

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS (OGB)**

NOTICE OF INTENT TO CONTRACT (NIC)

FOR

MEDICARE ADVANTAGE PLANS

ISSUED

August 6, 2010

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SECTION I

GENERAL INFORMATION AND INSTRUCTIONS OF PROPOSAL FORMAT

A. Introduction/Purpose

The State of Louisiana, Office of Group Benefits (hereinafter called "OGB" or the "Program") requests proposals from any qualified organization (hereinafter called "Proposer") to offer a Medicare Advantage HMO Plan and/or a Medicare Advantage PPO Plan on a by parish basis for Medicare eligible OGB retired plan members.

B. General Information

OGB is vested by statute with responsibility for providing health and accident benefits and life insurance for state employees, retirees and their dependents. Plan member eligibility includes employees of state agencies, institutions of higher education, local school boards that elect to participate and certain political subdivisions. Eligibility does not include local government entities, parishes, or municipalities.

OGB is seeking to contract with Proposer(s) that can work with the agency to accomplish key objectives which are to provide high quality cost effective health care to members, to control escalating health care costs, to achieve greater uniformity of coverage, and to minimize administrative efforts.

All Proposals must be prepared in accordance with the provisions of this Notice of Intent to Contract (NIC). Proposer must meet all Proposer Requirements set forth in the Section V of this NIC.

D. Term of Contract

The effective date of the contract will be January 1, 2011. The initial term of contract will be twelve months, with options to renew for two additional one-year terms, as set forth below:

Initial Term	January 1, 2011 – December 31, 2011
First Optional Renewal	January 1, 2012 – December 31, 2012
Second Optional Renewal	January 1, 2013 – December 31, 2013

E. Standard Contract Provisions

See Attachment 1 for the State of Louisiana, Office of Group Benefits Contract. Any deviation sought by a Proposer from these contract terms should be specifically and completely set forth to be considered by OGB. The provisions of the NIC and the successful proposal will be incorporated by reference into the contract. Any additional clauses or provisions required by the Federal or State law or regulation in effect at the time of execution of the contract will be included.

F. Instructions on Proposal Format

Proposers should respond thoroughly, clearly and concisely to all of the points and questions set forth in the Notice of Intent to Contract (NIC). Answers should specifically address current capabilities separately from anticipated capabilities.

1. Submit one clearly marked original plus five numbered copies of your complete, proposal placing each in a three-ring binder. Note the requirement set forth in Subsection G, Paragraph 4, (below) that you also provide a redacted version of your proposal, omitting those responses and attachments (or portions thereof) that you determine are within the scope of the exception to the Louisiana Public Records Law.
2. Use tabs to divide each section and each attachment. The tabs should extend beyond the right margin of the paper so that they can be read from the side and are not buried within the document.
3. Order of presentation:
 - Tab 1 – Cover Letter & Executive Summary
 - Tab 2 – Proposer Requirements – Certification and Attachments
 - Tab 3 – Proposer Information
 - Tab 4 – Response to General Questionnaire
 - Tab 5 – Premium Quotation
 - Tab 6 – Mandatory Signature Page
 - Tab 7 – Proposer's Medicare Advantage HMO Plan of Benefits and/or Medicare Advantage PPO Plan of Benefits
4. Answer questions directly. Where you cannot provide an answer, indicate not applicable or no response.
5. You are to state the question, then answer the question. Do not number answers without providing the question. Do not answer a question by referring to the answer of a previous question; restate the answer or recopy the answer under the new question. If however, the question asks you to provide a copy of something; you may indicate where this copy can be found by an attachment/exhibit number, letter or heading.

G. Ownership, Public Release and Costs of Proposals

1. All proposals submitted in response to this NIC become the property of the OGB and will not be returned to the Proposers.
2. Costs of preparation, development and submission of the response to this NIC are entirely the responsibility of the Proposer and will not be reimbursed in any manner.
3. Proprietary, Privileged, Confidential Information in Proposals: After award of the Contract, all proposals will be considered public record, and will be available for public inspection during regular working hours.

As a general rule, after award of the Contract, all proposals are considered public record and are available for public inspection and copying pursuant to the Louisiana Public Records Law, La. R.S. 44.1 et. seq. OGB recognizes that proposals submitted in response to the NIC may contain trade secrets and/or privileged commercial or financial information that the Proposer does not want used or disclosed for any purpose other than evaluation of the proposal. The use and disclosure of such data may be restricted, provided the Proposer marks the cover sheet of the proposal with following legend, specifying the pages of the proposal which are to be restricted in accordance with the conditions of the legend:

“Data contained in Pages _____ of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this Proposer as a result of or in connection with the submission of this proposal, the OGB shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the right of OGB to use or disclose data obtained from any other source, including the Proposer without restrictions”.

Further, to protect such data, each page containing such data shall be specifically identified and marked “**CONFIDENTIAL**”. You are advised to use such designation only when appropriate and necessary. A blanket designation of an entire proposal as Confidential is NOT appropriate. Your premium proposal may not be designated as Confidential.

It should be noted, however, that data bearing the aforementioned legend shall be subject to release under the provision of the Louisiana Public Records Law, L.R.S. 44.1 et. Seq. OGB assumes no liability for disclosure or use of unmarked data and may use or disclose such data for any purpose. It should be noted that any resultant contract will become a matter of public record.

OGB reserves the right to make any proposal, including proprietary information contained therein, available to the Office of the Governor, Division of Administration, Office of Contractual Review, or other state agencies or organizations for the purpose of assisting the OGB in its evaluation of the Proposal. OGB will require such individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of their participation.

4. **In addition, you are to provide a redacted version of your proposal, omitting those responses and attachments (or portions thereof) that you determine are within the scope of the exception to the Louisiana Public Records Law. In a separate document, you must provide the justification for each omission.**

OGB will make the edited proposal available for inspection and/or copying upon the request of any individual pursuant to the Louisiana Public Records Law without notice to you.

SECTION II

SCHEDULE OF EVENTS

A. Time Line

NIC Issued - Public Notice by Posting to the OGB Website; Posting to LAPAC	August 6, 2010
NIC Mailed or Otherwise Made Available to Prospective Proposers; Posted to OGB Website; Posted to LAPAC	August 6, 2010
Deadline to Notify OGB of Interest to Submit a Proposal (MANDATORY)	August 13, 2010
Deadline to Receive Written Questions	August 13, 2010
Response to Written Questions	August 18, 2010
Proposal Due Date	August 25, 2010
Probable Notification of Award	September 1, 2010
Contract Effective Date	January 1, 2011

NOTE: OGB reserves the right to deviate from this schedule.

