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

**December 16, 2014 Addendum #3**

This addendum addresses questions and concerns identified after the issuance of Addendum #2 on December 4, 2014. The submission date remains unchanged. Please sign this addendum and include as a part of your submission package. We have noted that a number of questions asked have already been answered in the previous addenda. Please review all addenda before asking additional questions. We will not answer questions that have already been addressed.

X

1. Is it possible to provide unlocked version of cost proposal worksheets so that information can be entered more easily?

Answer: Please fill out using the provided worksheets. Unlocked versions will not be provided.

2. Question 34 of the cost proposal requests pricing for an (open retail network/no retail refill limit) and a closed network option (retail lockout or retail refill limit). However, the “Self Insured, Specialty Drugs” Worksheet includes columns for Open Network pricing only.

Answer: Please provide a proposal for an open network only

3. If a closed network may not be applicable for EGWP, unlocked versions of the worksheets would enable bidders to provide the requested pricing.

Answer: Please provide a proposal for an open network only

4. The Cost Proposal worksheet seems to start at column C. Please confirm that there are no hidden columns that bidders are required to complete. We were not able to “unhide” any columns.

Answer: Columns A and B are blank and remain hidden

5. Please confirm that only the following COVA plans should be included in the disruption analysis: -COVA Advantage 65, COVA Advantage 65+Dental/Vision, COVA Option II, COVA Option II + Dental/Vision

Answer: Confirmed

6. Although the Questionnaire states that the initial contract term will be for two years, the pricing sheet requests pricing for three years. Please confirm pricing period.

Answer: Two years as stated in earlier addendum.

7. For OHB 14-01, the Cost Proposal states, the *following are requirements for this bid, including entries made in the other worksheets in the Workbook. A “Yes” response indicates that you fully comply with the specific requirement. Any other response indicates that you cannot or will not comply with the specific requirement, in which case you must provide an explanation. “Yes” responses with exceptions will be treated as “No” responses.*

Do these requirements also apply to all other pieces of the RFP?

Answer: Yes

8. The RFP states that vendor shall attend Plan Management Meetings, including wellness and benefit fairs as well as open enrollment meetings. Can the Commonwealth clarify how many plan benefit meetings are typically scheduled and how frequently? Are these meetings in addition to plan performance review meetings scheduled by the vendor?

Answer: These meetings are in addition to plan performance meetings and changes in the market, and state and federal law necessitate flexibility. Assume the number is comparable to other of your customers with similar characteristics.

9. We have noted the response to question 64 in Addendum 1. Can you confirm this applies to OHB 14-01.

Answer: Yes

10. In the cost proposal – Rx Pricing, the long-term care and ITU pricing charts include verbiage related to brands at Specialty. Should the verbiage simply read “all brands” instead?

Answer: Yes, this should be brands only

11. In the cost proposal section for guaranteed minimum rebates, does the Commonwealth prefer to have rebates per retail brand claim inclusive of claims specifically through preferred Specialty vendors – not inclusive of Specialty claims through Specialty pharmacy as noted in the third item?

Answer: The first row should be per retail brand claim, (excluding specialty claims through Preferred Specialty – we disregard including Specialty for all responses in the first row)

12. OHB 14-01 states, Commonwealth is requesting duplication of its Medicare Part D employer group plan design as closely as possible. Please list any deviations on the Plan Design tabs (EGWP Rx) in this workbook. Design deviation sheet should be Attachment C8. Can the Commonwealth please clarify how the required Attachments specified throughout the RFP materials are to be provided in the final response?

Are the required Attachments to remain in their respective Excel workbooks and be included within the corresponding Tab? For example, are Attachments requested in the Technical Proposal to be provided in Tab 3, because they are related to the Organizational Questionnaire?

Or, are these required Attachments to be provided separately in a Tab 6 as described in Addendum 1, #46?

Answer: Yes, as long as they are labeled.

13. In OHB 14-01 technical proposal – administrative capability, we are interpreting “up to 365 days’ supply” as a cumulative supply that includes 6 additional fills per retail and mail order Rx per member per year. Please confirm.

Answer: Please disregard this question in the technical proposal.

14. In OHB 14-01 technical proposal – administrative capability, Is the Commonwealth referring to an EGWP + Wrap plan design (as some drugs are excluded by CMS)?

We have noted section 2.2.1 in the RFP document, which states, “The present plan is an administrative services only model and generally follows CMS guidelines for Medicare Part D plans, including formulary exclusions.”

Answer: The Commonwealth wants an open formulary. We are requesting a plan with no exclusions beyond what’s listed in the plan design (e.g. OTC products, devices, cosmetic agents). CMS exclusions would be covered in the wrap.

15. In OHB 14-01 technical proposal – administrative capability, the text states “*Receive, date and control claims at the point of sale, or if a claim form is submitted, within 24 hours of the day received.”*  Please clarify what is meant by “control”. Does this simply refer to processing the claim?

