on net prices. Unit prices, extensions and grand total must be shown. In case of arithmetic errors, the unit price will govern. If cash discount for prompt payment is offered, it must be clearly shown in the space provided. Discounts for prompt payment will not be considered in making awards. The State reserves the right to reject any and all bids in whole or in part, to waive any informality, and to delete items prior to making an award.
2. A. It is the goal of the Commonwealth that 42% of its purchases be made from small businesses. This includes discretionary spending in prime contracts and subcontracts. All offerors are required to submit a Small Business Subcontracting Plan. Unless the offeror is registered as a DSBSD-certified small business and where it is not practicable for any portion of the awarded contract to be subcontracted to other suppliers, the contractor is encouraged to offer such subcontracting opportunities to DSBSD-certified small businesses. This shall include DSBSD-certified women-owned and minority-owned businesses when they have received DSBSD small business certification. No offeror or subcontractor shall be considered a small business unless certified as such by the Department of Small Business and Supplier Diversity (DSBSD) by the due date for receipt of bids or proposals. If small business subcontractors are used, the prime contractor agrees to report the use of small business subcontractors by providing the purchasing office at a minimum the following information: name of small business with the DSBSD certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided.
3. Each prime contractor who wins an award in which a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution on a quarterly basis, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. Upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm with the DSBSD certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies for non-compliance to include, but not be limited to, termination for default.

**Questions and Responses**

1. In Session 6.2 regarding the redline RFP noting, the redline of the RFP is for the entire RFP not just section 6?

Answer: The commonwealth requires that the entire RFP be included in the redline response. Vendors may indicate agreement with sections in which they do not have proposed red-line changes.

1. Criteria for Evaluation – Section 6.7 – Will you have under the SWaM participation when you have a certain portion of those points designated for past group faith efforts or is that only in the plan (for your proposed plan) for SWaM groups or Micro?

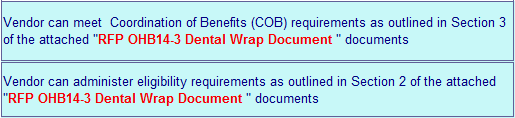
Answer: The commonwealth is interested in identifying spending associated with this RFP. Past spending does not have an impact upon the evaluation of these proposals.

1. In Session 8.2 – Do the rates have to be in place for both years?

Answer: Yes, the rates may be different for the two years, but both must be identified.

1. In all three RFPs, Appendix 2 is a document titled Department of Human Resource Management Standard Contract; we cannot find item a. The Statement of Needs anywhere in any of the RFP documents.  I have found General Terms and Conditions (Section 7) and Special Terms and Conditions (Section 8).  Are these the Statement of Needs?

Answer: The contract document will be revised following negotiations to include the entire RFP and addendum.

1. Would you advise what document you are referencing in the below two questions from the Dental Technical Questionnaire (Questionnaire tab - Lines 62 & 63)?  Is this the RFP itself?     
   Answer: Please see revised questionnaire for references on where to locate COB and eligibility information.
2.   
     
   The same reference is made in the OHB14-02 RFP referencing a Retiree Medical Wrap Document.

Answer: Please see revised questionnaire for references on where to locate COB and eligibility information.

1. Regarding OHB14-03, Section 8.4 (dental), I don’t believe we received an Attachment Three with EDI information. Below is the section that references it.  May we receive this information?  Or if we already have, could you describe where/when it was provided?

Answer: The following information is provided for clarification on commonwealths requirements for EDI:

**Electronic Data Exchange (EDI)**

All payments to Contractors will be made by EDI. The Financial Handbook and forms to be completed are found at the Web location below:

<http://www.doa.virginia.gov/Admin_Services/EDI/EDI_Main.cfm>

1. We are having some issues with the COVA Dental questionnaire. The entire questionnaire cannot be printed; only the first two columns; the Response and Explanation columns do not show on the printed questionnaire. Since the document is protected we cannot correct the problem. If the questionnaire is not fixed it will potentially be a major problem when we attempt to print the questionnaire for the final binders.  The Med Sup and Part D questionnaires do not have this problem.

Answer: A new questionnaire will be sent to all those who requested originally that corrects the technical difficulties and provide the additional information requested in the Conference.

Additionally, some of the drop down boxes in the Dental questionnaire do not function properly; the following is a list of those drop down boxes:

28-37, 41c, 50, 72, 74b, 79.

A new questionnaire will be sent to all those who requested originally that correct the technical difficulties and provide the additional information requested in the Conference.