B. Mandatory – Notice to OGB of Interest to Submit a Proposal

All interested Proposers must notify OGB of its interest in submitting a proposal. The notice must be received by OGB no later than 4:00 PM CST on the date listed in the Schedule of Events. Notice should be sent to:

Tommy D. Teague
Chief Executive Officer
Office of Group Benefits

Delivery:
7389 Florida Blvd., Ste. 400
Baton Rouge, LA 70806

Fax: (225) 922-0282

Mail:
Post Office Box 44036
Baton Rouge, LA 70804

E-Mail: prahl@ogb.state.la.us

C. Written Questions

Written questions regarding the NIC may be submitted and must be received by OGB no later than 4:00 PM Central Time on the date listed in the Schedule of Events. Questions should be sent to:

Tommy D. Teague
Chief Executive Officer
Office of Group Benefits

Delivery:
7389 Florida Blvd., Ste. 400
Baton Rouge, LA 70806

Fax: (225) 922-0282

Mail:
Post Office Box 44036
Baton Rouge, LA 70804

E-Mail: prahl@ogb.state.la.us

D. Proposal Due Date

In order to be considered for award, the original proposal, together with all required copies, must be received by OGB no later than 4:00 PM Central Time on the date listed in the Schedule of Events above. Proposals should be delivered to:

Tommy D. Teague
Chief Executive Officer
Office of Group Benefits

Delivery:
7389 Florida Blvd., Ste. 400
Baton Rouge, LA 70806

Mail:
Post Office Box 44036
Baton Rouge, LA 70804

Proposals may not be submitted via fax or e-mail.

SECTION III

SCOPE OF SERVICES

A. Plan of Benefits

Through this NIC, OGB seeks to contract with organizations authorized to do business in the State of Louisiana and approved by the Centers for Medicare and Medicaid Services (CMS) to offer Medicare Advantage HMO Plans and/or Medicare Advantage PPO Plans on a parish basis for Medicare eligible OGB retired plan members.

Services would commence January 1, 2011. The initial plan year will be January 1 – December 31, 2011. There will be an enrollment period in October, 2010. Subsequent annual enrollment for the Medicare Advantage Plans will be held in the month of October for coverage effective January 1, the plan year coinciding with the calendar year.

Services must include the following:

- Inpatient Hospital Services (including hospital based ancillary services);
- Outpatient Hospital Services (including hospital based ancillary services);
- Ambulatory Surgical Services (including ASC based ancillary services);
- Physician Services (including Chiropractic services);
- Utilization Management, Medical Management and Disease Management Services.
- Prescription Drugs
- Mental Health/Substance Abuse Services

Contractor must provide all services and benefits set forth in the Plan of Benefits (Attachment 2). Proposer must also provide suggested plan designs for the prescription drug benefit that take advantage of the requirements of drug manufacturers under Health Care Reform.

B. Eligibility Requirements

A Contractor must agree to maintain identical eligibility requirements and continued coverage provisions of the OGB, as may be amended from time to time and no other exceptions or variations will be allowed.

C. Required Membership Materials

The Contractor shall provide the following materials to each new enrollee within ten

days of receipt of confirmation from OGB as to the validity of the enrollment application.

1. A member handbook, which includes information on all covered services, including but not limited to benefits, limitations, exclusions, co-payments, policies and procedures for utilizing clinical and administrative services, conditions under which an individual's membership may be terminated, procedures for registering complaints or filing grievances against the Contractor or any providers participating in a contractual agreement with the Contractor.
2. A directory of providers, which includes all physicians, hospitals, and specialty facilities.
3. Each subscriber shall receive one identification card for individual coverage or two cards for family coverage. Additional cards for family members shall be provided upon request and at no additional charge to OGB or the member.
4. An interlink to Contractor's Website which includes Provider Directory, etc.

Violation of any of these requirements shall result in a fine of \$1,000 per day beyond ten days, until 100% compliance is achieved.

D. Plan Member Communication Material, Advertisements and Marketing Material

The Contractor shall submit copies of all plan members communications materials and promotional materials to OGB. All such materials shall be approved in writing by OGB prior to their use in promoting the health plan to eligible enrollees.

The cost of preparation and distribution of any and all plan member communications materials or promotional materials must be included in the premium rates quoted herein.

E. Contractor Administrative Contact

The Contractor must designate one individual and at least one back-up staff member who will be responsible for coordinating all relevant administrative issues with OGB. This individual must represent and coordinate all of a Contractor's operations statewide with regard to OGB. OGB must be notified immediately in writing of any change(s) that may occur in the person designated as the Contractor's administrative contact.

F. Enrollment Procedures

The Contractor must agree to the following Enrollment procedures:

- Enroll members when they become eligible and choose your plan.
- Enroll new members during open enrollment.

G. Reporting Requirements

See Attachment 3 for reporting requirements.

H. Premium Quotations Requirements

1. Commissions or finders fees are not payable under this contract.
2. The cost to develop, print and disseminate communications with employees, retirees and providers as necessary to effectively implement and manage the Plan must be included in your Premium. This communication material shall be subject to the OGB advance approval.
3. The Contractor will be responsible for issuing I.D. cards and any replacement cards directly to plan members. Cost associated with the above will not be separately reimbursed.
4. All services described in this NIC, including all necessary reports and any start-up costs must be included in your proposed cost proposals. Furthermore, your cost proposal must take into account your expenses associated with attendance at all required meetings in Baton Rouge with Board or its Committees and with the OGB management, staff and its Actuarial Services Contractor. You may assume at least four to six meetings per year. No pass-through of costs will be permitted.

SECTION IV

PROPOSAL REVIEW AND CONTRACT AWARD

A. Proposal Review

Each proposal will be reviewed to insure all requirements and criteria set forth in the NIC have been met. Failure to meet all of the Proposer Requirements will result in rejection of the proposal.

B. Contract Award

Contracts may be awarded to all Proposers that meet all Proposer requirements.

SECTION V

PROPOSERS REQUIREMENTS

(Tab 2 of Proposal)

To be eligible for consideration, a Proposer must provide:

1. Documentation that you are authorized to do business and to provide the services requested in the State of Louisiana.
2. Documentation that you are approved by the Centers for Medicare and Medicaid Services (CMS) to offer Medicare Advantage HMO Plans and/or Medicare Advantage PPO Plans in the State of Louisiana.
3. Your firm's audited financial statements and Louisiana Department of Insurance (DOI) Annual Statements for your most recent two fiscal years.
4. Certification that you are able to submit the required reporting information.
5. A comparison of the MAPD HMO and PPO networks to your non-Medicare provider networks by parish within Louisiana. This comparison must include both hospital and physician providers. Also show the states, in addition to Louisiana, in which your PPO plan is offered. Within each state list the counties in which the PPO plan is offered, and indicate the number of hospital and physician providers in your network compared to the total hospital and physician providers in that county. Report information for hospital and physician providers separately.
6. Because OGB cannot make premium refunds to Low Income Subsidy (LIS) members enrolled in MAPD plans, Proposers must be able to make premium refunds to LIS members on behalf of OGB.

SECTION VI

PROPOSER INFORMATION

(Tab 3 of Proposal)

A. PRIMARY PROPOSER

Please provide the following for your Organization:

- Name
- Address
- Principals
- Date Founded
- Contact Person Name and Title
- Telephone Number and Extension
- Fax Number
- E-Mail Address

B. PARENT COMPANY

SAME INFORMATION AS LISTED IN (A).