Answer: Processing and documentation of the claim and claim history.

16. Please confirm that small businesses, women owned businesses, and minority-owned businesses utilized by the Offeror are to be certified in the Commonwealth.

Answer: Confirmed, SWaM businesses must be certified by the Virginia Department of Small Business and Supplier Diversity at the time and date of the proposal closing.

17. Regarding OHB 14-01, section 6.5.1, We have not seen a separate worksheet in the cost proposal file for start-up costs, if applicable. Please advise regarding exactly where start-up cost information should be provided in the cost proposal.

Answer: See answer to Question 87, Addendum #1.

18. Regarding OHB 14-01 Attachment 2, Assuming an expected value of $5 million or more, would Attachment 2 be applicable to this RFP, since the contract is to be awarded as a result of competitive sealed bidding?

Answer: This procurement is not competitive sealed bidding, it is competitive negotiation. We are not asking for bids, we are asking for proposals. Offerors must complete the Attachment #2.

19. The pricing sheet within the cost proposal requests guaranteed pricing for 2016, but expected rates for 2017 and 2018. Please confirm that the rates for 2017 and 2018 are expected, not guaranteed.

Answer: See question #3 and response in Addendum #1.

20. Regarding redacted versions of the proposal, We have noticed that the restrictions to the technical and cost questionnaires (Excel files) do not allow for the redaction of information. Our understanding is that printing a hard copy, redacting it by hand, and then scanning it into a PDF would not be acceptable, per section 6.4:

Attachment TWO contains an Excel questionnaire to be completed and returned in Excel by each Offeror.

Please advise on how to complete this requirement to the Commonwealth’s satisfaction.

Answer: The electronic redacted version of proposals may be provided in PDF format.

21. How many of the Commonwealth’s EGWP members are currently LIS eligible?

Answer: Approximately 300.

22. How many of the Commonwealth’s EGWP members currently have an LEP?

Answer: Currently, we absorb and do not track or impose an LEP on premiums. Most of our participants are coming from non-Medicare coverage in our own program and, therefore, have had creditable coverage. This should generally be limited to family members coming into the program with a qualifying event. If this should change, we would expect that administration could be implemented.

Credit23. Does the Commonwealth have a direct contract with CMS (i.e., S number)?

Answer: Our Med D Plan is established with CMS through our current vendor.

24. In the OHB 14-01 cost proposal regarding the following: Program Implementation /Allowance, Annual Audit Credit Communication Allowance, Other Credit, Are there amounts that the Commonwealth prefers for these allowances?

Answer: This is your proposal; we are interested in your solutions.

25. In the OHB 14-01 cost proposal regarding the following: *“Notify appropriate party of eligibility issues within 24 hours of receipt of eligibility data.”* Does this supersede 24.a., which requests data processing within one business day of receipt of eligibility data?

In addition, please clarify this requirement in relation to receipt of daily changes files Tuesday-Saturday. Does the Commonwealth require notification of eligibility issues within 24 hours for files transmitted on Saturday?

Answer: The Commonwealth will accept notification in one business day. We are interested in your solution that best meets our requirements.

26. In the OHB 14-01 technical proposal language which states *“Describe the training Offeror will provide Commonwealth staff who could take calls from Medicare retired members.”* Does the Commonwealth intend to provide customer service in-house? Answer: No, we are requesting the training that will be provided to dedicated COVA CSRs.

In addition, please advise if the Commonwealth intends to provide any services included in the RFP in-house.

Answer: The services requested in the RFP are to be provided by the awarded vendor.

27. RFP# OHB 14-01 Census - The census provides total of ~37K members. How many of these members and which plans shall be included in the EGWP quote? Please confirm all members on the census (even those under age 65) are medicare eligible.

Answer: Assume only those over age 65 are Medicare eligible.

28. RFP# OHB 14-01 Please provide the actual date of birth for each member vs. the range currently provided.

Answer: Work with the information you have been provided.

29. RFP# OHB 14-01 Please provide the overall average percentage COVA contributes towards the members premium.

Answer: Retirees pay the full cost of coverage. A separate benefit may offset premium, but it is not relevant to this RFP.

30. RFP# OHB 14-01 Appendix 1 Plan Design - Is there more than one benefit design for EGWP? If so, please provide.

Answer: There is only one Med D/EGWP plan.

31. RFP# OHB 14-01 Appendix 1 Plan Design - Does COVA have a mail incentive plan currently in place? If so, what type of program and how many grace fills are allowed at retail for maintenance drugs before members have to fill them at mail?

Answer: The only mail incentive is lower copay for tiers 1 and 2—see member handbook insert.

