



STATE OF TENNESSEE
Benefits Administration

**REQUEST FOR PROPOSALS # 31786-00132
AMENDMENT #Three
Statewide Third Party Administrator Services**

DATE: March 4, 2016

RFP # 31786-00132 IS AMENDED AS FOLLOWS:

1. 1. This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.

EVENT	TIME (central time zone)	DATE (all dates are state business days)
1. RFP Issued		February 10, 2016
2. Disability Accommodation Request Deadline	2:00 p.m.	February 16, 2016
3. Pre-response Conference	2 p.m.	February 18, 2016
4. Notice of Intent to Respond Deadline	2:00 p.m.	February 22, 2016
5. Written "Questions & Comments" Deadline	2:00 p.m.	February 26, 2016
6. State Response to Written "Questions & Comments"		March 7, 2016
7. 2 nd Written "Questions & Comments" Deadline	2:00 p.m.	March 10, 2016
8. Deadline to Submit Network and Claims Information to Aon Hewitt	5:00 p.m.	March 14, 2016
9. State Response to 2 nd round of Written "Questions & Comments"		March 16, 2016
10. Response Deadline	2:00 p.m.	March 23, 2016
11. State Completion of Technical Response Evaluations		March 30, 2016
12. State Opening & Scoring of Cost Proposals	2:00 p.m.	March 31, 2016
13. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	1 Day after Insurance Committee Award of Contract
14. End of Open File Period		7 CALENDAR DAYS LATER

15. State sends contract to Contractor for signature		8 BUSINESS DAYS LATER
16. Contractor Signature Deadline	2:00 p.m.	1 – 5 BUSINESS DAYS LATER

NOTE: Vendors may submit no more than 5 questions to the State in the 2nd round of Written Questions and Comments.

2. State responses to questions and comments in the table below amend and clarify this RFP.

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

	QUESTION / COMMENT	STATE RESPONSE
1	<p>In lieu of an official document or letter from an accredited credit bureau, would a report from Dun & Bradstreet or Standard and Poor’s be considered sufficient enough to give us a passing score?</p> <p>Section A, Mandatory Requirement Items, Question A.5 (p. 22) – Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months and indicating a satisfactory credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will not be considered responsive.)</p>	<p>Yes, A Dun and Bradstreet or Standard and Poor report verified and dated with in the last 3 months and indicating a satisfactory credit rating for the Respondent will be sufficient to fulfill this requirement.</p>
2	<p>Appendix 7.2 contains out of state zip codes also. Since this bid includes out of state employees would you like us to include the out of state zips/employees in the GeoAccess reports? Or only run the GeoAccess reports on TN zip codes only and exclude the ones listed out of state? This question also applies to Question D.2.2</p> <p>Provider Network Accessibility Analysis Data. For the proposed statewide network, conduct and submit a GeoAccessGeoNetworks Provider Accessibility Analysis for your participating Primary Care Physicians, Pediatricians, Endocrinologists Obstetricians/Gynecologists, and Cardiologists IN TENNESSEE ONLY, as required in Appendices 7.7 and 7.8. and using the State’s total participant population data provided in Appendix 7.2, TN Zip Code Counts.</p>	<p>Updated Appendix 7.2 to contain only Tennessee ZIP codes. See Amendment Section 4.</p>
3	<p>Which column(s) do you want us to use? Grand total which includes all members? Active and Retirees so we are using subscribers only? Etc?</p> <p>For the GeoAccess reports the instructions state: “using the State’s total participant population data provided in Appendix 7.2, TN Zip Code Counts” That file contains Active, retiree, Child, Spouse and Grand Total.</p>	<p>The Total Participant Population includes all enrollees. Do not use subscribers only.</p>
4	<p>GeoAccess report parameters - were cardiologists intentionally omitted from the rural employees’ access standards provided?</p>	<p>No. It should be included as 1 physician within 25 miles. Updated Appendix 7.7 See Amendment Section 3.</p>

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<p>5 With regard to the Administrative Services Only (ASO) Fee grids; the State indicates they are looking for a single vendor to administer the benefits but tiered enrollment levels are provided within the fee grids. Is it to be assumed that for this bid the submitting vendor should only complete the 100,000 and above row of the fee grid provided?</p>	<p>This contract is for a single Statewide Vendor in addition to the current regional vendors. ASO fees are based on enrollment. Enrollment in the Statewide option is not projected to be high due to the expected higher premiums for this network option. Respondent should bid ASO fees for every row of the provided grid.</p>																					
<p>6 What are the current vendor fees in place today? Are any of the current vendor fees going through the administration bank account?</p>	<p>Under the current contracting structure, there are two vendors with separate administrative fees.</p> <p>The below per employee per month (PEPM) administrative fees are based on total enrollment levels. These fees remain constant throughout the year based on enrollment in January 2016.</p> <table border="1" data-bbox="976 804 1453 1493"> <thead> <tr> <th>Total Enrollment Levels (all members, not just employees)</th> <th>January 1 – December 31, 2016 Vendor 1</th> <th>January 1 – December 31, 2016 Vendor 2</th> </tr> </thead> <tbody> <tr> <td>Below 10,000</td> <td>\$32.44</td> <td>\$64.88</td> </tr> <tr> <td>10,000 – 29,999</td> <td>\$31.89</td> <td>\$48.57</td> </tr> <tr> <td>30,000 - 49,999</td> <td>\$31.06</td> <td>\$45.75</td> </tr> <tr> <td>50,000 – 74,999</td> <td>\$30.23</td> <td>\$40.57</td> </tr> <tr> <td>75,000 – 99,999</td> <td>\$28.56</td> <td>\$36.66</td> </tr> <tr> <td>100,000 and above</td> <td>\$27.73</td> <td>\$33.17</td> </tr> </tbody> </table> <p>The current vendor fees are not paid through the ACH debit process. The State automatically pays these fees based on a snapshot enrollment at the beginning of each month.</p>	Total Enrollment Levels (all members, not just employees)	January 1 – December 31, 2016 Vendor 1	January 1 – December 31, 2016 Vendor 2	Below 10,000	\$32.44	\$64.88	10,000 – 29,999	\$31.89	\$48.57	30,000 - 49,999	\$31.06	\$45.75	50,000 – 74,999	\$30.23	\$40.57	75,000 – 99,999	\$28.56	\$36.66	100,000 and above	\$27.73	\$33.17
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<p>7 Can full plan of benefits be provided for vendor review?</p>	<p>http://tn.gov/finance/article/fa-benefits-publications</p>																					
<p>8 Both A.7 and B.17 of the technical response portion of the RFP appear to be asking for references. Is this an oversight,</p>	<p>It is not an oversight. The references</p>																					