In OHB14-02 Med Supp and Vision Attachment 2 – Technical Questionnaire and OHB14-03 Dental Attachment 2 – Technical Questionnaire - When inputting text into a cell that requests text and then you try to go back and edit it, if you double click or hit f2 to access the text, it deletes all the text out of the cell.  We can click on the cell and use the “clear all” function, but that removes formatting, and we do not want to dramatically change the formatting of this template.  Could this be reformatted?  This request is time sensitive in that we do not want to distribute the questionnaire template internally until this has been corrected.

Answer: A new questionnaire will be sent to all those who requested originally that correct the technical difficulties and provide the additional information requested in the Conference.

1. In OHB14-01, Section 3.3 Coordination of Benefit Savings says “The Contractor shall coordinate benefits and produce an annual reporting reflecting COB savings achieved under the plan other than Medicare.”  However, there is no mention of COB in the RFP (wrap document?) itself.  This is also true in OHB14-03.  Please clarify.

Answer: There is a requirement for COB reporting in Section 4.3 (Annual Report and Accounting for 14-03 and 14-01. In 14-02 (not 14-01), there is a requirement in Section 2.2 (Coordination of Benefits Savings) to produce an annual report of COB savings (other than Medicare as the primary payer). Under 14-01, there is a requirement to be consistent with CMS-required provisions, which also includes some requirements for collecting COB. In general, vendors are to manage, track and report COB performance.

1. In the section regarding Electronic Data Files and Response Forms - Files containing claims, enrollment data and the Attachment 2 schedules you will need to prepare and submit a proposal are available in electronic form. The CD containing these MS Excel and Word files will be available at the November 20 mandatory pre-proposal conference. Will claims repricing information will be available on the CD that is mentioned on 11/20, or is it possible to received that information in advance of the meeting?

Answer: The schedules and data to prepare a response will be provided by Aon upon request. Updated schedules and data as discussed in question 8 above to all who requested same previously.

1. Pharmacy Program – There was a high level here in your number of perceptions that are mail versus retail versus specialty, gross cost, net cost, etc. That is going to be the extent of the data that is going to be provided?

Answer: Detailed claims will be provided to all PBM vendors attending the conference. A Deidentified Member ID will be included with each claim, as well as NDC, pharmacy, and various prescription parameters such as quantity, and days supply.

1. Vision Only – The file with the claims gave a lump sum of claims dollars that seem to be for everything; Medical, Dental and Vision on that file with the census data and claims. It was one total claim per month per plan. Is it possible to get information to re-price claims to give you an accurate claims number for vision and dental?

Answer: An updated file will be provided.

1. Per below, could you confirm we should be expecting an email (referenced in red) forthcoming from Aon?

FOR THE MED SUPP (OHB14-02) AND DENTAL (OHB14-03)…

There is a tab titled **Geo Access/Disruption** and it says…

**You will receive a Network Access and/or Provider Disruption request from our NAPD team:** [**hnapdmbx@aon.com**](mailto:hnapdmbx@aon.com)**. Please follow the workflow requested in the e-mail**

**outlined by the NAPD team**

Then there are two rows in a chart that ask us to affirm that we received, completed and submitted the required Network Access Report.

I haven’t seen anything like this and I didn’t see that any geos or disruptions were requested on the ARF.

Answer: As outlined in the technical questionnaire, offerors will be contacted by Aon's NAPD team with information necessary to complete Access, Disruption, and/or Discount Analysis.

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| --- | --- | --- | --- |
| **Medicare Supplemental** | **Answer Format** | **Response** | **Explanation** |
| Affirm that you have received, completed, and submitted required Network Access Report to/from our NAPD Team ([hnapdmbx@aon.com](mailto:hnapdmbx@aon.com)). | **drop down box** |  |  |
| **Vision** | **Answer Format** | **Response** | **Explanation** |
| Affirm that you have received, completed, and submitted required Network Access Report to/from our NAPD Team ([hnapdmbx@aon.com](mailto:hnapdmbx@aon.com)). | **drop down box** |  |  |

1. Regarding OHB14-02, in the Med Supp Excel Workbook, on the tab titled Med Vis Questionnaire, on ROW 384 which is Question 101.a. the RFP asks for the carrier to provide reports that monitor performance, however it says to label these as ORGANIZATION NAME – Sample EOB.  Could you clarify if Sample EOB is truly the intended file name in the reporting section?

Answer:  See the updated questionnaire you will receive per the response to question 8 above.

