March 27, 2015

Reference Request for Proposals #800100-03132015 to provide Administrative Services Only (ASO) for Self Funded Medical Plans for the State of Louisiana, Office of Group Benefits which is scheduled to open at 5:00pm (CST) on April 20, 2015.

Addendum #1 provides responses to proposer's written inquiries submitted during the mandatory Pre-Proposal conference held Friday, March 20, 2015, written inquiries received to date as a result of the initial RFP posting and OGB's clarifications to the RFP.

THIS ADDENDUM IS HEREBY OFFICIALLY MADE A PART OF THE REFERENCED REQUEST FOR PROPOSAL

INQUIRIES AND RESPONSES

No.	Inquiry	Response
1	List of Items, Schedule of Requirements, Scope of Work, Terms of Reference, Bill of Materials required.	Copies of the RFP are available online on the websites listed below: **LaPAC:** http://wwwprd.doa.louisiana.gov/OSP/LaPAC/pubmain.asp **OGB:** https://www.groupbenefits.org
2	Soft Copy of the Tender Document through email.	Copies of the RFP are available online on the websites listed below: **LaPAC:** http://wwwprd.doa.louisiana.gov/OSP/LaPAC/pubmain.asp **OGB:** https://www.groupbenefits.org
3	Names of countries that will be eligible to participate in this tender.	Proposals will be accepted from Proposers who attended the mandatory Pre-Proposal Conference and meet or exceed the minimum qualifications identified in Section 3.1 of the RFP.
4	Information about the Tendering Procedure and Guidelines	Copies of the RFP are available online on the websites listed below: **LaPAC:** http://wwwprd.doa.louisiana.gov/OSP/LaPAC/pubmain.asp **OGB:** https://www.groupbenefits.org

No.	Inquiry	Response
5	Estimated Budget for this Purchase	OGB has projected self-funded medical plan expenditures in FY15 of $959,750,339; $919,318,776 in medical claims expenses and $40,431,563 in associated administrative costs.
6	Any Extension of Bidding Deadline?	RFP Section 2.5, Schedule of Events shall be revised as follows: Deadline for receipt of written inquiries: 5:00 PM CST April 1, 2015
7	Any Addendum or Pre Bid meeting Minutes?	Inquiries 11-14 were submitted during the Pre-Proposal conference and official responses are provided below. Meeting minutes are not available.
8	We are in the process of reviewing the RFP. Please let me know how we can obtain the data that is available for the RFP - claims re-pricing file, census, etc. Is it just the Certification Statement (Attachment II)?	On March 25th and 26th OGB, through its consulting actuary, sent via UPS overnight delivery the claims re-pricing and disruption data on USB flash drives to all entities that attended the mandatory Pre-Proposal Conference and submitted a signed Data Use Agreement for Limited Data Set form. OGB will not accept request for this data after April 1, 2015.
9	In order to start the RFP process we will need the following data: 1) Census for pricing, GEO and discounts; 2) Claims re-pricing and disruption data; 3) If possible, a word version of the questionnaire and any other documentation you need completed.	On March 25th and 26th OGB, through its consulting actuary, sent via UPS overnight delivery the claims re-pricing and disruption data on USB flash drives to all entities that attended the mandatory Pre-Proposal Conference and submitted a signed Data Use Agreement for Limited Data Set form. OGB will not accept request for this data after April 1, 2015. Word versions of Attachment V: Technical Questionnaire, Attachment VI: Claims Re-Pricing, and Attachment VIII: Network Disruption are included as part of this addendum, following the inquiry/response and clarification tables. Please note that the numbering in Attachment V: Technical Questionnaire Section IV and V were corrected.
10	Do you have an ETA on when we will receive the data?	On March 25th and 26th OGB, through its consulting actuary, sent via UPS overnight delivery the claims re-pricing and disruption data on USB flash drives to all entities that attended the mandatory Pre-Proposal Conference and submitted a signed Data Use Agreement for Limited Data Set form. OGB will not accept request for this data after April 1, 2015.