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or are bidding vendors required to provide six references?	can be the same for both responses.
9 Please provide a revised census in excel format which includes the originally provided data (coverage type, zip code and status) but adds gender and date of birth. These specific demographic details are used in our rating tools and algorithms to establish competitive rates for proposal bid opportunities.	We have added gender to the age bands to Appendix 7.3 and 7.4. See Amendment Section 5 and 6.
10 In RFP attachment 6.2. – Section D Part 2 (page 40) can vendors include providers that fall outside of the state of Tennessee, but within the designated access standards as outlined in the Performance Guarantees.	The State does not agree.
11 Can you provide information on the Edison System the vendors are required to interface with?	Edison is the state’s system for maintaining member enrollment information. It is an Oracle PeopleSoft system, version 9.1.
12 Contract language for the PBM, Behavioral Health, EAP and Health and Wellness indicates the vendor will be required to provide the following “Accepting and Maintaining data from...” Please detail what is meant by maintaining data.	Maintaining data means utilizing and incorporating claims or utilization data from other vendors into the Contractors systems for benefit accumulators, case management, or administration of various benefit designs etc.
13 A.2. (c): This section references an Attachment F. The end of the RFP document indicates a “Placeholder for Attachment F” but to date this information has not yet been received. When can vendors expect to receive this information?	This is information the awarded Contractor provides to the State as specified in Contract Section A.2. It will be inserted in the contract after the contract award and be for the contract is executed.
14 A.2. (c): Implementation team members may not have had experience with the implementation of customers with over 30,000 members. However, the State will be provided the most experienced team dedicated to the successful transition of your plans. Is this acceptable to the State?	State agrees to modify language to e.g. to allow for flexibility in the 30,000 lives number. See Amendment Section 11.
15 Would this also be subject to the provider agreeing to market competitive reimbursement rates? Also, is there any flexibility on the language, “Unless otherwise directed by the State, all networks shall include other commercial clients and cannot be established only for State members”? A.3.a In offering the broadest network, it mentions “cost effective medical services”, but “At the State’s request, the contractor shall add any requested provider to the network, assuming they meet all of the vendor’s quality and credentialing requirements.”	State does not agree but proposes new language to be added. See Amendment Section 12.
16 A.3.a: We can agree to this language as written if the requirements to add a provider also includes “agreeable price points”. Is the State agreeable to the following, “...At the State’s request, the Contractor shall add any requested provider to the network, assuming they meet all of the vendor’s quality and credentialing requirements and are agreeable to vendor’s price points...”?	See amended language in Amendment Section 12.
17 A.3.e: Is the State agreeable to amending the language to state, “The Contractor shall develop and	The State does not agree. Currently the