Pasted below is the actual item from the Med Vis Questionnaire Tab…

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **101.** |  | **The RFP offers you the opportunity to propose additional standards of performance beyond those required by the RFP.  If you wish to propose additional standards, list them in the worksheet named "PerStand"** |  |  |  |
|  | **a.** | Provide sample reports that are used to monitor performance in these areas as separate attachment  Name the file:  **[Your Organization's Name]\_Sample EOB.** | **drop down box** |  |  |

1. In the Medicare Supp/vision RFP (OHB14-02), on the Med Vis Questionnaire tab, Row 258 Question 80… which is a section devoted to 24 hour line… there is this question…

|  |  |  |  |
| --- | --- | --- | --- |
| Can you state categorically that network management staff conduct **primary verification** on every participating provider for each item answered in the affirmative above? | **drop down box** |  | JOSH KUGELMAN and SIDNEY SMITH, not sure exactly what this question is asking and why it is in this section? |

This seems out of place, and there are no affirmative answers in the above.  Please advise.

Answer: This reference has been deleted from the RFP.

1. **Regarding Section 2.7.4**   - Provide CMS coordinated premium billing and reconciliation support. Please confirm what is meant by “CMS coordinated”?  Our standard process involves reconciling the premium with the client, not CMS.  Is this referring to reconciling LIS?

Answer: This covers any breakdown of payments or costs associated with CMS-generated premium-affecting reports

1. Regarding Seciton **2.7.7   -** Contractor will provide daily report of any failure (including change in effective enroll/disenroll date) of Department-generated enrollments and disenrol-ments to CMS.  Please confirm this means provide to COVA any CMS rejections for enrollment/disenrollment.

Answer: Yes, this would include any enrollment or disenrollment failures, rejections, or enrollments/disenrollments that, in any way, do not match COVA’s submission.

 Regarding Section **2.7.8  -** Contractor will provide weekly summary of CMS and/or contractor-generated eligibility changes, including LIS, LEP, disenrollments and HIC number changes. (There should be no contractor or CMS-generated new enrollments, not including reinstatements/corrections.) This should also include any enrollment or disenrollment in pending status.  Same as above

Answer: This would include a summary of all activity for the week, including all COVA, participant and CMS-generated changes.  This would allow a comparison with BES to ensure that records match.

1. Regarding Section **2.7.9**    Contractor shall provide opportunity for Department to resolve late enrollment penalties applied by CMS to new enrollees and will work with Department to help resolve late enrollment penalties.  Please clarify what is meant by “help resolve LEP”, and what is the Department’s expectation of the Plan’s actions to help resolve late enrollment penalties to new enrollees?

Answer: We would like the opportunity to attest to creditable coverage for our participants who have been covered in the state program for the period between Medicare Part D eligibility and enrollment in the state program’s Medicare Part D plan.  This should relieve the beneficiary of the responsibility to provide individualized creditable coverage documentation.

1. **In the Technical Questionnaire #21** -To be awarded a contract, when requested, Offerors must demonstrate the capability to provide the eligibility files described in Appendix 5. Such demonstration will consist of submission and approval of a test file in the format described in Appendix 5. The timing and other logistics involved with this process will be determined during the proposal evaluation negotiations.  We did not see an Appendix 5.

Answer: Contractor shall report electronically to the Department’s Data Warehouse vendor, healthcare consultant, and the Virginia All-Payers Database on a frequency determined by the Department all claims processed and paid under this contract. Vendor will provide claims regularly for COVA data warehouse, consultant database, and Virginia All-Payer Claims Database.

1. **In the Technical Questionnaire #87** - Offeror shall report electronically to the Commonwealth on a weekly or bi-weekly basis as determined by the Commonwealth all claims processed and paid under this contract. The claims file specifications are shown in Appendix 6. We did not see an Appendix 6.

Answer: Offeror shall report electronically to the Department’s Data Warehouse vendor, healthcare consultant, and the Virginia All-Payers Database on a frequency determined by the Department all claims processed and paid under this contract. There may be a requirement for a test file for finalists.

1. **In the Technical Questionnaire #89** - Offeror must submit a paid claims test tape containing at least 500 claims in the format defined in Attachment C11 by April 1, 2015. The Commonwealth must be able to read and approve the tape formats no later than May 15, 2015 or no contract will be finalized.  PLEASE NOTE: Standard vendor tapes are not acceptable to fulfill this requirement. We did not see an Appendix C11.

Answer: There may be a requirement for a test file for finalists.

