



STATE OF TENNESSEE
Benefits Administration

**REQUEST FOR PROPOSALS # 31786-00134
AMENDMENT # One
Administration of Self-Insured Medicare Supplement Plan**

DATE: 3/28/16

RFP # 31786-00134 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
1. RFP Issued		March 3, 2016
2. Disability Accommodation Request Deadline	2:00 p.m.	March 8, 2016
3. Pre-response Conference	1 p.m.	March 9, 2016
4. Notice of Intent to Respond Deadline	2:00 p.m.	March 11, 2016
5. Written "Questions & Comments" Deadline	2:00 p.m.	March 17, 2016
6. State Response to Written "Questions & Comments"		March 28, 2016
7. Response Deadline	2:00 p.m.	April 1, 2016
8. State Completion of Technical Response Evaluations		April 7, 2016
9. State Opening & Scoring of Cost Proposals	2:00 p.m.	April 8, 2016
10. 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
11. End of Open File Period		7 CALENDAR DAYS LATER
12. State sends contract to Contractor for signature		1 BUSINESS DAY LATER
13. Contractor Signature Deadline	2:00 p.m.	1 – 5 BUSINESS DAYS LATER

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 Under RFP Attachment 6.3 (Cost Proposal and Scoring Guide) please provide your definition of PMPM (Per Member per month).	Per Member per Month means the administrative fee charged per month for each member (retiree and dependent) enrolled in the State's Medicare Supplement Plan per the State's enrollment records.
2 Under RFP Attachment 6.3 (Cost Proposal and Scoring Guide) it is our understanding that the contract for administrative fees will be awarded for five years from the effective date of January 1, 2017 and you are requesting a five year rate guarantee for administrative fees quoted in specific dollar amounts. Is this correct?	Yes
3 We request an extension Written Questions and Comments deadline to March 21, 2016.	The State will not extend the date for the submission of Questions and Comments.
4 We request an extension of the Response Deadline to April 6, 2016	The State has changed the Response Deadline. See Amendment Section 1 listed above.
5 We request a copy of the RFP in word format.	The State will post the word version of the RFP.
6 Please describe the data type and field length of the Edison Employee Number (ie alphanumeric, 14 characters, etc). Is this number unique to a member, or only unique to each family. Please provide an example family and what the Edison Number would look like for each member of that family.	The Edison employee ID is a string of 8 numbers that starts with two leading zeros. Each member of a family shares the same number. Example ID: 00123456
7 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.) 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?	A Dun & Bradstreet short form report, verified and dated within the last three (3) months and indicating a positive credit rating for the Respondent will meet this requirement.
8 For pricing purposes we need to request the number of MedSupp members who reside out of state.	2,051 Retirees 672 Dependents 2,723 Total
9 A.1.a Audits and Quality Assurance The Contractor shall cooperate fully with audits the State may conduct related to any aspect of the Program the State deems appropriate (at the Contractor's expense). The State may select any qualified persons or organization to conduct the audits. To the extent allowed by applicable law, the State agrees that persons or organizations conducting audits of the Contractor shall be	No, the State does not accept this change of the language.