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<p>implement a high performance or tiered network of providers and/or facilities as measured by their adherence to a standard set of evidence-based clinical protocols, cost efficiency (e.g., cost per episode) and quality measures consistent with Contractor’s criteria for high performance or tiered networks.”?</p>	<p>State does not have a tiered network benefit design and does not expect to implement one in 2017.</p>
<p>18 A.3. k: We do not currently have a cardiology/cardiac surgery COE. However, we are currently in the process of developing a cardiac surgery Centers of Excellence solution for pilot testing in multiple markets for 2016. Our objective is to identify facilities nationwide that are exceptional at providing the most prevalent cardiac procedures and surgeons based on complications, mortality, volume, episode costs and readmission rates. We are happy to discuss with the State in greater detail, as plan design changes may be required. Is this acceptable to the State?</p>	<p>The contract language says as directed by the State. Currently members are not required to use a COE for Cardiology/Cardiac procedures.</p>
<p>19 A.3. q: Is the State agreeable to the following process? “We are notified by our network partners of only major network terminations and/or additions. Upon notification from our network partners, we will notify the State of substantial network changes that may affect members. Our Sales and Account Management staff will be notified of such major network terminations and/or additions by email. This communication will include information of the provider change as well as identify the customers with employees within 40 miles of the provider termination/addition. If possible notification is sent 30 days in advance of the reported termination and/or addition. The State’s assigned Strategic Account Executive will provide notification to the State and the notification will include</p> <ul style="list-style-type: none"> ■ Provider name ■ Provider location ■ Date of potential termination ■ Alternate facilities ■ Number of employees residing in the providers’ market area <p>If we receive notification of a rescinded provider termination, Account Management will be notified of the rescinded termination and the State’s Strategic Account Executive will in turn notify the State. Termination notification letters may be sent to impacted members upon request. We encourage members to verify their provider is participating in the network before they schedule an appointment. Listed on their ID card is a toll-free number which can be used to obtain provider status.</p>	<p>The State does not agree.</p>
<p>20 A.3.r: Is the State agreeable to allowing the Contractor to ‘Use best efforts’ for this stipulation? “The Contractor shall ‘use best efforts’ to not take action to disenroll network primary care providers or hospital providers except for good reason, which</p>	<p>The State does not agree.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>may include: inability to negotiate continuance of its provider agreement; provider failure in the credentialing/recredentialing process; non-compliance with provider agreement requirements; provider request for disenrollment; member complaints; suspicion of provider impairment; loss of license or exclusion from participation in Medicare or Medicaid pursuant to Sections 1128 or 1156 of the Social Security Act; or those who are otherwise not in good standing with the Public Sector Plans.”</p>	
<p>21 A.3.u: Is the State agreeable to the following? “Contractor shall submit to the State an annual provider termination report that includes substantial network terminations.”</p>	<p>The State does not agree.</p>
<p>22 A.3 v: What is your definition of NCQA Health Plan accreditation? Is URAC accreditation in lieu of NCQA acceptable to the State?</p>	<p>NCQA Health Plan accreditation is defined on the NCQA website www.ncqa.org under health plan accreditation.</p>
<p>23 A.3.cc: Please provide a sample reports for the items outlined in this provision for review to determine if we can accommodate this stipulation.</p>	<p>We have added Appendix 7.12. See Amendment Section 9.</p>
<p>24 Please clarify the TCA code we should use to base (meet or exceed) our Telemedicine/Telehealth benefit option on. There are two TCA codes that deal with TeleHealth (TCA 56-7-1002 or TCA 63).</p> <p>A.3 Provider Network (Page 57) ee. The Contractor shall have available for implementation at the State’s request a Telemedicine/TeleHealth benefit option that meets or exceeds T.C.A. and State of Tennessee Medical Board requirements and regulations.</p>	<p>All TCA codes that reference Telemedicine/TeleHealth apply. This includes any pending legislation that could pass this year.</p>
<p>25 It is our understanding that it is acceptable to complete eValue8 for endorsement years so that would mean complete the survey in 2016 for a 2017/2018 potential endorsement. Is that agreeable and your intent?</p> <p>A.5.f Quality Assurance Program (Page 59)</p> <p>Unless otherwise directed by the State, the Contractor shall complete the eValue8 (see Contract Section A.25.) process in 2017 and, thereafter, shall complete the process every other year during the term of this contract. This shall include, but not be limited to, completing the request for information survey, submitting the survey to the National Business Coalition on Health and/or other entity as directed by the State, participating in the validation process, and participating in any onsite visits with the State to discuss the results and identify areas for improvement. The Contractor shall also participate in an annual site visit to address the specific next steps and follow up on issues identified during the most recent eValue8 process.</p>	<p>The intent is for a 2017 survey for 2018/2019 endorsement unless otherwise directed by the State.</p>
<p>26 A.5.b: Is the State agreeable to amending this provision to state; “The State reserves the right to review the program documents and review changes, where appropriate. The</p>	<p>The State does not agree.</p>

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Contractor shall 'use best efforts' to notify the State, in writing, within thirty (30) days of any significant changes to its quality assurance program. The State reserves the right to review the change and 'review' changes, where appropriate."?	
27 A.5.e: Is the State agreeable to amending this provision to state; "Unless otherwise directed by the State, the Contractor shall 'encourage' its network hospitals to complete the Leapfrog Hospital Survey annually"?	The State does not agree.
28 A.5.i: Is the State agreeable to the following in replacement of the current language? "Our Premium® program is a Bridges to Excellence (BTE) endorsed network designation that uses evidence-based and expert physician-derived con-census standards to evaluate physicians across 27 specialties using claims data for quality and cost efficiency. As an example, a physician board certified in internal medicine and in a market where the Premium® program is available would receive the Premium Quality designation if they are BTE –recognized as an individual physician for Asthma, Cardiac, CAD, CHF, Diabetes or Spine."	The State does not agree.
29 A.5 k: Will the State agree to the following modification? " Contractor will use best efforts to intervene with individual network providers, as identified by the Contractor, the PBM, the HM/W vendor, the EAP/BHO vendor, the H&W Center vendor, or the State, (1) whose prescribing practices appear to be operating outside industry or peer norms as defined by the State's Contractors, (2) are non-compliant as it relates to adherence to the State's formulary and/or generic prescribing patterns, and/or (3) who are failing to follow required prior authorization processes and procedures. The goal of these interventions will be to improve prescribing practices by the identified network provider. Interventions shall be individualized and face-to-face, as requested by the State. As appropriate, the intervention may be a team effort involving representatives from the Contractor, the PBM, the EAP/BHO vendor, the State, the HM/W vendor, the H&W Center vendor, and/or other appropriate State contracted vendors. The Contractor shall take the lead in organizing the meetings, including all meeting logistics."	The State does not agree.
30 A.5 l: Will the State agree to the following modification? " Contractor will use best efforts to provide individualized and face-to-face (when requested by the State) clinical education to network providers identified by the EAP/BHO vendor, the PBM, the HM/W vendor, the H&W Center vendor, the State, or any other State contracted vendor as needing additional education regarding prescribing patterns and clinical interventions/treatment for behavioral health conditions."	The State does not agree.
31 A.5.n: HEDIS is a data set. We don't report a customer's data into the HEDIS Data Submission System. However, we are able to report a customer's rates to them for some HEDIS measures (ones that are claims based). Is this acceptable to the State?	The Contractor is required to show the State's rates and the Contractor's BOB rates for HEDIS measures. We have added Appendix 7.11. See Amendment Section 8.
32 A.7.c: Is the State agreeable to the following amended language? "The Contractor agrees to encourage and educate primary care providers to screen adults for depression and to include depression screening in an adult wellness visit/physical as an element in any primary care chart review that it conducts."	The State does not agree.
33 When can the Contractor expect to receive the State's subrogation policies?	The winning contractor will be provided the State's subrogation policies during