C. SUBSIDIARIES/AFFILIATES TO PERFORM SIGNIFICANT SERVICES

SAME INFORMATION AS LISTED IN (A) FOR EACH SUBSIDIARY AND AFFILIATE.

SECTION VII
GENERAL QUESTIONNAIRE

(Tab 4 of Proposal)

Please answer each of the following questions. Repeat each number and question and make your answers as concise as possible. Please use this file when completing your response. Your quote will not be considered unless this questionnaire is answered in its entirety.

A. Organizational Background

1. Please provide your company's latest financial rating.

Rating Agency	Rating	Date Reviewed
A.M. Best		
Moody's		
Standard & Poor's		
Weiss		

2. How long has your organization offered a Medicare Advantage Plan?
3. Please provide a statement and/or business plan discussing your organization's commitment to Medicare Advantage Plans.
4. How does your organization view the future stability of premiums for the Medicare Advantage Plans?
5. Please identify the number of current members enrolled in Medicare Advantage Plans with your organization:

Product	Number of Members
HMO	
PPO	

6. Please list the parishes for which you have CMS approval to offer your Medicare Advantage Plan.

B. Account Management

1. From what office will the account be managed?
2. Do you have a reporting system that is available to clients for use via the Internet for standard and ad hoc reporting?

Yes No

C. Member Service

For the following questions, please make your responses specific to the member service location you are proposing for OGB.

1. Where will member services be handled?
2. Will staff be dedicated/designated to OGB? Please define dedicated/designated.
3. What are the hours of operation?
4. For the office that will handle the OGB account, please provide the following service statistics:

	Standard	2009 Actual	2010 Projected
Telephone average speed of answer			
Percentage of calls abandoned			
Average waiting time			
Average call time			
Average time for problem resolution from initial notification			
Telephone quality			
Percentage of problems resolved during first call/contact (member does not need to call back)			

5. During OGB's enrollment period, are you willing to extend customer service hours for potential participants? If yes, to what hours?

D. Claims Processing/Administration

1. Where will claim processing be handled?
2. Please provide claim adjudication statistics for the proposed claim office in the table below.

	Standard	2009 Actual	2010 Projected
Financial accuracy (percent of dollars paid correctly)			
Overall accuracy			
Turnaround time in 14 calendar days			
Turnaround time in 28 calendar days			

3. What percent of overall claims are auto-adjudicated?
4. When was the last major upgrade of your claim processing system?
5. Are there any upgrades to your claim processing system planned for the next 24 months? If so, please explain.
6. Please describe your account structure parameters/limits for OGB's billing breakdown.

E. Web Tools

1. Which of the following services are currently or will be available by 2011 through your Web-site? (Please \checkmark Yes or No.)

	Current		01/01/2011	
	Yes	No	Yes	No
Member Self-Service				
Can members:				
a. access provider information?				
b. access provider directories?				
c. access provider directories with driving instructions?				
d. participate in community forums?				
if no, does your Web site link to this type of site?				
e. access benefit plan summaries?				
f. enroll on-line?				
g. check eligibility?				
h. order replacement ID cards?				
i. order replacement ID cards?				
j. "talk" to providers (i.e., "Ask-the-Physician")?				
k. file a claim?				
l. download printable versions of claim forms?				

	Current		01/01/2011	
	Yes	No	Yes	No
m. check claim status?				
n. submit appeals?				
o. submit inquiries to customer service via email?				
Provider Support				
Can providers:				
p. verify in "real-time" the eligibility status of members?				
q. create virtual medical records for their patients?				
r. access drug and medical history for their patients?				
s. access lab values or other encounter data?				
t. submit claims?				
u. submit precertification information/extended LOS information?				
Health Management				
Can members:				
v. access disease management program information?				
w. access educational information?				
x. complete a health risk assessment?				
y. develop and save a health profile?				
Plan Sponsor/Employer Support				
z. Can plan sponsors check participants online?				
aa. Can plan sponsors update eligibility online?				

2. Please describe any planned upgrades to your reporting systems.

F. Health Management

1. Please provide brief descriptions for all of the health management programs (health promotion, health risk management, chronic disease management, high cost case management, care coordination, etc.) your organization offers for Medicare Advantage enrollees. Please categorize these programs into those that are included in the base quoted fees (in the Financial Proposal section of this NIC) and those that are available at an additional cost.
2. Are clients able to access case management, care coordination and disease management program information and statistics via a secure internet site/web database (program reporting, downloadable communication materials, etc.)?
3. Is your organization able to report population health risk status and changes to the client on a regular basis using claim data and/or information from another

health risk assessment vendor? If so, please describe.

4. What tools are provided to behavior modification program participants to encourage interaction with their physician?
5. Please describe the outreach methods to those participants eligible to participate in a structured program?

G. Prescription Drugs

1. Provide a listing of the CMS' defined top 100 drugs that are included in your formulary.
2. Describe any dosage or imposed dispensing limits.
3. Provide information regarding the therapeutic management programs currently in place.
4. Provide details on your mail-order functionality/process.
5. How will transition of care issues be handled?

H. Overall Plan Mechanics

1. Please describe the group enrollment process. Specifically address signature requirements and data requirements.
2. If a participant receives services from a member of your provider network, is this provider allowed to balance-bill the member?
3. Does your organization have the capabilities to offer direct billing services to retirees?
4. Do you provide pre-enrollment support via the Web or toll-free number to answer potential members' questions?
5. Does your organization allow customization of ID cards to include a statement and or toll-free number directing physicians outside of your network to accept the card as they would a Medicare card?

I. Communications

1. Please provide an overview and samples of any communication pieces used during the enrollment process, especially for Medicare Advantage plans.

2. What off-the-shelf products are you able to provide, free of charge? What pieces are available for an additional charge?
3. Please provide samples of any communication campaigns or monthly/quarterly newsletters sent to Medicare plan participants.
4. Do you offer large print enrollment/communication materials?

SECTION VIII

PREMIUM QUOTATION FORM

(Tab 5 of Proposal)

Insurance Premium

Proposer must quote the fixed monthly Insurance Premium for each enrollee to be paid to Proposer.

Medicare Advantage HMO Plan – Per Enrollee Per Month	
1/1/2011 – 12/31/2011	\$ _____ PEPM

Medicare Advantage PPO Plan – Per Enrollee Per Month	
1/1/2011 – 12/31/2011	\$ _____ PEPM

Note: Premium rates for second and third renewal will be rates approved by the Centers for Medicare and Medicaid Services (CMS).

Proposer _____

Signature _____ Date _____

Print Name _____ Title _____

SECTION IX

MANDATORY SIGNATURE PAGE

(Tab 6 of Proposal)

This proposal, together with all attachments and the premium quotation form, is submitted on behalf of:

Proposer: _____

I hereby certify that:

1. This proposal complies with all requirements of the NIC. In the event of any ambiguity or lack of clarity, the response is intended to be in compliance.
2. This proposal was not prepared or developed using assistance or information illegally or unethically obtained.
3. I am solely responsible for this proposal meeting the requirements of the NIC.
4. I am solely responsible for its compliance with all applicable laws and regulations to the preparation, submission and contents of this proposal.
5. All information contained in this proposal is true and accurate.