No.	Inquiry	Response
11	Are all services requested necessarily one bundled service solution, or is OGB considering breaking out any of the services on a standalone basis (e.g., wellness)?	OGB is seeking one bundled service solution.
12	Claims Re-pricing - Should modifiers be applied?	Modifiers should be used as they apply to your provider reimbursement contracts.
13	Will a regional solution be considered versus a full take over? For example - If we have an Accountable Care Organization (ACO) available in a geographical area of the state, will OGB consider offering an ACO to a limited geographical area long side the vendor who covers the entire state?	The Proposer must be able to provide all services set forth in the RFP.
14	Attachment V: Technical Questionnaire, Section V, #4b) - Please confirm 102 days is a typo? Should it be 1-2 days?	Yes, this is a typo and the question should read as follows: b) How many days at a time do you typically approve for an inpatient stay without additional documentation from the facility? Can you reduce this time to **1-2 days** to stay actively engaged? **Note: Due to the correction of numbering in Attachment V: Technical Questionnaire, this question is now labeled #6b) of Section V in the attachment included as part of this addendum.**

Clarifications to RFP

Section Reference RFP Section 2.5 Schedule of Events

Original Text:

EVENT	TIME (CENTRAL STANDARD TIME)	DATE (ALL DATES ARE STATE BUSINESS DAYS)
Post RFP to LaPAC		March 13, 2015
Mandatory prospective proposer on-site conference	9:00 AM Claiborne Building Thomas Jefferson Room 1-136 (A&B) 1201 North 3rd Street Baton Rouge, LA 70802	March 20, 2015
Deadline for receipt of written inquiries	5:00 PM	March 27, 2015
Issue responses to written inquiries		April 7, 2015
Deadline for receipt of proposals	5:00 PM	April 20, 2015
Oral Presentations	Time and Location To Be Determined	Week of May 11, 2015
Announce award of contractor selection		Week of May 18, 2015
Begin Implementation		Week of June 15, 2015
Contract Effective Date		January 1, 2016

NOTE: The State of Louisiana reserves the right to change this schedule of RFP events, as it deems necessary.

Revised Text:

EVENT	TIME (CENTRAL STANDARD TIME)	DATE (ALL DATES ARE STATE BUSINESS DAYS)
Post RFP to LaPAC		March 13, 2015
Mandatory prospective proposer on-site conference	9:00 AM Claiborne Building Thomas Jefferson Room 1-136 (A&B) 1201 North 3rd Street Baton Rouge, LA 70802	March 20, 2015
Deadline for receipt of written inquiries	5:00 PM	April 1, 2015
Issue responses to written inquiries		April 7, 2015
Deadline for receipt of proposals	5:00 PM	April 20, 2015
Oral Presentations	Time and Location To Be Determined	Week of May 11, 2015
Announce award of contractor selection		Week of May 18, 2015
Begin Implementation		Week of June 15, 2015

Contract Effective Date		January 1, 2016

NOTE: The State of Louisiana reserves the right to change this schedule of RFP events, as it deems necessary.

Section Reference RFP 4.1 Proposal Submission

Original Text:

- Proposer should provide Two (2) CDs of the Technical proposal in PDF and Word Format and Two (2) Cost proposals in Word and Excel format.

Revised Text:

- Proposer should provide Two (2) CDs of the Technical proposal in PDF and Word Format and Two (2) CDs or Portable Drives of the Cost proposals in Word Format and a text file (tab-delimited format).

Section Reference RFP Attachment V: Technical Questionnaire, Section V, #3

Original Text:

1. Please confirm you are able to administer the plan designs as outlined in Attachment VIII.
    a. Please include the cost to the OGB to eliminate any of the programs included in the proposal.
    b. Please confirm the CDHP with HRA is administered as embedded, i.e. member has service, claim is processed, if funds in HRA, then HRA will automatically pay without any intervention by the member.