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<p>A.9 Provider Network (Page 65)</p> <p>cc. The Contractor shall implement a process to carry out subrogation recoveries and report subrogation activities to the State in compliance with the State’s subrogation policies, which shall be provided to the Contractor prior to the benefits go-live date (refer also to Contract Attachment C, Reporting Requirements).</p>	<p>the implementation period of the contract.</p>
<p>34 A.9: Currently, auto-adjudication rates average in the 70 percent range. The actual percentage is determined by customer plan. Until the State’s plan is loaded into our system we cannot determine auto-adjudication level. We will work with the State to achieve an 80 percent auto-adjudication level once the plan is loaded into our system and discussion provisions which affect the auto-adjudication rate and working towards an 80 percent adjudication level. Is this acceptable to the State?</p>	<p>This is not acceptable to the State. The Contractor must meet the listed performance standards. The Contractor is subject to liquidated damages for missing contractual performance standards.</p>
<p>35 A.9 i: Our standard is to have all clean claims processed within 10 business days. Is this acceptable to the State?</p>	<p>Yes, as long as the minimum performance standards listed in A.9.i are met.</p>
<p>36 A.9. aa: We can administer multiple COB options for our customers. During implementation we may ask for a sample, or definition, of the State Code referenced. Is this timing acceptable to the State?</p>	<p>Yes.</p>
<p>37 A.9. gg (3): When referencing “payment information” what type of “payment information” are you referring to? (admin, claims, recoveries, other?)</p>	<p>Payment information is related to any payments made by the State. These include administrative fees, claims payments, etc.</p>
<p>38 A.9.ii: It is assumed that any ACH EFT payments are specific to the provider only for medical claims payments. Can you confirm this assumption? In a typical Contractor’s own bank account arrangement, the Contractor’s bank account is set up in the customer’s name and the group’s tax id. Is this arrangement acceptable to the State?</p>	<p>The referenced contract requirement is for payments of all claims under this contract. The banking arrangement described is not acceptable to the state. Under state law, the state treasurer is given the sole authority to enter into a contract with a federal reserve member bank or trust company located in Tennessee for the purpose of transferring public funds. The state treasurer’s office is the only entity that can give authority for bank accounts to be entered in the state’s name.</p>
<p>39 A.9. jj and kk: Would the state agree to the following replacement language for these two contract provisions? “In the event an Overpayment is made, Contractor shall make an attempt to recover Overpayments more than one hundred dollars using its Overpayment recovery procedures. In the event the recovery attempts are unsuccessful, Contractor will follow its established overpayment recovery rules for an escalated recovery process. Recovery attempts will remain open for a minimum of twelve months. Contractor will be responsible under this Section for recovery costs and reimbursement of any</p>	<p>The State does not agree.</p>

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<p>unrecovered Overpayment that is \$50,000 or less, only to the extent the Overpayment was due to our gross negligence. For any unrecovered Overpayment that is greater than \$50,000, Contractor will be responsible for recovery costs and reimbursement only to the extent the Overpayment was due to Contractor's act or omission, which in the aggregate, constitutes Contractor's failure to perform its obligations under this Agreement with reasonable diligence and that degree of skill and judgment possessed by a similar entity experienced in furnishing claim administrative services to plans of similar size and characteristics as the Plan, all as determined by a court or other tribunal having jurisdiction of the matter."</p>	
<p>40 A.10 c: We can note a member's file for additional review criteria but we do not automate a gatekeeper or specific provider must be utilized in response to doctor shopping</p>	<p>The State does not agree. However, the State is not aware of any current "locked in" members.</p>
<p>41 A.10 f: Please provide a narrative of the reporting requirements or sample report provided for this provision so we can determine ability to meet.</p>	<p>We have added Appendix 7.13. See Amendment Section 10.</p>
<p>42 A.11. f: Would the state agree to the following replacement language for this contract provision: "In the event an Overpayment is made, Contractor shall make an attempt to recover Overpayments more than one hundred dollars using its Overpayment recovery procedures. In the event the recovery attempts are unsuccessful, Contractor will follow its established overpayment recovery rules for an escalated recovery process. Recovery attempts will remain open for a minimum of twelve months. Contractor will be responsible under this Section for recovery costs and reimbursement of any unrecovered Overpayment that is \$50,000 or less, only to the extent the Overpayment was due to our gross negligence. For any unrecovered Overpayment that is greater than \$50,000, Contractor will be responsible for recovery costs and reimbursement only to the extent the Overpayment was due to Contractor's act or omission, which in the aggregate, constitutes Contractor's failure to perform its obligations under this Agreement with reasonable diligence and that degree of skill and judgment possessed by a similar entity experienced in furnishing claim administrative services to plans of similar size and characteristics as the Plan, all as determined by a court or other tribunal having jurisdiction of the matter."</p>	<p>The State does not agree.</p>
<p>43 A.12 k: If the Contractor is a third-party administrator does the CAHPS requirement apply?</p>	<p>Yes.</p>
<p>44 A.13 a: Our standard process for appeals related to rescission of coverage is to forward the member back to the plan holder. Is this process acceptable to the State?</p>	<p>This is not acceptable to the State.</p>
<p>45 A.13 b.: Contractor does not have an appeals committee, but rather a business unit dedicated to appeals. Is this acceptable to the State?</p>	<p>This is not acceptable to the State.</p>