1. **REGARDING OHB14-02:**
2. In reference to the item below, please advise what is mean by an “operating account.”  Is it the funds collected throughout the month that is wired to COVA once a month?
   * 1. A guaranteed interest rate for funds in the operating account or an index which will constitute a minimum guarantee. (Offerors of insured plans are exempt from this sub-paragraph 6.5.4.)

Answer:Operating account refers to funds you would hold in advance of a payment. For example a premium amount paid in advance to reimburse claims or other expected liabilities. Interest must be credited on cash flow float.

1. Regarding OHB14-02 - It looks as if the claims and enrollment are for COVA and TLC combined.  Historically, these two are priced separately for renewals.  Combining COVA and TLC is an issue because:

* It may not really be what you (COVA) are looking for.  Based on prior bids, we think you will prefer COVA only.
* The bid indicates that Option I will be eliminated 1/1/15, which is not the case for TLC.
* TLC does not have Option II.

Given the differences in benefits and effective dates, please confirm that the intention of the bid is to combine COVA and TLC?  If not, may we please have a COVA only exhibit, reflecting COVA claims and enrollment?

 Answer: The cost exhibits will be revised to reflect COVA only.

1. In OHB14-01 – Submissions - Should submissions be addressed to the Department of Human Resource Management as instructed on p.1, or should they be addressed specifically to the Director of Contracts and Finance as noted on p. 13?

Answer: Please direct them to the Director of Contracts and Finance.

1. In Section 1.2 Policy Regarding Participation of Small, Woman, and Minority-Owned Businesses - Are bidders permitted to request a waiver of the requirements related to the participation of small, woman, and minority-owned businesses?

Answer: No

1. Plan Inquiries – Section 2.5.3 - s the Commonwealth requesting a plan-specific toll-free customer service number in 2.5.3., similar to the request in item 2.5.1?

Answer: Yes, the plan-specific toll-free customer service number required in 2.5.1 must be available three months before the effective date of the contract.

1. In Section 4.6.1 - Please provide the required claim layout for review.

Answer: If a test file is required, a layout will be provided during the finalist process.

1. In Section 5.2.1 - Please confirm the number of copies:

* 7 hard copies (one original and 6 copies)
* 5 CD disks
* 1 CD disk – redacted submission

Answer: Confirmed.

1. When was the most recent RFP for this coverage and was there a post award meeting presentation done that is available at this point and time to see how you scored in the past?

Answer: The last solicitation for these services was under RFP OHB 09-01. If you would like a copy of the scoring matrix for that procurement, please send an email to Dan Hinderliter at [dan.hinderliter@dhrm.virginia.gov](mailto:dan.hinderliter@dhrm.virginia.gov)

1. In Section 5.2.1 - We are interpreting loose-leaf notebook to mean “three-ring binder.” Please advise if another medium is preferred.

Answer: Yes, a three ring binder is acceptable.

1. In Section 5.2.2 - Should the identification of proprietary or trade secret material only be provided in a separate log with the requested reasons, or should the material deemed to be proprietary or trade secret also be designated with markings in the proposal itself?

Answer: All proprietary or trade secret information must be identified in a separate log. All versions of the vendors proposal must include the protected information with the exception of the redacted version.

1. In Section 6.2 – Form of Response and Criteria - Please confirm that affirmations or confirmations to RFP requirements are not required elsewhere in the proposal submission, particularly for sections 2.0 (Tasks and Benefit Specifications), 3.0 (Standards of Performance) and 4.0 (Reports and Deliverables). We will redline the RFP copy as required and include substantive comments only if necessary.

Answer: The commonwealth requires affirmation of sections as well as red-line deviations from the RFP.

1. In Section 6.3 – Legally Correction Description of Benefits - Is the Commonwealth requesting bidders to provide updates and/or edits to all documents listed in Appendix 1?

* 2015 Annual Rate Notification Booklet
* Prescription Drug Member Handbook Insert
* Medicare-Coordinating Plans Member Handbook
* 2015 Medicare-Coordinating Plans Member Handbook Amendment

Or, is the Commonwealth requesting bidders to provide one separate insert in its own format?

Please clarify the specific information to provide in the insert. Is the insert only to include 2016 updates for the standard Part D deductible, initial coverage stage, coverage gap stage, manufacturers’ discount program, and catastrophic coverage levels? Or, is the insert to include additional edits?

We would appreciate detailed clarification about this requirement.