Signature _____ Date _____

Print Name _____ Title _____

SECTION X

PROPOSER'S MEDICARE ADVANTAGE PLAN(S) OF BENEFITS

(Tab 7 of Proposal)

Submit your proposed Plan(s) of Benefits in Tab 7 of your Proposal.

Attachment 1

STANDARD CONTRACT

STATE OF LOUISIANA DIVISION OF ADMINISTRATION OFFICE OF GROUP BENEFITS (OGB)

CONTRACT

The State of Louisiana, Division of Administration, Office of Group Benefits, (hereinafter sometimes referred to as the OGB) and the (To Be Determined) sometimes referred to as “Contractor”) do hereby enter into a Contract under the following terms and conditions:

1.0 DEFINITIONS

- a. “Contract” shall mean this Contract between Contractor and OGB, including any and all documents and appendices attached hereto or incorporated by reference.
- b. “Plan” shall mean the Medicare Advantage Plan.
- c. “Plan Participant” shall mean an OGB a retired plan member that is eligible for Medicare.

2.0 SCOPE OF SERVICES

- a. Contractor will provide the following pursuant to this contract:
 1. Provide services pursuant to this contract in accordance with benefits provided under the Plan and any changes thereto made during the term of this Contract.
 2. Based upon OGB’s determination and confirmation to Contractor of the validity of the enrollment application, enroll such Plan Participants to receive Plan benefits in accordance with Plan provisions.
 3. Prepare and print, subject to OGB’s prior approval, the following member materials:

A booklet describing all covered services under the Plan, including but not limited to, Plan benefits, limitations, exclusions, coinsurance, co-payments, policies and procedures for utilizing clinical and administrative services, conditions under which an individual's participation may be terminated, procedures for registering complaints or filing grievances against the Contractor or any providers participating in the Contractor's network;

4. Pay eligible claims pursuant to the terms of the Plan as construed by Contractor.
5. Furnish any necessary forms for submission of claims to Contractor.
6. Furnish to any claimant, notices of payment and explanation of benefits and denials for claims.
7. Provide review of Plan Participants' appeals and grievances and provide Contractor's Appeals and Grievances Policies and Procedures to OGB.
8. Facilitate management of the health care services afforded OGB's Plan Participants under the Plan, including but not limited to authorization services, discharge planning, and verification of provided services, utilization management and quality assurance.
9. Provide OGB with the required reports.
10. Attend informational and enrollment meetings as scheduled by OGB.
11. Contractor may agree to perform or otherwise provide special services to OGB endorsement to this Contract or by letter agreement between the parties.

3.0 TERM OF CONTRACT

- a. The Contract will begin on _____ and shall end on _____.
- b. This Contract is not effective until approved by the Director of the Office of Contractual Review in accordance with La. R.S. 39:1502.

4.0 INSURANCE PREMIUM; PAYMENT TERMS

- a. During the term of this Contract, OGB shall pay Contractor insurance premiums monthly for services pursuant this Contract.

(To Be Determined)

- b. Failure of OGB to remit payment of the monthly insurance premiums by the fifteenth day of each month will result in the suspension of all services performed by Contractor.
- c. The maximum payable to Contractor for insurance premiums pursuant to this Contract shall not exceed (To Be Determined).

5.0 CLAIMS LIABILITY AND REIMBURSEMENT

- a. Contractor assumes full liability for funding all payments made for Plan claims on or after the effective date of this Contract including payments remitted by Contractor to CMS in response to demand letters for the recovery of Medicare payments to Plan Participants. OGB shall not be responsible under any circumstances for ensuring Contractor's compliance with federal or state laws which may apply to the establishment and/or maintenance of these funds, or for advising Contractor of any such federal or state laws.

6.0 OGB PLAN RESPONSIBILITY

- a. Except as specifically provided to the contrary, OGB retains final authority and responsibility for the Plan and its operation, including if applicable, compliance with any state and federal laws, and payment of claims filed under the Plan. Contractor is empowered to act on behalf of OGB only in an administrative capacity for the services specified herein, subject to the direction and authority of OGB. Any decision or action of Contractor regarding this Contract or the Plan which does not result from its negligent, dishonest, fraudulent or criminal conduct and which is not overridden or otherwise modified by OGB in writing shall be deemed to be the exercise of OGB's discretionary power to make final decisions or conclusive action.
- b. OGB shall be responsible for compliance with all state and federal laws except as specifically assumed by Contractor under this Contract.

7.0 SINGLE PROGRAM, RIGHT TO ASSESS ALL MEMBERS

The OGB seeks to make the Plan available to all eligible retirees who wish to choose such means of acquiring health care services. However, eligible retirees who enroll in the Plan are members of the OGB.

8.0 INSURANCE CERTIFICATE

- a. Contractor shall procure and maintain for the duration of the Contract liability insurance, including coverage for but not limited to: claims for injuries to persons or damages to property which may arise from or in connection with

the performance of the work hereunder by Contractor, its agents, representatives, employees or subcontractors; liability and insolvency protection, with a combined single limit liability of not less than One Million (\$1,000,000.00) Dollars.

- b. Contractor shall on request furnish the OGB with certificate(s) of insurance effecting coverage required by this Contract. The certificate(s) for each insurance policy is to be signed by a person authorized by that insurer to bind coverage on its behalf. The OGB reserves the right to require complete, certified copies of all required insurance policies, at any time.

9.0 LIABILITY FOR DAMAGES BY THE CONTRACTOR

- a. The OGB shall not be held liable for claims for damages relating to any treatment rendered or arranged for by Contractor.
- b. Contractor agrees to hold OGB harmless from all claims for damages relating to any act or omission by Contractor, including any claims relating to failure of Contractor.

10.0 INDEMNIFICATION

- a. Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suite at its sole expense, even if it (claims, etc.) is groundless, false or fraudulent, provided that (a) the State Affiliated Indemnification Party has given reasonable notice to the Contractor of the claim or cause of action, and (b) no State Affiliated Indemnified Party has, by act or failure to act, compromised the Contractor's position with respect to the resolution or defense of the claims or cause of action. Contractor's obligations under this Article shall not apply to claims for benefits related to the Plan.
- b. OGB shall indemnify and hold harmless Contractor and its directors, officers and employees against all claims, judgments, settlements, court costs, penalties and expenses, including attorney fees, or other losses or damage arising or resulting from or in connection with a claim for benefits or related to the Plan, whether said claim arises under any federal or state law, unless the liability therefore is judicially determined to be the direct consequence of dishonest, fraudulent, criminal or negligent conduct of Contractor or its directors, officers, employees, agents or Sub-Contractors.
- c. OGB shall have the duty to defend any legal action arising from a claim for benefits related to the Plan at its expense. OGB shall use its best efforts to

- d. have contractor dismissed from any litigation involving a claim for benefits unless an independent cause of action against Contractor is alleged.