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46 A.13 d.: Contractor appeal notification letters to providers do not include member’s appeal rights. Is this acceptable to the State?	This is not acceptable to the State.
47 A.13 i: In our appeal process, appeal peer to peers physician consultations are not mandatory and completed on request, is this acceptable to the State?	This is not acceptable to the State.
48 A.14 i (3): Our standard is to have all calls answered within 30 seconds, is this acceptable to the State?	This is not acceptable to the State.
49 A.14 p: Our process identifies caller by member ID and not name. Is this process acceptable to the State?	This is not acceptable to the State. The member ID is used for dependents as well as the member. The name of the caller must be included. The member ID may also be included.
50 A.14 r: During office hours, members can press “0” to be transferred to an operator who will transfer them member to the State claim representative(s). Is this process acceptable to the State?	This would be acceptable given the current contract language.
51 A.14 s: We have messaging to members when wait times are much longer than normal; however, it is generic messaging with no dial back option. Is this acceptable to the State?	This is not acceptable to the State.
52 A.14 u: We do not provide direct access into the phone system to hear recorded calls. However, calls can be exported to the State via a wav file for listening if needed. Is this acceptable to the State?	See Amendment Section 13.
53 A.14 v (3): We identify the reason for the member call, but not using a coding scheme. Is this acceptable to the State?	A coding scheme includes call categorization. The lack of a coding scheme or call categorization is unacceptable.
54 A.14 v (6): We identify the resolution of the member call, but not using a resolution code. Is this acceptable to the State?	A resolution code includes resolution categorization. The lack of a resolution code or resolution categorization is unacceptable.
55 A.14 w: Our call representatives do not direct care but can highlight best benefits that can be obtained by using any participating network provider. Is this acceptable to the State?	This is not acceptable to the State.
56 A.15 e. (d) ii: Our ID cards will display “Tennessee State Group Insurance Program” in two lines in the upper right corner of front of card above logo and “Administered By” will display in a smaller font in lower right corner of front of card. Is this acceptable to the State?	ID Cards are proofed and approved during implementation. Generally, as long as all required elements are on the card, placement can be flexible with approval by the State.
57 A.15 e. (3) iii: 1. Our ID cards display group number only not group name and we display four lines of 50 characters for cost sharing amounts. Is this acceptable to the State?	ID Cards are proofed and approved during implementation. Group name is not required as noted in contract language.
58 A.15 e. (3) iv: Would it be acceptable to the State for the member ID card to list a print date and not list an effective date?	This is not acceptable to the State.
59 A.15 f. (4): Our standard process is to supply the customer with a supply of member booklets in lieu of keeping them on hand at our facilities. Is this	This is not acceptable to the State.

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acceptable to the State?	
60 A.15 h: Would it be acceptable to the State for the member ID card to be mailed separately from the other Welcome Packet materials to ensure prompt ID card mailing?	The contract language says unless otherwise directed by the State. The Contractor would need prior approval from the State which has been granted in the past.
61 A.15 i: Is the State agreeable to the following? “We will mail, at the member’s request, a current copy of the provider directory to the member within ten (10) days of receiving the member’s request. The State will be charged for the cost of the directory and for standard mailing fees. Please note, paper copies of the Provider Directory are only updated twice a year.”	The State does not agree. Please note the Contract does not have a requirement for updating paper copies of the Provider Directory.
62 A. 16. a: Please confirm if the State’s splash page will need to go-live on 9/15 or 10/1.	It will need to go live 15 days prior to annual enrollment. Annual Enrollment is usually determined by June of each year.
63 A.16 i.: What URL does the State expect to use for your main site URL? (not the splash page)	http://www.partnersforhealthtn.gov/
64 A.16 j. and k.: Is the State site currently Section 508 compliant?	Yes.
65 A.16.m: The internet-based provider directory does not include termed providers. Is the State agreeable to the following? “We will provide the internet-based provider directory 15 days prior to annual enrollment. The internet-based provider directory shall include provider name, specialty, address and phone number. It will also include whether or not the provider is accepting new patients.”	The intent of the language is that the internet directory be as up to date as possible. Termed providers should be removed from the internet directory within 10 calendar days per A.16.m.
66 A.16. n. (5): Through our consumer cost transparency and quality tools we have pharmacy drug interactions information via a Health Education Library only. We would assume the pharmacy and behavioral health vendors would provide data available through their sites. Is this acceptable to the State?	Contract language includes “if requested by the State”. The State does not currently require this function.
67 A.16. n. (6): We provide links to other vendors sites through our main page and not through our consumer cost transparency tool, is this acceptable to the State?	If the member can navigate to that main page from the transparency tool then this is acceptable to the State.
68 A.16 n. (8): FSA balance information is available through our main site, not through our consumer cost transparency tool. HSA banking information is provided through the member’s financial institution. Is this acceptable to the State?	Contract language states if applicable. Currently, it is not applicable.
69 A.16 o.: We currently have member secure messaging on its digital roadmap for 2017. Is this acceptable to the State?	This is not acceptable to the State.
70 A.18 e: While UM reviewers do not quote plan benefits, the reviewers are knowledgeable of the Plan Document. In addition, all callers are asked if they would like to be warm transferred for confirmation of benefits and/or eligibility. Is this process acceptable to the State?	This is acceptable.
71 Please provide a valid link to the Information Security	Updated link:

QUESTION / COMMENT	STATE RESPONSE
<p>Policies referenced in item A.19.d. The one given below is invalid.</p> <p>A.19 Information Systems (Page 78)</p> <p>d. The Contractor’s system will comply with the State’s Enterprise Information Security Policies or more stringent controls as specified in this contract or applicable state or federal statute or regulation. A copy of the State’s Enterprise Information Security policy can be accessed at https://www.tn.gov/assets/entities/finance/oir/attachments/PUBLIC-Enterprise-Information-Security-Policies-v2.0 1.pdf</p>	<p>http://tn.gov/finance/topic/sts-security-policies</p>
<p>72 A.19 g: Will the State agree that this provision does not apply to data or information considered proprietary and confidential to the Contractor?</p> <p>Proprietary Business Information. Each party will limit the use of the other's Proprietary Business Information to only the information required to administer the Plan, to perform under this Agreement, or as otherwise permitted under this Agreement. Neither party will disclose the other's Proprietary Business Information to any person or entity other than to the disclosing party's employees, subcontractors, or authorized agents needing access to such information to administer the Plan, to perform under this Agreement, or as otherwise permitted under this Agreement, except that Contractor's Financial PBI cannot be disclosed by Customer to any third party without Contractor's express written consent.</p> <p>Proprietary Business Information is defined as: Nonpublic information, trade secrets, and other data including, but not limited to, sales and marketing information, management systems, strategic plans and other information about the disclosing party's business, industry, products and services, plans, specifications, operation methods, pricing, costs, techniques, manuals, know-how and other intellectual property, in written, oral or other tangible form, provided by one party to another or its representative; and all information, documents, technology, products, and services containing or derived from Proprietary Business Information which was or may have been transmitted, given or made available to or viewed by one party or another in the course of the receiving party's relationship. Contractor's Proprietary Business Information shall include, but not be limited to, discounts and other financial provisions related to Contractor's Network of healthcare providers and claims data from which those financial provisions can be derived and financial provisions related to prescription drug products covered under the medical benefit. Aon</p>	<p>The State does not agree. Benefits Administration is subject to the Tennessee Public Records Act, T.C.A. § 10-7-501 et seq. The State understands and protects confidential information to the fullest extent provided by state law.</p>
<p>73 A.20 f: We provide this report monthly, instead of quarterly. Is this acceptable to the State?</p>	<p>Yes.</p>

QUESTION / COMMENT	STATE RESPONSE
74 A.20 g: Please provide details on what data the vendor will be required to “integrate” into our systems.	Data from other vendors that may include financial accumulators, claims or utilization data for case management and or wellness programs etc.
75 A.20 i (4): We can agree to time and effort to make changes to the layout when applicable. However, we assume it is Truven’s responsibility to pay for their own changes in their system. Is this acceptable to the State?	The State does not agree.
76 A.21 d: Will the State agree to the revised language below? Contractor shall without unreasonable delay, report to the state (i) any use or disclosure of PHI not provided for by the BAA and/or the Agreement, of which it becomes aware in accordance with 45 C.F.R. 164.504(e) (2) (ii) (C); and/or (ii) any Security Incident of which Contractor becomes aware in accordance with 45 C.F.R. 164.314(a) (2) (i) (C). Contractor shall work cooperatively with the State in responding to any unauthorized use or disclosure of PHI related to this contract.	The State does not agree.
77 A.21 k: Will the state accept this revised language? At the request of the State and in the event of a breach, as defined by HIPAA, Contractor shall offer credit protection for those members who were impacted by the breach.	This is not acceptable to the State.
78 A.22 c: Our practice is not to allow customers direct access to our systems. However, we provide our customers access to claims, eligibility, benefit information and financial reporting through our employer web portal. Is this acceptable to the State?	Yes. This is acceptable.
79 A.23.b: Is the State agreeable to the following? “The Contractor shall collaborate with Benefits Administration, dependent upon the data file specifications, as needed for data sharing and information purposes, on payment reform initiatives, including but not limited to Episodes and PCMH. The Contractor shall share claims and other related data with third party administrator vendors, as needed upon request by the State, to gain full episode spend.”	The State does not agree.
80 A.24 (42. and 43.): Item 1. Implementation - A call center and other information systems are fully operational December 1, 2016; we would like to refer to the December 1, 2016 for deliverable call center milestones to begin on December 1, 2016 as well. Is this acceptable to the State?	This is not acceptable to the State.
81 D. 19: Will the state be agreeable to revise the Hold Harmless language to the following? To the extent permitted by law, Customer will indemnify Contractor and hold Contractor harmless against any and all losses, liabilities, penalties, fines, costs, damages, and expenses, Contractor incurs, including reasonable attorneys' fees, which arise out of (i) Customer or its vendors’, subcontractors’ or authorized agents’ gross negligence or willful misconduct in the performance of Customer or its	The State does not agree.

QUESTION / COMMENT	STATE RESPONSE
<p>vendors', subcontractors' or authorized agents' obligations under this Agreement or any other agreements entered into with such third parties on Customer's behalf (ii) Customer's material breach of this Agreement (iii) a breach of any other agreements Contractor enters into with such third parties on Customer's behalf, all as determined by a court or other tribunal having jurisdiction of the matter (iv) third party claims brought against Contractor as the claims administrator (e.g. a claim raised by the federal government based on the federal Medicare Secondary Payor laws).</p> <p>Contractor will indemnify Customer and hold Customer harmless against any and all losses, liabilities, penalties, fines, costs, damages, and expenses, that Customer incurs, including reasonable attorneys' fees, which arise out of (i) Contractor's or its vendors' gross negligence or willful misconduct in the performance of Contractor's or its vendors', subcontractors' or authorized agents' obligations under this Agreement or (ii)</p> <p>Contractor's material breach of this Agreement, all as determined by a court or other tribunal having jurisdiction of the matter. Notwithstanding the foregoing, Customer will remain responsible for payment of benefits and Contractor's indemnification will not extend to indemnification of Customer or the Plan against any claims, liabilities, damages, judgments or expenses that constitute payment of Plan benefits.</p>	
<p>82 Please clarify what is meant by the statement highlighted in yellow.</p> <p>D.31 Insurance Contractor (Page 101) The Contractor agrees to name the State as an additional insured on any insurance policies with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) ("Professional Liability") insurance. Also, all policies shall contain an endorsement for a waiver of subrogation in favor of the State.</p>	<p>The State requires that contractors work with their insurance carrier to ensure that a change is made on the insurance policy recognizing that the contractors' contract with the State requires that there be a waiver of subrogation in the State's favor. In order to effectuate a waiver of subrogation, the contractor will need to notify and work it out with its insurance company so that the insurance company is aware that it no longer has the right of subrogation. This change in the insurance policy is known as an endorsement.</p> <p>Subrogation allows an insurance company to step in the shoes of the policy holder to pursue 3rd parties that caused any sort of loss that the insurance company was forced to pay out, on behalf of its policy holder. Quick example. You are a driver and get hit by</p>