Answer: The Offeror should submit a Medicare Part D prescription drug benefit booklet in the format currently used, but for the proposed plan. A link to the current (2015) Prescription Drug Member Handbook Insert is provided in Appendix 1 for your reference. There are also links to other benefits associated with the Medicare retiree health benefits program; however, this RFP is only for the Medicare Part D benefit.

1. Section 6.4 – Cost Proposal (Tab 4) - Is the audit report requested an SOC1 report? Or, is this question referring to audited financial statements for the most recent fiscal year? Please clarify the type of report being requested.

Answer: For proposal submission, the most recent three years of audited financial statements are required.

1. Section 6.5.2 – Cost Proposal (Tab 4) - Please clarify exactly what is meant by this item.

Is this item referencing the budget for start-up costs referenced in 6.5.1?

In addition, we noted the Commonwealth’s preference for a self-insured arrangement per section 1.1 of the RFP. Is the Commonwealth also requesting a fully insured EGWP?

Please note that sub-paragraph 6.5.4 does not appear in the RFP.

Answer: the commonwealth is not requesting fully insured proposals.

1. Section 7.8 – Mandatory Use of State Form and Terms - Please confirm that the official state forms include the following:

* p. 1 Request or Proposal (RFP) – We have noted required information such as the Virginia Contractor License Number, name and address of firm, eVA Vendor ID or DUNS#, etc. However, the actual name of this form does not appear to be specified.
* Attachment One (Small Business Subcontracting Plan)
* Attachment 2 (Certification of Compliance)
* Attachment Five (HIPAA Privacy Business Associate Agreement)
* Appendix 2 (Standard Contract) – to the extent that any specific response is required of bidders in the initial proposal submission.

Answer: All forms included in the RFP are included under this term. Those identified above are correct. Other items such as this Addenda must be included as well.

1. General Terms and Conditions – Section 7.16 - Is a cure period included in this provision? If so, please provide a description.

Answer: Cure periods depend upon the situation, for example a release of social security numbers would require an immediate response, while others might allow more time.

1. In regards to the cure period – If you give us notice that we are in default do we have 30 days before you invoke trying to procure something else?

Answer: Please refer to the Vendor’s Manual at the following website for additional clarification [www.eva.virginia.gov](http://www.eva.virginia.gov)

1. General Terms and Conditions – Section 7.22.a - Please describe how this fee will be assessed for Medicare Part D prescription drug benefit/Employer Group Waiver Plan services.

Answer: The commonwealth does not anticipate applying this eVA fee to RFPs OHB 14-01, OHB 14-02 and OHB 14-03.

1. Special Terms and Conditions – Section 8.2 - Does provision 8.2.2 supersede the four one-year renewal options described in 8.2.1?

Answer: The contract period is stated correctly on the RFP cover sheet and in section 8.2.1. These sections indicate an initial two year contract period with four one year renewal options.

1. Special Terms and Conditions – Section 8.4 - Is this referring to a section other than 3.1 General on page 10 of the RFP? If so can the Commonwealth please provide a description of Tasks 3.1 and 3.2?

Answer: Please disregard reference to 3.2.

1. Attachment One - Is there a percentage goal of the contracted services for this specific RFP that must be met by small business subcontracting?

Answer: The commonwealth is interested in maximizing spending with DSBSD registered small businesses.

1. The 20 points measured for the Small, Minority and Women Owned businesses; is that graded on a curve based on what you receive or is there a certain amount you put in that you get maximum points?

Answer: The only way to receive maximum points is for the offer to be a DSBSD registered small business. The maximum points for non-SWaM businesses using SWaM sub-contractors is 75% of the 20 point selection criteria.

1. Group Health Plan’s Business Associate Agreement - It seems that bidders should insert their name instead of Permedion Inc. Please confirm.

Answer: Correct. A version of the BAA will be posted with this addendum.

1. OHB14-01 - Please confirm that a non-officer individual with the authority to bind a contract is sufficient to sign all applicable signature documents required for this RFP submission.

Answer: Confirmed, anyone who is legally able to obligate your firm may sign the documents in this RFP.

1. Can we provide an additional tab at the end for the binder for any additional attachments (Example - Tab 6)?

Answer: Yes.

1. Regarding the SWaM Utilization – If the prime is a small business than you don’t have the 42% participation? You can still be the prime and be SWaM and still have a sub-contractor that is SWaM and it’s not going to affect you at all?

Answer: If the prime is a DSBSD registered SWaM business the full 20 points will be awarded.

1. For those of us that are not SWaM that would get the 75%, is that just comparing us against each other or do you have certain bench marks? For an example – If we are all low the highest of the lowest will get more points?