11.0 TAXES

Contractor hereby agrees that the responsibility for payment of taxes from the insurance premiums received under this Contract and/or legislative appropriation shall be Contractor's obligation and identified under Federal Tax Identification Number **(To be Determined)**.

12.0 SECURITY

Both parties and their respective personnel will always comply with all security regulations in effect at each other's premises and externally for materials belonging to one another or to the project. Each party is responsible for reporting any breach of security to the other promptly

13.0 CONFIDENTIALITY

- a. The parties, their agents, staff members and employees agree to maintain as confidential all individually identifiable information regarding Louisiana Office of OGB Benefits Plan Participants, including but not limited to patient records, demographic information and claims history. All information obtained by Contractor from the OGB shall be maintained in accordance with state and federal law, specifically including but not limited to the Health Insurance Portability and Accountability Act of 1996, and any regulations promulgated thereunder (collectively, "HIPAA"). To that end, the parties have executed and hereby make a part of this Agreement a Protected Health Information (Business Associate) Addendum to be in full compliance with all relevant provisions of HIPAA, including but not limited to all provisions relating to Business Associates.
- b. Further, the parties agree that all financial, statistical, personal, technical and other data and information relating to either party's operations which are designated confidential by such party and made available to the other party in carrying out this Contract, shall be protected by the receiving party from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the OGB and/or Contractor. Neither party shall be required to keep confidential any data or information which is or becomes publicly available, is already rightfully in the party's possession, is independently developed by the party outside the scope of this Contract, or is rightfully obtained from third parties. OGB shall notify Contractor immediately of any request made by any person under state or federal law for inspection of any record, writing, account, recording, letter,

exhibit, data charts, memoranda or any other document in any form of media which relates to this Contract or Contractor's performance under this Contract, including the identity of the requestor.

14.0 REPRODUCTION, PUBLICATION AND USE OF MATERIAL

Subject to the confidentiality obligations as set forth above, the OGB shall have authority to reproduce, publish, distribute, and otherwise use, in whole or in part, any reports, data, studies, or surveys prepared by Contractor for the OGB in connection with this Contract or in the performance hereof which are not designated as proprietary by Contractor.

15.0 ACKNOWLEDGEMENT OF PRIORITY POSITION

Contractor acknowledges that OGB is a primary responsibility of the organization, and that such acknowledgement places performance of its Contractual duties for the State of Louisiana, Office of OGB Benefits in a high priority position relative to other clients of the organization.

16.0 PATENT, COPYRIGHT, AND TRADE SECRET INDEMNITY

Contractor warrants that all materials and/or products produced by Contractor hereunder will not infringe upon or violate any patent, copyright, or trade secret right of any third party. In the event of any such claim by any third party against the OGB, the OGB shall promptly notify Contractor, and Contractor shall defend such claim, in the OGB's name, but at Contractor's expense, and shall indemnify the OGB against any loss, expense, or liability arising out of such claim, whether or not such claim is successful.

17.0 INDEPENDENT CONTRACTOR RELATIONSHIP

No provision of this Contract is intended to create nor shall it be deemed or construed to create any relationship between Contractor and the OGB other than that of independent entities Contracting with each other hereunder solely for the purpose of effecting the provisions of this Contract. The terms "Contractor" and "OGB" shall include all officers, directors, agents, employees or servants of each party.

18.0 PROJECT MANAGEMENT/MONITORING PLAN

- a. Contractor shall provide, at a minimum, the following project management functions:

1. Routine Project Management: Contractor shall provide day-to-day project management using the best management practices for all tasks and activities necessary to complete the scope of services pursuant to this Contract.
 2. Project Reports: Contractor and OGB shall agree in writing upon reports that will be required to monitor the performance of services pursuant to the Contract.
 3. Provide Issue Control: Contractor will develop and implement with the OGB approval, procedures and forms to monitor the identification and resolution of key project issues/problems.
- b. Contractor agrees to provide the following Contract related resources:
1. Project Manager: Contractor shall provide a project manager to provide day-to-day management of project tasks and activities, coordination of Contractor support and administrative activities, and for supervision of Contractor employees. The project manager shall possess the technical and functional skills and knowledge to direct all aspects of the project.
 2. Key Personnel: Contractor shall assign Personnel to perform the services pursuant to this Contract that are qualified to perform the assigned duties, and Contractor will determine which personnel shall be assigned for any particular project and to replace and reassign such personnel doing such a project. Contractor assumes the responsibility for its personnel providing services hereunder and will make all deductions for social security and withholding taxes, contributions for employment compensation funds and shall maintain at Contractor's expense all necessary insurance for its employees, including but not limited to worker's compensation and liability insurance for each of them.
- c. OGB agrees to provide the following Contract related resources:
1. Contract Supervisor: OGB shall appoint a Contract Supervisor for this Contract that will provide oversight of the activities conducted hereunder. The assigned Contract Supervisor shall be the principal point of contact on behalf of the OGB and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

19.0 PERFORMANCE MEASURES

The Contract Supervisor will be responsible for the Performance Evaluation Report in regards to the scope of services provided by Contractor pursuant to this Contract.

Contractor will assign a Project Account Manager to work with OGB's assigned Contract Supervisor. OGB's Contract Supervisor will be responsible for the Performance Evaluation Report in regards to the scope of services provided by the Contractor pursuant to this contract. The performance evaluation will be based on the following: the quality of services performed in accordance with services required; the submission of required reports/reporting and other measurements as determined by the Contract Supervisor.

20.0 TERMINATION FOR CAUSE

- a. OGB may terminate this Contract for cause based upon the failure of Contractor to comply with the material terms and/or conditions of the Contract; provided that the OGB shall give the Contractor written notice specifying Contractor's failure. If within thirty (30) days after receipt of such notice, Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the OGB may, at its option, place Contractor in default and this Contract shall terminate on the date specified in such notice.
- b. Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the OGB to comply with the terms and conditions of this Contract; provided that the Contractor shall give the OGB written notice specifying the OGB's failure. Furthermore, Contractor shall be entitled to suspend any and all services until such time as when OGB is not in default of its obligations under this Contract.
- c. This Contract shall terminate automatically at the option of Contractor upon failure of OGB to pay any of the amounts due under this Contract. Contractor shall notify OGB immediately of the exercise of its option under this paragraph, in any manner which provides actual notice to OGB of said termination. All of the duties and obligations of Contractor shall cease on the date of notification.

21.0 TERMINATION FOR CONVENIENCE

OGB may terminate the Contract at any time without penalty by giving thirty (30)

days written notice to the other. Upon any termination of this Contract the Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

22.0 REMEDIES FOR DEFAULT

- a. Any claims or controversy arising out of this Contract shall be resolved in accordance with the provisions of La R.S. 39:1524 – 1526.
- b. The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties hereunder, shall be construed pursuant to, and in accordance with, the laws of the State of Louisiana except where preempted by federal law. The venue of any action brought under this Contract shall be the Nineteenth (19th) Judicial District Court, State of Louisiana.