QUESTION / COMMENT	STATE RESPONSE
	<p>Bob. Bob was completely at fault for the accident and caused damage to your vehicle. As part of the insurance contract you have with your auto insurance company, they pay for your claim to get your car fixed. Subrogation rights then allows your insurance company to step in your shoes and go after Bob for the damage and force him to reimburse it for the amount of the claim.</p> <p>A waiver of subrogation takes away (“waives”) that right from the insurance company. In the same example above, say that you and Bob worked out a contract where you waived subrogation in favor of him. Your insurance company could no longer stand in your shoes and sue Bob for the loss they had to pay out in the claim made by you.</p>
<p>83 D.31: We would ask to replace the third sentence with: “If insurance expires during the Term, the State must receive a new COI within 10 calendar days of the insurance’s expiration. Contractor agrees to always maintain insurance in the coverages and amounts specified below.” Is this acceptable to the State? With regard to (a) acceptable to the State, we would ask the state to revised the language above revise the language to read “reasonably acceptable to the State,” Is this acceptable to the State?</p>	<p>This is not acceptable to the State.</p>
<p>84 E.7: Would the state agree to the following replacement language for these this provision: In the event an Overpayment is made, Contractor shall make an attempt to recover Overpayments more than one hundred dollars using its Overpayment recovery procedures. In the event the recovery attempts are unsuccessful, Contractor will follow its established overpayment recovery rules for an escalated recovery process. Recovery attempts will remain open for a minimum of twelve months. Contractor will be responsible under this Section for recovery costs and reimbursement of any unrecovered Overpayment that is \$50,000 or less, only to the extent the Overpayment was due to our gross negligence. For any unrecovered Overpayment that is greater than \$50,000, Contractor will be responsible for recovery costs and reimbursement only to the extent the Overpayment was due to Contractor’s act or omission, which in the aggregate, constitutes Contractor’s failure to perform its obligations under this Agreement with reasonable diligence and that degree of skill and judgment possessed by a similar entity experienced in furnishing claim administrative services to plans of similar size and characteristics as the Plan, all as</p>	<p>The State does not agree.</p>

QUESTION / COMMENT	STATE RESPONSE		
determined by a court or other tribunal having jurisdiction of the matter.			
85 E.9: Would the State agree to the exclude language for the vendor to include a potential disclosure as part of the definition of Unauthorized Disclosure? However, we will agree to report without unreasonable delay any breach of PII.	The State does not agree.		
86 Performance Guarantees general question: Where “each day” is mentioned we ask that “business” be added to read “each business day” is this acceptable to the State? Example: <table border="1" data-bbox="240 554 889 716"> <tr> <td data-bbox="240 554 553 716">Assessment</td> <td data-bbox="553 554 889 716">Five hundred dollars (\$500) for each business day beyond the deadline that the plan is not provided to the State.</td> </tr> </table>	Assessment	Five hundred dollars (\$500) for each business day beyond the deadline that the plan is not provided to the State.	The State does not agree. Business days are noted where applicable otherwise, calendar days apply.
Assessment	Five hundred dollars (\$500) for each business day beyond the deadline that the plan is not provided to the State.		
87 Performance Guarantees 4. Call Center and Other Systems Operational: We will agree to the terms of the performance guarantees for this item with the agreement of a date of December 1, 2016. Is this acceptable to the State?	This is not acceptable to the State.		
88 Performance Guarantees 13. Plan Changes: Our standard process is to conduct a check-out process (using a predetermined set of claim scenarios) with the State to demonstrate that claims are being paid in accordance with the installation documents that require State sign-off. Is this process to meet the plan changes guarantee acceptable to the State?	This is not acceptable to the State.		
89 Performance Guarantees 14. Member Notice of Provider Termination: Our agreement to this guarantee is subject to the State’s approval of the following process: We are notified by our network partners of only major network terminations and/or additions. Upon notification from our network partners, we will notify the State of substantial network changes that may affect members. Our Sales and Account Management staff will be notified of such major network terminations and/or additions by email. This communication will include information of the provider change as well as identify the customers with employees within 40 miles of the provider termination/addition. If possible notification is sent 30 days in advance of the reported termination and/or addition. The State’s assigned Strategic Account Executive will provide notification to the State and the notification will include <ul style="list-style-type: none"> ■ Provider name ■ Provider location ■ Date of potential termination ■ Alternate facilities ■ Number of employees residing in the 	The State does not agree.		