Answer: The SWaM award points will take into account the total spend for the contract and how much the SWaM spends represents of that total.

1. As far as the weighting the administrative is 25%; so if someone gets 25 and is very low on the SWaM and then a SWaM gets 20 and only 5 on the administrative is there recognition of criteria of what is more important?

Answer: The weighting of each element in section 6.7 indicates its importance. Each is important, thus it was included as an evaluation criteria.

1. Please confirm if all exhibit tabs included within the Questionnaire attachment should also be included in Tab 3 of our response.

Answer: Confirmed.

1. Please confirm if the Formulary Disruption includes all drugs or only the top drugs utilized.

Answer: A complete disruption report is required, and notification should be sent to any beneficiaries who experiences a negative impact (e.g., removal of drug from the formulary, higher cost-sharing, additional coverage limits as noted ) due to a formulary change.

1. In the tab for the disruption request with the list of drugs there are no drugs that show as tier four, there are only three tiers represented. We understand it to be a four tier plan, is that correct?

Answer: The PBM files are being updated and will be sent to PBMs in attendance at the Conference.

1. (Section 2.8.4) Please confirm who the current vendor is for data warehousing and what the current submission process includes.

Answer: The Vendor is HDMS. The process is still being finalized.

1. In regards to the Commonwealth’s goals for utilization of small businesses and businesses owned by women and minorities, will indirect spend count towards meeting the goals?

Answer: If you utilize SWaM vendors for your entire business, you should allocate only the appropriate amount relative to this RFP. For example if you use a SWaM business for web development services, you can allocate a portion of those services that would be utilized on this contract.

1. In regards to RFP item 2.7.5, please define “dedicated” as it pertains to Customer Service- does that imply dedicated to Customer Service but not to COVA or dedicated and exclusive to COVA?  If this implies dedicated and exclusive to COVA, please provide the number of manned customer service calls handled by incumbent’s PBM in the most recent 12 year period in order to ascertain call volume expected.

Answer: There should be customer service that is dedicated to COVA. No additional information regarding call volume will be provided.

1. RFP Section 6.3 states that the bidders’ proposals shall include a benefits booklet insert for the Part D pharmacy benefit. Because the final offering is likely to change between the time of submission and the final award, is this booklet intended to be a sample?

Answer: With the understanding that CMS-defined information could change for 2016, the benefit booklet should otherwise represent the benefits that you are proposing.

1. RFP Section 7.22 refers to eVA transaction fees on a “per order” basis. Can the Commonwealth please clarify the application of the “per order” measure to the solicited pharmacy benefit contract? Would the entire contract be deemed one order? If not, what would constitute one order?

Answer: We do not anticipate eVA transaction fees associated with this contract.

1. Special Term and Condition 8.4 states that invoices will be paid within 30 days of receipt of an approved invoice. Please advise how quickly invoices for drug claims are reimbursed after submission of a claims invoice.

Answer: Claims payments will be reimbursed within 5 business days of receipt by the commonwealth.

1. The Standard Contract in Appendix 2 indicates it will consist, in part, of a Statement of Needs. We did not see a portion of the RFP labeled as a Statement of Need. Would this be essentially a scope of the work to be performed? Does the Commonwealth anticipate this being negotiated with the successful bidder based on the full RFP and that bidders’ proposal?

Answer: The entire RFP will be included in the contract.

1. Can a full NDC-level listing of claims data for a 12 month period be provided?

Answer: Yes, detailed claims files will be provided.

1. In regards to question #9(a) of the Administrative Capability worksheet in the Technical RFP, is the 95% a percentage of available drugs or a percentage of NDC numbers?

Answer: The 95% applies to the number of prescriptions. We are requesting that  the MAC be applied to enough drugs such that 95% of the utilization has a MAC. We are asking for a broad MAC list.

1. In regards to question #71 of the Administrative Capability worksheet, is the request for calls answered within an average of 20 seconds?

Answer: Yes

1. In regards to question #14(b) of the Qualifications of Staff worksheet, does the term dedicated mean that this person’s sole responsibility is resolving claims disputes?  Or does dedicated mean that person ONLY works on the COVA account and does not work on other accounts?

Answer: There should be a customer service team dedicated to COVA.

|  |  |
| --- | --- |
| **b.** | Offeror will provide a dedicated individual or staff responsible for resolving claim disputes or other issues. |

1. In regards to question #14(j) of the Qualifications of Staff worksheet, approximately how many meetings are held per year that Offeror would need to attend?