23.0 OWNERSHIP OF PRODUCT

All records, reports, documents and other material delivered or transmitted to Contractor by OGB shall remain the property of OGB, and shall be returned by Contractor to OGB, at Contractor's expense, at termination or expiration of this Contract. Contractor may retain one copy of such records, documents or materials for archival purposes and to defend its work product. All records, reports, documents, or other material related to this Contract and/or obtained or prepared by Contractor specifically and exclusively for the OGB in connection with the performance of the services Contracted for herein shall become the property of the OGB, and shall, upon request, be returned by Contractor to OGB, at Contractor's expense, at termination or expiration of this Contract.

24.0 ASSIGNMENT

Contractor shall not assign any interest in this Contract and shall not transfer any interest in same (whether by assignment or novation), without prior written consent of the OGB, provided however, that claims for money due or to become due to the Contractor from the OGB may be assigned to a bank, trust, or other financial institution without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the OGB and to the Office of Contractual Review, Division of Administration.

25.0 RIGHT TO AUDIT

- a. Contractor grants to the Office of the Legislative Auditor, Inspector General's Office, the Federal Government, and any other duly authorized agency of the State the right to inspect and review all books and records pertaining to

services rendered under this Contract. Contractor shall comply with federal and/or state laws authorizing an audit of Contractor's operation as a whole, or of specific program activities. Any audit shall be conducted during ordinary business hours and upon reasonable advance notice to the Contractor. OGB's auditors shall abide by any state and federal laws regarding confidentiality of a Plan Participant's medical records and agrees to hold in confidence any information or data designated as proprietary by Contractor. This obligation of confidentiality shall survive termination of this Contract.

- b. Contractor shall have the right, at reasonable times and upon reasonable notice, to audit and inspect any of OGB's personnel and payroll records which are relevant to the performance of Contractor's duties under the Contract. Contractor agrees to abide by any state and federal laws regarding confidentiality of OGB's personnel and payroll records and agrees to hold in confidence any information or data designated as proprietary by OGB. This obligation of confidentiality shall survive termination of the Contract. Upon request, Contractor shall prepare an annual accounting report consisting of a summary of benefits provided during each twelve (12) consecutive month period for which this Contract remains in effect, which shall be forwarded to OGB within one hundred twenty (120) days after the end of said period.
- c. OGB shall approve or disapprove in writing said report within one hundred twenty (120) days of its receipt thereof. Failure to submit timely disapproval of the accounting report shall render the report conclusively correct and OGB shall be presumed conclusively to have accepted Contractor's financial performance of its duties.
- d. Contractor shall provide a copy of the most recent available annual independent audit conducted on the processing of transactions, pursuant to Statement on Auditing Standards (SAS) #70 – Type 2, upon required of the State's Legislative Auditor. This audit should be received by OGB no later than five months after the Contractor's most recent fiscal year ends (example: if fiscal year ends June 30 then the audit report will be due by November 30.) Contractor will be subject to a \$1,000 per day penalty until receipt of the audit by OGB.

26.0 RECORD RETENTION

Contractor agrees to retain all books, records, and other documents relevant to this Contract and the funds expended hereunder for at least three years after project completion of Contract, or as required by applicable Federal law, whichever is longer.

27.0 AMENDMENTS IN WRITING

Any alteration, variation, modification, or waiver of provisions of this Contract shall be valid only when it has been reduced to writing, duly signed. No amendment shall be valid until it has been executed by all parties and approved by the Director of the Office of Contractual Review, Division of Administration.

28.0 CAUSES BEYOND CONTROL

Neither party shall be responsible for delays in performance resulting from acts beyond the control of such party. Such acts shall include but not be limited to acts of God, strikes, riots, lockouts, acts of war, epidemics, governmental regulations superimposed after the fact, fire, communication line failures, power failure, earthquakes, or other disasters, or by reason of judgment, ruling, or order of any court or agency of competent jurisdiction.

29.0 NON-DISCRIMINATION

Contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1972, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities, or because of an individual's sexual orientation. Any act of discrimination committed by Contractor, or failure to comply with these obligations when applicable shall be grounds for termination of this Contract.

30.0 AVAILABILITY OF FUNDS

The continuation of this Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Contract. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced by veto of the Governor or by any means provided in the appropriation act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reductions to provide insufficient monies for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first

fiscal year for which funds have not been appropriated. Such termination shall be without penalty or expense to the OGB except for payments which have been accrued prior to the termination.

31.0 HEADINGS

Descriptive headings in this Contract are for convenience only and shall not affect the construction or meaning of Contractual language.

32.0 WORKER’S COMPENSATION

Contract is not in lieu of and does not affect any requirements of coverage under the Louisiana Worker’s Compensation Act or any other federal or state mandated employer liability laws.

33.0 ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

- a. This Contract (together with the NIC issued thereto by the OGB, the Proposal submitted by the Contractor in response to the OGB’s NIC, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.
- b. This Contract shall, to the extent possible, be constructed to give effect to all provisions contained therein: however, where provisions are in conflict, first priority shall be given to the provisions of the Contract, excluding the NIC and the Proposal; second priority shall be given to the provisions of the NIC and amendments thereto; and third priority shall be given to the provisions of the Proposal.

Acknowledgement is made by both parties that any exceptions to any part of the NIC requirements shall be solely due to changes regarding the Contractor and the number of enrollees.

BY SIGNING BELOW, THE PARTIES AGREE TO ALL OF THE TERMS AND CONDITIONS SET FORTH ABOVE.

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS (OGB)**

CONTRACTOR: (To be determined)

SIGNATURE: _____

SIGNATURE _____

NAME: Tommy D. Teague

NAME _____

TITLE: Chief Executive Officer

TITLE _____

ATTACHMENT 2

A. OGB Preferred Plan Design – HMO

Office visit copay	
PCP	\$5 copay
SCP	\$20 copay
Preventive care	
Routine physical exam	\$0
Well Woman Care	\$0
Immunizations	\$0
Inpatient hospital	
Semi-private room, ancillary services and physician visits	100% after \$25 copay per day for first five days
Pre-admission testing	100%
Outpatient hospital care	100% after \$100 copay
Emergency room	100% after \$50 copay
Ambulatory surgical care center	100% after \$100 copay
Physical therapy, respiratory, occupational or speech	100% after \$5 copay
Home health care	100% per date of service
Durable Medical Equipment	100% after 20% coinsurance
Skilled nursing	100% for days 1-20 100% after \$25 copay per day (days 21-100)
Ambulance	100% after \$100 copay
Immediate Care	100% after \$10 copay
Mental Health	
Inpatient	100% after \$25 copay per day for first five days
Outpatient	100% after \$20 copay
Partial hospitalization	100% after \$20 copay per day
Alcohol/Substance Abuse	
Inpatient	100% after \$25 copay per day for first five days
Outpatient	100% after \$20 copay
Prescription Drug	
Retail (30 days)	
Level One	\$0 (low cost generic and brand)
Level Two	\$20 (higher cost generic and brand)
Level Three	\$40 (high cost, brand name and some self- injectables)
Level Four	25% (high technology drugs and self-injectables not available at other levels)
Mail Order (90 days)	
Level One	\$0
Level Two	\$60
Level Three	\$120
Level Four	25%