QUESTION / COMMENT	STATE RESPONSE
<p>providers' market area</p> <p>If we receive notification of a rescinded provider termination, Account Management will be notified of the rescinded termination and the State's Strategic Account Executive will in turn notify the State. Termination notification letters may be sent to impacted members upon request.</p> <p>We encourage members to verify their provider is participating in the network before they schedule an appointment. Listed on their ID card is a toll-free number which can be used to obtain provider status.</p>	
<p>90 Performance Guarantees 18. Eligibility Set-Up: If the production eligibility data is received by the Contractor at least 40 days prior to the go-live date we can meet this guarantee. Is this agreed upon by the State?</p>	<p>The State does not agree. Typical production eligibility data file is available to Vendors the weekend of Thanksgiving.</p>
<p>91 Performance Guarantees 23. Financial Accuracy: We agree to the terms of the performance guarantees for this item with the agreement of a date of December 1, 2016. Is this acceptable to the State?</p>	<p>This performance guarantee only applies to claims paid on behalf of the State. Claims paid under this contract begin January 1, 2017.</p>
<p>92 Performance Guarantees 24. Overall Claims Processing Accuracy: We agree to the terms of the performance guarantees for this item with the agreement of a date of December 1, 2016. Is this acceptable to the State?</p>	<p>This performance guarantee only applies to claims paid on behalf of the State. Claims paid under this contract begin January 1, 2017.</p>
<p>93 Performance Guarantees 25. Claims Processing Turnaround: We agree to the terms of the performance guarantees for this item with the agreement of a date of December 1, 2016. Is this acceptable to the State?</p>	<p>This performance guarantee only applies to claims paid on behalf of the State. Claims paid under this contract begin January 1, 2017.</p>
<p>94 Performance Guarantees 30. Authorization of Member Communications: We agree to the terms of the performance guarantees for this item under the assumption the State is ok with previously approved system automatically generated letters (EOB, etc.) do not need approval prior to distribution.</p>	<p>The State does not agree. System automatically generated letters (EOB, etc) are approved during implementation.</p>
<p>95 Performance Guarantees 32. HEDIS Performance: We cannot agree to this guarantee without additional information. What specific HEDIS results is the State requiring to be reported?</p>	<p>We have added Appendix 7.11. See Amendment Section 8.</p>
<p>96 Business Associate Agreements 2.7.1: Will the state be agreeable to the following language: Business Associate shall without unreasonable delay, report to Covered Entity (i) any use or disclosure of PHI not provided for by this BAA and/or the Agreement, of which it becomes aware in accordance with 45 C.F.R. 164.504(e) (2) (ii) (C); and/or (ii) any Security Incident of which Business Associate becomes aware in accordance with 45 C.F.R. 164.314(a) (2) (i) (C).</p>	<p>The State does not agree with proposed language but would accept language below.</p> <p>See Amendment Section 14.</p>
<p>97 Business Associate Agreements 2.7.3: Contractor agrees with respect to any use or disclosure of Unsecured PHI not permitted by the Privacy Rule that is caused solely by Business Associate's failure to comply with one or more of its obligations under this</p>	<p>The State does not agree.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>BAA, Covered Entity hereby delegates to Business Associate the responsibility for determining when any such incident is a Breach. In the event of a Breach, Business Associate shall (i) provide Covered Entity with written notification, and (ii) provide all legally required notifications to Individuals, HHS and/or the media, on behalf of Covered Entity, in accordance with 45 C.F.R. 164 (Subpart D) Business Associate shall pay for the reasonable and actual costs associated with those notifications. Is the State agreeable to this language?</p>	

3. Delete RFP Appendix 7.7 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

Updated Appendix 7.7

Deleted:

Provider Group - Rural	Required Access Standard
Primary Care Physicians	2 physicians within 25 miles
Pediatricians	1 physician within 20 miles
Endocrinologists	1 physician within 20 miles
Obstetricians/Gynecologists	1 physician within 25 miles
Acute Care Hospitals	1 facility within 30 miles

Added:

Provider Group - Rural	Required Access Standard
Primary Care Physicians	2 physicians within 25 miles
Pediatricians	1 physician within 20 miles
Obstetricians/Gynecologists	1 physician within 20 miles
Cardiologists	1 physician within 25 miles
Acute Care Hospitals	1 facility within 30 miles

4. Delete RFP Appendix 7.2 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

Appendix 7.2 Zip Code Counts Revised

5. Delete RFP Appendix 7.3 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

Appendix 7.3 SOT Summary Enrollment by Plan Group Revised

6. Delete RFP Appendix 7.4 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

Appendix 7.4 SOT Summary Enrollment by Plan Revised

7. Delete RFP Appendix 7.5 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

Appendix 7.5 SOT Summary Enrollment by County Revised

8. Add RFP Appendix 7.11 (any sentence or paragraph containing revised or new text is highlighted):

Appendix 7.11 HEDIS Measures

9. Add RFP Appendix 7.12 (any sentence or paragraph containing revised or new text is highlighted):

Appendix 7.12 Unique Care Report Example

10. Add RFP Appendix 7.13 (any sentence or paragraph containing revised or new text is highlighted):

Appendix 7.13 Fraud and Abuse Report Example

11. Add to Pro Forma Contract section A.2.c the following (any sentence or paragraph containing revised or new text is highlighted):

A.2.(c) All of the Contractor's implementation team members shall have participated, as team members, in the implementation of claims administration services for at least one other large employer (*e.g.* employer with medical plans covering at least 30,000 lives).

12. Add to Pro Forma Contract Section A.3.a the following (any sentence or paragraph containing revised or new text is highlighted):

At the State's request, the Contractor shall add any requested provider to the network, assuming they meet all of the vendor's quality and credentialing requirements and are agreeable to market competitive reimbursement rates.

13. Add to Pro Forma Contract Section A.14.u the following (any sentence or paragraph containing revised or new text is highlighted):

The Contractor's system shall be able to record calls for monitoring and the Contractor shall, at the State's request, allow the State, or its authorized representative to monitor or listen to recorded or prior-recorded calls from a remote location.

14. Add to Pro Forma Contract Attachment E Section 2.7.1 the following (any sentence or paragraph containing revised or new text is highlighted):

Business Associate shall promptly (within 48 hours) report to Covered Entity (i) any use or disclosure of PHI not provided for by this BAA and/or the Agreement, of which it becomes aware in accordance with 45 C.F.R. 164.504(e) (2) (ii) (C); and/or (ii) any Security Incident of which Business Associate becomes aware in accordance with 45 C.F.R. 164.314(a) (2) (i) (C).

15. **RFP Amendment Effective Date**. The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.