Revised Section Reference RFP Attachment V: Technical Questionnaire, Section V, #5

Revised Text:

1. Please confirm you are able to administer the plan designs as outlined in the plan information located on the following websites: www.bcbsla.com/ogb and www.groupbenefits.org .
    a. Please include the cost to the OGB to eliminate any of the programs included in the proposal.
    b. Please confirm the CDHP with HRA is administered as embedded, i.e. member has service, claim is processed, if funds in HRA, then HRA will automatically pay without any intervention by the member.

Replace Attachment VI: Claims Re-pricing with the revised Attachment VI: Claims Re-pricing

ATTACHMENT V: TECHNICAL QUESTIONNAIRE

I. Medical Claims Administration

1. Please provide the physical locations of the following, relevant to services proposed:
    a. Main office or headquarters
    b. Account Management
    c. Claims administration – primary & secondary
    d. Data storage – primary & secondary
2. Will you provide a dedicated (but not necessarily exclusive) claims processing unit?
3. Describe your disaster recovery/ business continuity plan. Include description of back-up and restore processes and geographic location of disaster recovery/operations. Include your schedule and process for testing your plan. Also, provide last execution of full plan through testing or actual disaster event.
4. Does your claim processing system have the ability to accommodate and accurately process claims utilizing a multi-tiered network or special contracts negotiated by OGB?
5. Please describe the Quality Control process in place to regularly review accuracy of claims processing and enrollment/eligibility.
6. Please describe your Coordination of Benefits (COB) process.
7. What is average turnaround time for claims processing?
8. What is average length of time from a network Provider submitting a charge to date of payment?
9. Describe your current fraud detection and prevention practices/programs with regard to providers and members, including but not limited to fraudulent claims submission.
10. Please describe your standard claims processing and request & receipt of funds process from the OGB. Confirm your organization maintains a system for tracking claims received, processing status, pending status, and member correspondence.
11. Please describe your standard administrative fee billing process.
12. Please provide your call center service hours for the following:
    a. Providers
    b. Members
    c. Account Management
    d. Nurseline
13. Please confirm call center multi-lingual support.
14. Describe method of measuring Member satisfaction. Provide results of most recent report.
15. How do you track the number of calls received, speed of answer, hold time, abandoned calls, etc? Please complete the attached:

	2012 Actual	2013 Actual	2014 Actual	2015 Goal
Average Speed of Answer				
After-hours average speed of answer				
Average % of calls answered within 30 seconds				
Average time in queue for transfer from Member service to other department				
% Calls receiving busy signal				
% Abandonment Rate				

16. Provide details regarding reporting capabilities. What is typically included in the monthly reports? Annual reports?
17. Please indicate if additional services may be provided that are not included in the proposed fee, and what the additional cost for each service would be.

II. Population Health Management/Total Cost of Care Concepts

18. In your experience, describe the essential elements of a successful integrated Population Health Management program and how your programs demonstrate this. Include any cost savings or increases that occurred with integrated services in your experience.
19. What is the minimum lead-time needed for you to implement the proposed scope of services for the OGB's Population Health Management program? What is the recommended lead-time you would prefer? Are you willing to commit to implementing the proposed scope of services for the Population Health Management Program for the OGB within the minimum time-frame you stated if requested by the OGB? Will you put a portion of your fees at risk to ensure completion within that time?
20. Which specific clinical health outcomes measures for our members will be tracked? Please describe how and the method for reporting the outcomes data to OGB.
21. Describe any programs you have implemented that encourage members to seek care from a Primary Care Physician (PCP).
22. Describe how you encourage members to seek preventive care from a PCP. List those specific preventive services.
23. Describe how you encourage, or require, PCPs to follow up with members to ensure they seek preventive services.
24. Describe how you encourage PCPs to improve access and health outcomes.
25. Describe how high risk members are identified. Give an example of how high risk membership is placed in an appropriate program for improving health and disease compliance.
26. Describe how you use predictive modeling to identify employees with conditions that could worsen.
27. Provide example reporting of tracking member cost by disease state over time.