Answer: The Medicare-Coordinating Plans do not have a true open enrollment period since there is no period during which individuals may enroll without fulfilling specific eligibility criteria, generally including continuous coverage. There have been limited needs to have meetings to introduce new plan provisions or to give participants opportunities to interact with the program or claims administrators in the fall, coincident with the annual rate notification mailing. This would be on an as-needed basis.

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| --- | --- |
| **j.** | Would your company be willing to dedicate account members to accompany Commonwealth on all open enrollment group meetings held each year at Offeror's expense? |

1. With regard to the current EGWP plan, the RFP document states that “The plans currently offer an enhanced Medicare Part D/Employer Group Waiver Plan (EGWP)”, while the plan design document references an “EGWP Part D + Wrap” Plan design. To clarify, does the current EGWP plan include a wrap, or is a wrap being requested for 1/1/16?

Answer: The benefits are an EGWP with a wrap as described in the sample benefits booklet and associated documents linked to Appendix I.

1. RFP Section 2.3.5 States: “Determine whether or not drugs are covered and whether they should be covered under other Medicare programs. Drugs covered under Medicare Part B should not be covered or dispensed under this plan.  The Offeror will absorb the cost of drugs dispensed in error.” Does the current plan have a B vs. D determination process which allows for the coverage of certain drugs based on CMS guidance?

Answer: The current plan is expected to make the B versus D determination.

1. RFP Section 6.3 states: “The Offeror shall submit a benefits booklet insert to the medical booklets to reflect the Medicare Part D prescription drug benefit in the format that will be used in the versions that are currently in effect. These will constitute a complete, legally binding description of the benefits to be provided and exclusions from coverage. The benefits booklets shall accurately reflect, at a minimum, the benefits specifications identified in paragraph 2.2.” To assist in meeting this requirement, can the current benefits booklet utilized by the Commonwealth be provided?

Answer: A link to the current benefit booklet (Prescription Drug member Handbook Insert) is included in Appendix I.

1. Attachment 3, Claims Projection 1

* The total PMPM for 7/1/13 – 6/30/14 is listed as $19.78 pmpm.
* Claims of $19.78 pmpm x 303,354 member months per year = $6,000,342 in total claims, but we show the claims for the time period were $8,520,025.  It appears that possibly the entire medical enrollment is being used, including those without dental (430,712).  Can you please confirm?

Answer: The Dental cost questionnaire will be revised to reflect current Dental participants as part of the updated questionnaire process described in # 8 above.

1. Attachment 3, Claims Projection 2

* The projection for the time periods 1/1/16 -12/31/16 (12 months) and 1/1/17 - 12/31/18 (24 months) is requested.  Can you please confirm this is correct, or if the second box should also be 12 months (1/1/17-12/31/17)?

Answer: Second box should be one year. The Dental cost questionnaire will be revised to reflect same as part of the updated questionnaire process described in # 8 above.

* There is also a notation that Option I will be eliminated effective January 1, 2015, and all members will be migrated to the Advantage 65 with Dental & Vision.  Can you please confirm these members are not included in the enrollment assumption of 26,253 members?

Answer: Confirmed. The revised Questionnaire will include members in COVA Advantage 65 + Dental/Vision, COVA Advantage 65 Medical Only + Dental/Vision, COVA Option I, and COVA Option II + Dental/Vision only.

* Please confirm it is only necessary to complete the Dental Tab for Attachment 3.

Answer: The dental technical questionnaire response should be tab 3, dental cost tab 4.

1. Network Access and Disruption

* Can you confirm when we will receive the Dental Network Access, Disruption and Reimbursement reports. When the above information is received, should all retirees be included for the Network Access report or just those currently enrolled in the dental plan?

Answer: As outlined in the technical questionnaire, offerors will be contacted by Aon's NAPD team with information necessary to complete Access, Disruption, and/or Discount Analysis.

1. Evaluation 6.7 – Criteria of Evaluation – Admin Cost 25% points is that Admin Fees or the total plan cost? Would include claims cost?

Answer: This includes total plan cost, and the cost section of the technical questionnaire directly ties in with this evaluation criteria.

1. Partner Opportunities – Are there any points awarded in administrative capability or any other section if you are bidding on more than one? Is there any incentive to bundle?

Answer: No direct incentive.

1. We recently provided a Business Agreement to your agency, can we just give you a copy of the one we have done already?

Answer: No, we require a contract specific BAA.