QUESTION / COMMENT	STATE RESPONSE
<p>prohibited from disclosing confidential patient records or proprietary or confidential information reasonably designated as such by the Contractor.</p> <p>Would the State consider changing the audit language to the following?</p> <p><u>Audit of Carrier.</u> During the term of this Agreement, Employer has the right to audit certain of the functions performed by Carrier in administering its Plan. Employer may not have access to provider reimbursement or other proprietary information under the control of Carrier, unless Employer has a compelling reason, to be determined at the discretion of Carrier, and needs such information to perform its duties in administering the Plan. If Employer needs access to Confidential Information in order to perform such an audit of Carrier, it shall be subject to Section 9 of this Exhibit to the Agreement.</p> <ul style="list-style-type: none"> - The time period for a Carrier Audit shall not exceed 12 months prior to the date the Audit Agreement is executed by the final signatory to the Audit Agreement (“Carrier Audit Time Period”). The only Claims subject to audit are those Claims paid during the Carrier Audit Time Period. Any Claims paid prior to the Carrier Audit Time Period shall not be subject to audit. The only functions subject to audit are the functions that were performed by Carrier within the Carrier Audit Time Period. For each Carrier Audit Time Period, no more than 250 Claims shall be submitted to Carrier for review. - If Employer uses the services of a third party to perform all or any part of an audit, the Employer and that third party must both execute Carrier’s current Audit Agreement. - Employer may perform a simple audit of Carrier once during the calendar year while this Agreement is in force without any charge by Carrier. A “simple audit” is one that requires less than Fifty (50) person hours of work by Carrier employees to assist in the audit. The Employer must negotiate the cost, parameters, etc. with Carrier for an audit that does not fit this definition. - The parties agree that Employer shall not hire a third party to conduct a contingent fee audit, where the third party’s compensation is based on a percentage of errors (or savings, or “uncovered recoveries”, etc.), which may be found by the third party in its audit. Should Employer err and so contract with a third party to perform such contingent fee audit, Carrier 	

QUESTION / COMMENT	STATE RESPONSE
<p>has no obligation under the terms of this Agreement to cooperate with said third party in the conduct of such contingent fee audit.</p> <ul style="list-style-type: none"> - Employer's right to audit Carrier without any additional charge terminates with the termination of this Agreement. - This provision applies whether Employer wishes to audit Carrier or one of Carrier's third party vendors. 	
<p>10 A.3.c – Call Center and Contract Attachment B (9) The Contractor's call center shall maintain a monthly average rate of ninety-two percent (92%) for First Call Resolution.</p> <p>In the past, we have agreed to utilize call resolution to measure FCR and the goal is 85% instead of the 92% listed. Will it be possible to change from 85% to 92% call resolution when measuring FCR?</p>	<p>Yes, the State agrees to change the First Call Resolution Rate to 85%, instead of 92%.</p> <p>See Amendment Section 2 and 3.</p>
<p>11 Is it the State's intent to produce a separate weekly enrollment file for the Medicare Supplement enrollees (as opposed to combining them with the Partnership, Standard, Limited, HealthSavings and Wellness HealthSavings participants)?</p>	<p>Correct, a separate enrollment file for Medicare Supplement enrollees will only contain the MedSupp information and not any medical enrollment information.</p>
<p>12 Section B – Term of Contract This Contract shall be effective on June 1, 2016 ("Effective Date") and extend for a period of eighty-four (84) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.</p> <p>Should the term of the contract be 85 months after effective date term? 7 month pre implementation, 5 year service and then 18 month claims runout?</p>	<p>The term of the contract should be eighty-five months with the contract start date June 1.</p> <p>This provides a seven-month implementation, 5 years of service and 18-month claims runout period.</p> <p>See Amendment Section 4.</p>

2. Delete language in Pro Forma Contract section A.3.c(2) and replace with the following (any sentence or paragraph containing revised or new text is highlighted):

Delete: The Contractor's call center shall maintain a monthly average rate of **ninety-two** percent (**92%**) for First Call Resolution.

Add: The Contractor's call center shall maintain a monthly average rate of **eighty-five** percent (85%) for First Call Resolution.

3. Delete language in Pro Forma Contract Attachment B(9) and replace with the following (any sentence or paragraph containing revised or new text is highlighted):

Delete:

Guarantee	The Contractor's call center shall maintain a monthly average rate of ninety-two percent (92%) for first call resolution, as required in Contract Section A.3.c.(2).
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Add:

Guarantee	The Contractor's call center shall maintain a monthly average rate of eighty-five percent (85%) for first call resolution, as required in Contract Section A.3.c.(2).
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4. **Delete language in Pro Forma Contract B and replace with the following (any sentence or paragraph containing revised or new text is highlighted):**

B. TERM OF CONTRACT:

Delete: This Contract shall be effective on June 1, 2016 ("Effective Date") and extend for a period of **eighty-four** (84) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

Add: This Contract shall be effective on June 1, 2016 ("Effective Date") and extend for a period of **eighty-five** (85) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

5. **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.