B. OGB Preferred Plan Design - PPO

Office visit copay	
PCP	\$15 copay
SCP	\$30 copay
Preventive care	
Routine physical exam	\$0
Well Woman Care	\$0
Immunizations	\$0
Inpatient hospital	
Semi-private room, ancillary services and physician visits	100% after \$180 copay per day for first five days
Pre-admission testing	100%
Outpatient hospital care	20% coinsurance
Emergency room	20% up to \$50 out-of-pocket
Ambulatory surgical care center	20% coinsurance
Physical therapy, respiratory, occupational or speech	\$30 copay
Home health care	100% per date of service
Durable Medical Equipment	20% coinsurance
Skilled nursing	100% for days 1-3 \$90 copay per day (days 4-100)
Ambulance	20% coinsurance
Immediate Care	\$30 copay
Mental Health	
Inpatient	100% after \$180 copay per day for first five days
Outpatient	20% coinsurance
Alcohol/Substance Abuse	
Inpatient	100% after \$180 copay per day for first five days
Outpatient	\$30 copay
Prescription Drug	
Retail	
Level One	\$5 (low cost generic and brand)
Level Two	\$35 (higher cost generic and brand)
Level Three	\$60 (high cost, brand name and some self- injectables)
Level Four	25% (high technology drugs and self-injectables not available at other levels)
Mail Order	
Level One	\$15
Level Two	\$105
Level Three	\$180
Level Four	25%

ATTACHMENT 3

REPORTING REQUIREMENTS

A. Monthly Reports

Please provide, monthly, a report which consists of the elements noted below. Please report OGB statistics as well as your entire Organization statistics other than financial experience. **Monthly reports must be received by OGB and its Actuarial Consulting Firm no later than the end of business (5:00 p.m. Central Time) on the fifteenth of the month following the month in which you are reporting data.**

- **Financial Experience** Premium Income, Expenses (non-capitated paid claims, capitation expense, administrative expense and the amount reimbursed to your by CMS).
- **Claim Turnaround Time** percent paid within 30 days and report average lag time speed to answer by live voice (% of Participants who wait 30 seconds or less to speak with a live Participant service rep.)
- **Telephone Abandonment Rate** (% of calls where the caller hangs up after opting to speak with another service rep. and the call has been transferred to a Participant rep.)
- **PCP Turnover Rate** (% of PCPs leaving the network voluntarily or involuntarily during the month)
- **Open PCP/Participant Ratio** (ratio of open PCPs accepting new Participants to actual Participants)
- **Grievance Log (as requested in the NIC)**

If the report requests above are not able to be reported by your Organization due to plan or system limitations (e.g. phone system limitations not able to report %), please provide details on your monthly reports.

B. Other Reports

Other reports may be required in the future.

ATTACHMENT 4

MEDICARE ELIGIBLE MEMBERS BY PLAN (AS OF JULY 1, 1010)

MEMBERS WITH MEDICARE A AND MEDICARE B

NETWORK-PRODUCT	EMPLOYEE	SPOUSE	TOTAL
BLUE CROSS-ASO	5334	2038	7372
HUMANA-FFS65	196	63	259
HUMANA-HMO65	858	294	1152
LSU SHREV-ASO	697	302	999
OGB-PPO	19425	6493	25918
PEOPLES HEALTH-HMO65	155	44	199
UNITED HEALTHCARE-FFS65	88	33	121
VANTAGE-HMO65	1629	471	2100
VANTAGE-MHHP	33	20	53

ATTACHMENT 5

MEDICARE ELIGIBLE MEMBERS BY REGIONS MEMBERS WITH MEDICARE A AND MEDICARE B

Member Region	EMPLOYEE	SPOUSE	TOTAL
ALEXANDRIA	4753	1700	6453
BATON ROUGE	5276	1777	7053
HAMMOND	2576	948	3524
HOUMA/THIBODAUX	811	315	1126
LAFAYETTE	2956	1088	4044
LAKE CHARLES	1152	446	1598
MONROE	3418	1239	4657
NEW ORLEANS	2919	796	3715
OUT OF STATE	2587	779	3366
SHREVEPORT	1967	670	2637

ATTACHMENT 6

OGB RETIREES W/MEDICARE CURRENT PREMIUM RATES



OFFICE OF GROUP BENEFITS
OFFICIAL SCHEDULE OF PREMIUM RATES - MEDICARE ADVANTAGE PLANS
 Effective January 1, 2010

HMO Plans

Humana Regional HMO Plan**	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM
RETIRED WITH 1 MEDICARE SINGLE	111.75	37.25	149.00
RETIRED WITH 2 MEDICARE WITH SPOUSE	223.50	74.50	298.00

* Available in Alexandria, Baton Rouge, New Orleans & Shreveport metro areas only

Peoples Health Regional HMO Plan **	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM
RETIRED WITH 1 MEDICARE SINGLE	106.50	35.50	142.00
RETIRED WITH 2 MEDICARE WITH SPOUSE	213.00	71.00	284.00

** Available in Ascension, East Baton Rouge, Jefferson, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John, St. Tammany, Tangipahoa, Washington and West Baton Rouge Parishes ONLY

Vantage Statewide HMO Plan	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM
RETIRED WITH 1 MEDICARE SINGLE	148.50	49.50	198.00
RETIRED WITH 2 MEDICARE WITH SPOUSE	297.00	99.00	396.00

PRIVATE FEE FOR SERVICE PLANS

Humana Statewide PFFS Plan	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM
RETIRED WITH 1 MEDICARE SINGLE	123.75	41.25	165.00
RETIRED WITH 2 MEDICARE WITH SPOUSE	247.50	82.50	330.00

Secure Horizons Medicare Direct Statewide PFFS Plan	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM
RETIRED WITH 1 MEDICARE SINGLE	148.87	49.63	198.50
RETIRED WITH 2 MEDICARE WITH SPOUSE	297.75	99.25	397.00

Approved by:

9/23/2009

ATTACHMENT 7 FILE REQUIREMENTS AND LAYOUT

The Contractor shall send and receive data files and act on the received data files as detailed in this section (Appendix A):

The contractor shall receive the following three files from OGB. All files shall be constructed using strictly the layout as described in Appendix A-1, A-2 And A-4. All files shall be sent electronically using FTP (File Transfer Protocol) and MUST be encrypted using PGP (Pretty Good Privacy). These files will be under the directory outbound.