1. With regards to your self-funded PPO, do you charge a monthly member premium to your members? A premium contribution? Who does the billing, do you do that or does your provided to that?

Answer: The total cost for any State Retiree Health Benefits Program plan is paid by the retiree, survivor, or LTD participant. (There is no contribution toward the cost of their coverage unless they receive a separate Health Insurance Credit benefit, but this can also reimburse for coverage outside of the state program.) If another benefit payment (e.g., retirement benefit) will not accommodate the premium deduction, it is direct billed. In this case, direct billing for the entire premium (including all optional benefits) is handled by the Medicare supplement/vision vendor as noted in RFP 14-02, Section 2.4.5.

1. Low income premier subsidies pass through – how is that handled does your current provider pass the funds to you and you distribute them properly or do they cut and mail checks to members?

Answer: COVA is notified of beneficiaries who qualify for the Medicare Part D low-income subsidy and reduces the premium based on the LIS level. The PBM adjusts the benefit according to the LIS level.

1. Section 7.10.1.b – Payment – Less than 30 days terms, can you clarify?

Answer: Answer: This section identifies the commonwealth’s payment schedule for administrative invoices. Claims payments will be processed within 5 business days.

1. Section 7.10.2 – We have to pay sub-contractors within 7 days, can you clarify?

Answer: The commonwealth pays administrative invoices net 30. We expect prompt payment to your sub-contractors.

1. Can we send the redacted copy later than the submission date?

Answer: No, the submission date remains unchanged.

1. Other questions going forward, will you answer those questions directly with the company asking or will we all get the questions and answers?

Answer: We will continue to answer questions in the manner of an addendum going forward.

1. When will the addendum from this pre-proposal conference be sent out?

Answer: Before Thanksgiving.

1. Regarding Vision – Will the vision plain be similar to the dental plan as in in-network and out-of-network?

Answer: They are entirely separate plans that can include the benefits and networks you propose.

1. Will there be no coordination between the two companies between vision and dental?

Answer: They are entirely separate plans that can include the benefits and networks you propose. Coordination would be subject to your partnering agreement.

1. If the incumbent has received a waiver for the requirement, on what basis was the waiver received?

Answer: The requirements of a different RFP have no bearing on this solicitation. The utilization of SWaM businesses is optional for each offering business. However, the evaluation criterion of SWaM utilization is not optional. Thus, each business will be evaluated on their contribution to SWaM spending under this contract.

1. What entities is the incumbent using to fulfill the small business subcontracting requirement?

Answer: The last contract has no bearing on this contract. To search for SWaM certified businesses the Department of Small Business and Supplier Diversity maintains an online database of vendors. Their website is accessible with the following link: <http://www.sbsd.virginia.gov/>

1. Please advise when bidders can expect the Commonwealth full claims file referred to during the pre-bidders conference; and where it will be released? In addition, please designate the electronic delivery of all addendums for this proposal. Thank you.

Answer: This addendum includes answers to all questions received to date. It will be posted on the eVA website, the DHRM procurement website and will be emailed to pre-proposal meeting attendees. Information on delivery of claims files is included in the introductory section of this addendum.

1. Please provide the current drug list and UM programs for the Commonwealth of Virginia. Thank you.

Answer: This information is available on our web site at <http://www.dhrm.virginia.gov/healthcoverage/medicareretiree/medicareratenotification2015>

1. On page 16 of the RFP, 6.5.1 and 6.5.2; we do not see these detailed budget for start-up costs? Can you either please provide or confirm these schedules are not needed for this Commonwealth proposal? Thank you.

Answer: Schedules are not provided. You may respond to 6.5.1 in your common start-up cost format. For 6.5.2, state the interest rate and include both documents in your Tab 4 response.

1. With regards to Section 6.3 on page 15, and the links in Appendix 1 on page 40 of the RFP; please confirm whether the Commonwealth would like only a Summary of Benefits document in Tab 2; not an Evidence of Coverage document. Thank you.

Answer: This requirement is only for a benefits booklet per the current insert format – link provided in Appendix 1. The requirement is for an EOC is addressed in section 2.7.13.

1. Is there any way to get the part D census with the 5 digit zip codes?  We need it to run our Geo Access report.

Answer: Yes, this will be emailed with the updated questionnaire.

1. Since we already have a BAA with different dates, do we need to sign the one in the RFP? Do we need to make the changes to the dates that are in our current BAA?

Answer: Yes, the BAA references a particular RFP and must be submitted for each proposal. You should redline the changes to the dates in your submission. 