28. Describe your ability to illustrate and to track a population's risk and cost over periods of time to determine if improvement is happening in either.
29. Describe how you evaluate access needs to determine where there are gaps in availability for members and retirees by illness burden. Give an example of how an investment can solve an access problem where care is not available.
30. Are these programs part of your administration fee, or are they at additional cost? If additional cost, how do you measure and report the ROI for these programs?
31. Please describe any program you will offer that encourages improved quality of care by providers delivering services to our members. How will it be measured? How will it produce cost savings?
32. Describe any cost containment programs you are proposing to reduce unnecessary cost associated with the lack of care coordination. How will the cost containment program improve quality and improve care coordination? How will the cost savings and quality improvement be measured?
33. Describe any quality and cost driven provider segmentation to identify which providers our employees should be steered to/from.
34. Please describe any centers of excellence networks and/or programs available to our members.
35. Please describe any networks and/or programs that direct a member toward a second opinion. How is the availability of the network and/or program communicated to the member?
36. Please describe the provider quality information you will publish to our members. How will that information be made available? How often is it updated?
37. Describe any provider cost transparency data or programs. How is this data delivered to members? Please provide examples. How often is it updated?
38. Describe any products that utilize published transparency data and give examples of cost benefits and savings.
39. Describe methods used to provide members alternative and more cost effective settings or providers when seeking care.
40. Describe methods used to steer members to appropriate levels of care.
41. Do you have a patient advocacy program? If so, are there any limitations? Please describe staff and qualifications of patient advocacy program.
42. Please describe any actuarial, analytical service you will be providing with regard to health informatics (population health management). Describe the interaction with OGB and provide any sample reports.
43. Will Proposer pay for an independent health informatics (population health management) technology if OGB finds analytics capabilities insufficient?

III. **Wellness Program**

44. Please describe your most innovative wellness program offering. How many members currently are under your program? What programs have worked best and what has not worked?
45. Is your wellness program owned or a partnership with third party?
46. Please describe how you charge for wellness services. Be as specific as possible.
47. How do you measure ROI? Please provide sample report and/or projection.
48. Do you offer 24/7 online Health Risk Assessment?

49. Can the wellness program be delivered through smartphone app?
50. Please provide detail regarding any wellness offerings available to the OGB that are not included in the proposed fee and the additional cost associated with each service.
51. Please outline ongoing communication support and coordination provided during and after initial program launch (i.e. dedicated or designated communication person(s), frequency of reviews, updates to communications).

IV. Information Systems and Enrollment

1. Please describe your ability to provide a web based enrollment portal and its ability to integrate with other systems.
2. Please describe and provide examples of your member web based portals and their capabilities for self service.
3. Please describe any other web based member services you offer.
4. Please confirm that you will provide direct access into health informatics system for OGB to run analytics from OGB.

V. Overall Administration

5. Please confirm you are able to administer the plan designs as outlined in the plan information located on the following websites: www.bcbsla.com/ogb and www.groupbenefits.org .
    c. Please include the cost to the OGB to eliminate any of the programs included in the proposal.
    d. Please confirm the CDHP with HRA is administered as embedded, i.e. member has service, claim is processed, if funds in HRA, then HRA will automatically pay without any intervention by the member.
6. Detail what you will do to impact inpatient hospital admissions from the first day of admittance.
    a) How will you steer members to the appropriate level of care – potentially reducing the length of stay in an acute facility or transferring members from the Intensive Care Unit to lower levels of care?
    b) How many days at a time do you typically approve for an inpatient stay without additional documentation from the facility? Can you reduce this time to 1-2 days to stay actively engaged?
    c) How will you help members avoid readmissions after a hospital stay?
    d) Describe the clinical and intervention resources that you will commit to work exclusively on the OGB.
7. Please disclose any expenses associated with an outside claims audit
8. Will you provide an allowance for an outside claims audit?
9. Describe your flexibility to customize payment arrangements/methodologies for claims process out-of-network.
10. Identify and comment on any major claim / eligibility / reporting system changes or upgrades planned in the next 12 to 24 months.
11. Will you provide a dedicated 1-800 number for the OGB?