1. Eligibility File (Appendix A-1)

This file shall be on the OGB Ftp site each Sunday morning. It will be a full eligibility file the first week end of every month. On other weekends it will be changes only. The file name will be uhmavelg.pgp and located in the outbound directory

2. Billing File (Appendix A-2)

This file shall be received monthly by the contractor and will contain what was billed for each month. There will be an invoice schedule that will be given the contractor to know when the file is available each month. This file will contain multiple records for each member if there were adjustments for previous invoice billings done to this member's enrollment. This file name will be uhmvbill.pgp and located in the outbound directory.

3. Billing Schedule (Appendix A-3)

The contractors file should be on the OGB website on the date under the heading "Files Completed"

4. Label Aged in File (Appendix A-4)

This file will be put on the OGB ftp site the first Saturday of every month and will contain a label file of OGB members who qualify for a Medicare advantage plan and who are in the Medicare advantage companies qualifying region. Each file will be members that the contractor has not received to this point. This file name will be uhmvlab.pgp and located in the outbound directory.

5. Exceptions file-

If the contractor desires they may send an exception file created each month from a match between their bill file and the one that they receive from OGB. This file should be placed in the inbound directory and be named uhmvexcept.pgp. The format of the file should be communicated to OGB prior to it being put on the ftp site.

Appendix A-1 Eligibility File					
NO	Field Name	TYPE	Len	LOC	DESCRIPTION
1	Contract Holder SSN	A/N	9	001-009	Holder SSN
2	Member Last Name	A/N	16	010-025	Member Last Name
3	Member First Name	A/N	16	026-041	Member First Name
4	Member Middle Initial	A/N	1	042-042	Member Middle Initial
5	Relationship code	A/N	2	043-044	01- contract holder, 02- Spouse
5	Address 1	A/N	25	045-069	Address Line 1
6	Address 2	A/N	25	070-094	Address Line 2
7	City	A/N	15	095-109	City
8	State	A/N	2	110-111	State
9	Zip Code	A/N	10	110-121	Zip Code
10	Birth Date	A/N	8	122-129	CCYYMMDD
11	Effective Date	A/N	8	130-137	CCYYMMDD- original effective or employment date
13	Family Termination Date	A/N	8	138-145	CCYYMMDD
14	Sex	A/N	1	146-146	M or F
15	Medicare Hic number	A/N	12	147-158	HIC #
16	Phone number	A/N	24	159-182	
17	ESRD Switch	A/N	1	183-183	Y/N
18	Stop or pay flag date	A/N	8	184-191	Ccyyymmdd-Claim Payment Stop Date
19	Termination Reason	A/N	1	192-192	T = Term Employment N = Non Payment E = Death of Emp D = Divorce Spouse O = Loss Dep Status V = Voided Record P = Part time Emp p
20	Transaction Type	A/N	1	193-193	1- Add 2- Change 3- Termination or Delete 4 – full file(only future termination are on full file plus all active at time of run)
21	Transaction or Run date	A/N	8	194-201	CCYYMMDD

APPENDIX-2 BILLING FILE					
B. No	FIELD NAME	TYPE	LEN	LOC	DESCRIPTION
1	Invoice Date	N	8	001-008	CCYYMMDD
2	Enrollee SSN	N	9	009-017	SOCIAL SECURITY NUMBER
3	Enrollee Last Name	A	20	018-037	Last Name
4	Enrollee First Name	A	20	038-057	First Name
5	Enrollee Middle Initial	A	1	058-058	Initial
6	Enrollee Coverage Type	A	2	059-060	"EE" -Employee Only "ES"-Employee and Spouse "EC"-Employee and Child(ren) "FM"-Family
7	Rate Table Code	A	2	061-062	"AC"- Active "CB"- Cobra "CD"- Cobra Disability "CP"- Cobra Part-Time "R1" - Retired Medicare 1 "R2"- Retired Medicare 2 "RN"- Retired No Medicare
8	Billing OR Coverage	N	8	063-070	CCYYMMDD
9	Premium Amount	N	7	071-80	FORMAT-SHOULD BE 7 CHARACTERS LONG, ZERO FILLED, WITH AN EXPLICIT DECIMAL POINT AND LEADING SIGN ONLY WHEN NEGATIVE EXAMPLE: 123.45 WOULD BE EXPRESSED AS "0000123.45" -123.45 WOULD BE EXPRESSED AS "-000123.45"
10	Contract Holder Hic number	A/N	12	81-92	
11	Spouse HIC number	A/N	12	93-104	

**STATE EMPLOYEES GROUP BENEFITS PROGRAM
2010 BILLING SCHEDULE**

Billing Preparation	Billing Month	Agency Transactions Received By*	Billings and Files Completed
12/29 & 12/30	January Active Bill	12/22/2009	12/31/2009
01/07 & 01/08	February Retiree Bill	01/05/2010	01/10/2010
01/28 & 01/29	February Active Bill	01/26/2010	01/30/2010
02/08 & 02/09	March Retiree Bill	02/05/2010	02/10/2010
02/25 & 02/26	March Active Bill	02/22/2010	02/28/2010
03/08 & 03/09	April Retiree Bill	03/05/2010	03/10/2010
03/29 & 03/30	April Active Bill	03/25/2010	03/31/2010
04/08 & 04/09	May Retiree Bill	04/06/2010	04/10/2010
04/28 & 04/29	May Active Bill	04/26/2010	04/30/2010
05/06 & 05/07	June Retiree Bill	05/03/2010	05/09/2010
05/27 & 05/28	June Active Bill	05/25/2010	05/30/2010
06/08 & 06/09	July Retiree Bill	06/04/2010	06/10/2010
06/28 & 06/29	July Active Bill	06/23/2010	06/30/2010
07/08 & 07/09	August Retiree Bill	07/06/2010	07/10/2010
07/29 & 07/30	August Active Bill	07/27/2010	07/31/2010
08/06 & 08/09	September Retiree Bill	08/04/2010	08/10/2010
08/27 & 08/30	September Active Bill	08/26/2010	08/31/2010
09/08 & 09/09	October Retiree Bill	09/03/2010	09/10/2010
09/28 & 09/29	October Active Bill	09/24/2010	09/30/2010
10/07 & 10/08	November Retiree Bill	10/05/2010	10/10/2010
10/28 & 10/29	November Active Bill	10/23/2010	10/30/2010
11/08 & 11/09	December Retiree Bill	11/03/2010	11/10/2010
11/26 & 11/29	December Active Bill	11/23/2010	11/30/2010
12/08 & 12/09	January Retiree Bill	12/03/2010	12/10/2010

APPENDIX-4 LABEL AGED IN FILE					
C. No	FIELD NAME	TYPE	LEN	LOC	DESCRIPTION
1	Last Name	A	20	001-020	Last name
2	First Name	A	15	021-35	First Name
3	Middle Initial	A	1	036	Initial
4	Address 1	A	35	037-071	Address
5	Address 2	A	35	072-106	Address
6	City	A	30	107-136	city
7	State	A	2	137-138	state
8	Zip	A/N	13	139-151	zip
9	Transaction Date	A/N	8	152-159	ccymmdd