32. RFP# OHB 14-01 Section 1.2 – Please confirm the percentage goal for Small, Women, And Minority Owned Businesses.

Answer: See Addendum #1

33. RFP# OHB 14-01 Section 2.7.10 – Please clarify what access COVA is requesting.

Answer: This section provides the clarity requested. Please work with the information you have available.

34. RFP# OHB 14-01 Section 4.5 Other Requirements – Is COVA requesting we provide all the documents listed? Please clarify the request for popular language

Answer: Language should be understandable by the member population.

35. RFP OHB 14-02 Section 2.9 – what will be the extent of the coordination between Blue Cross and the carrier awarded the Medicare retiree contract?

Answer: Any coordination between administrators will be based on contract awards.

36. RFP OHB 14-02 Questionnaire #127 – besides Medicare coordination, are there any other COB requirements?

Answer: Contractor should identify and coordinate any available benefits.

37. RFP OHB 14-02 Will the retirees under age 65 require a PPO network? If so, please identify which individuals on the census.

Answer: This RFP is for a Medicare supplement plan, regardless of beneficiary’s age.

38. RFP OHB 14-02 Section 2.9.3 – in this requirement should bidders account for members who don’t pay directly and also provide reporting for these individuals?

Answer: RFP OHB 14-02 Section 2.9.3 – There are two billing options under the TLC retiree program: Group bill and Direct bill. Only one option is available per group. The first and most utilized at present is Group bill. With Group bill, the vendor will bill the Local Employer/group for all retirees in the class. The Local Employer is responsible for collecting and remitting premiums to the vendor. The vendor has no responsibility for terminating or changing coverage for group bill participants unless the Local Employer notifies COVA/TLC of the change. The second option is Direct bill in which the vendor will bill and collect premium directly from the retiree. With delinquency or non-payment, the member’s coverage is terminated and reported to COVA/TLC.

Direct billing for the state program (not TLC) will only include billing for designated individual participants (see Appendix 4A, Membership and Billing under the State Program).

39. RFP OHB 14-02 How many retirees will require a retiree billing functionality? How many through ACH and how many through checks?

Answer: Direct billing sends a monthly invoice. Arrangements for automatic bank draft are made directly with the vendor.

40. RFP OHB 14-02 Question #145: does COVA have an onsite CSR today? If yes, please describe. Is this required?

Answer: There is not a requirement for an on-site CSR dedicated to the Medicare-primary plan.

41. RFP OHB 14-02 Question #134: does COVA have a 24/7 behavioral health triage system in place today? If yes, please describe.

Answer: This is not applicable to the Medicare supplement plan since Medicare is the primary payer.

42. RFP OHB 14-02 Referencing 2.8.4, please confirm Tab 5 should include a sample monthly invoice. Section 6.6 states Tab 5 should include the Small, Women, and Minority Owned Businesses form.

Answer: Please include both requested items

43. RFP OHB 14-02 Please advise how the locked excel questionnaire should be redacted. Can we submit the redacted copy in pdf format (on CD)? Per 5.2.12 “An original, six separate paper copies of the original, five disks with electronic versions of the original, and one disk with and electronic version of the redacted submission shall be delivered in a sealed box…”

Answer: The redacted version may be provided in PDF or other format.

44. How exactly does the following provision apply? i.e. Once per contract, or per invoice?

*7.22 Vendor transaction fees are determined by the date the original purchase order is issued and the current fees are as follows:*

*a. For orders issued July 1, 2014 and after, the Vendor Transaction Fee is:*

*(i) DSBSD-certified Small Businesses: 1%, capped at $500 per order.*

*(ii) Businesses that are not DSBSD-certified Small Businesses: 1%, capped at $1,500 per order.*

Answer: This was answered in Addendum #1, question 39.

45. With regard to the following provision, can additional information be shared to help us understand exactly what the Commonwealth is requesting?

6.5.2 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: The Commonwealth is requesting that the contractor pay interest on any advance cash flow they hold in anticipation of liability payments by the contractor (common example – claims imprest amount paid in advance to cover a period of claim payments to providers). Please state the guaranteed interest percentage on any funds you may hold as cash flow prior to the liability being discharged.

46. Where in the HIPAA 834 Transaction File Format would the Commonwealth be passing the required fields listed below?

- Group ID

- Member ID

- Enrollment Date

- First Name

- Middle Initial

- Last Name

- Date of Birth

- Gender

- SSN

- Phone

- Address 1

- Address 2

- City

- State

- Zip Code

- HICN

- Disenrollment Date

- Action (enroll a member, disenroll a member, update a member)

Answer: This information was provided in the RFP OHB 14-01 Appendix 4, hyperlink.

47. In the technical questionnaire for OHB 14-01, Can the Commonwealth please clarify what is meant by “processing authority limits”?

Answer: What dollar and or type of claim limits do you have at your claim adjudicator levels that would require their referral of the claim to higher levels of authority before approval?