12. The OGB lacks a comprehensive or reliable set of phone numbers and other contact information for some members. Please describe the means you deploy to obtain accurate contact information.
13. Please confirm that, if requested by OGB, you will provide an individual to serve as an Onsite Implementation Resource.

REVISED ATTACHMENT VI: CLAIMS RE-PRICING

Each Proposer present at the March 20, 2015 Mandatory Prospective Proposer On-site Conference and who has submitted a signed Data Use Agreement shall receive an electronic record containing redacted claims incurred by OGB members. EVERY claim must be re-priced and sent back to OGB on a CD or portable drive in a text file (tab-delimited format).

MEDICAL:

The claim record must include two fields. One field is an indicator that identifies in-network, participating non-network and out-of-network or non-participating providers based on your contracted network in effect on March 1, 2015. (Example values for this field could be: In-Network, Participating, Non-Participating)

The second field is to contain the allowed amounts which must be determined, using your provider contractual arrangements, as of March 1, 2015 as follows:

* If an in network provider: allowed amount = applicable current contracted amount;

* If a non-network but participating provider, and you have an existing contractual discount arrangement that will protect the plan participant from balance billing, allowed amount = contractual discount arrangement;

* If non-participating non-network provider and you have no existing contractual discount arrangement that will protect the plan participant from balance billing, allowed amount = billed charge;

* Your response should include no $0.00 allowed amount at the claim level.

Identify in your response the name of the network you are using for the re-pricing (for example, PPO, HMO, and any other identifying names that you may use to identify the network).

All of the above re-priced claims must be submitted with your proposal. Your initial submission must be complete. Evaluation will be based upon allowed amount per claim, not per claim line, where claim is identified by "Claim Header ID." Proposer shall provide a total cost for all claims after re-pricing. The total cost for all claims will be used to calculate the score points using the formula specified in Section 6.5 Evaluation and Review.

Modifiers should be used as they apply to your provider reimbursement contracts. Claims are divided into the following files: Inpatient, Outpatient and Physician. Also included on the drive are file layout descriptions. Date of service or admit date should be assumed to be March 1, 2015.

ATTACHMENT VII: NETWORK DISRUPTION

1. Detail what you will do to impact inpatient hospital admissions from the first day of admittance.

    a. How will you steer members to the appropriate level of care – potentially reducing the length of stay in an acute facility or transferring members from the Intensive Care Unit to lower levels of care.
    b. How many days at a time do you typically approve for an inpatient stay without additional documentation from the facility. Can you reduce this time to 1-2 days to stay actively engaged?
    c. How will your programs help members avoid readmissions after a hospital stay?
    d. Describe the clinical and intervention resources that you will commit to work exclusively on The State.

2. Describe your flexibility to customize payment arrangements/methodologies for claims processed out-of-network.

3. Identify and comment on any major claim / eligibility / reporting system changes or upgrades planned in the next 12 to 24 months.

4. Submissions should include an appendix with a GeoAccess evaluation of the network offering:

Based on the census (or member zip codes in the claim file) included in this Request for Proposal, provide a geo-access report of those providers participating within your Company's network that you are proposing. Please use the following parameters. Do not exclude participants not residing in a current service area.

Provider Type	***Criteria***
Hospitals	1 within 15 miles
Providers 1. Primary Care 2. Pediatricians 3. OB/GYN 4. Specialists 5. Laboratories	2 within 15 miles