

ADDENDUM NO. 4

DATE: May 9, 2018

TO: All Potential Proposers

FROM: Penny Owens, Assistant Purchasing Agent, City of Knoxville

SUBJECT: Addendum No. 4 to the RFP for Self-Funded Medical Plan Administration

RFPs TO BE OPENED: May 17, 2018 at 11:00:00 a.m. (Eastern Time)

This addendum is being published to address the following items regarding the above referenced RFP. This addendum becomes a part of the contract documents and modifies the original specifications as follows:

ITEM 1: Revision of Submission Form S-4

Submission Form S-4 is hereby deleted and replaced with the attached Submission Form S-4. Please note the changes for the submittal of claims detail – the requested data will be sent directly to our broker, Willis Towers Watson.

ITEM 2: Questions and Answers

Responses to questions asked by the deadline are provided below.

Question #1: Please provide a more current claims file by plan to include monthly enrollment by plan

Response: See Addendum 2

Question #2: Please also provide large claims data for the same timeframe as the monthly claims

Response: See attached Large Claims \$50k – 2014-2017 file. Please note: password for the file is cokrfpdata

Question #3: Is consecutive numbering required for the entire document or can it be per section?

Response: Please answer the questions in the same order and with the original numbering given in Submission form S-3.

Question #4: For the electronic copy of the proposal, can there be multiple PDF files or does it have to be in one PDF file?

Response: Multiple electronic files are acceptable.

Question #5: Please confirm if the plans are Grandfathered or Non-Grandfathered.

Response: Non-Grandfathered.

Question #6: Please verify the day/visit limit for Chiro and Speech Therapy. There is a discrepancy between Exhibit B and the benefit summary.

Response: Chiro is limited to 20 visits per plan year. Speech Therapy is limited to 30 visits per plan year.

Question #7: Please verify if bariatric is covered. There is a discrepancy between Exhibit B and the benefit summary.

Response: Yes, it is covered when medical criteria is met.

Question #8: Is infertility diagnosis covered? We understand that treatment is excluded.

Response: Here's what is covered:

Family Planning and Reproductive Services

Medically Necessary and Medically Appropriate family planning services and those services to diagnose and treat diseases that may adversely affect fertility.

1. Covered
 - a. Benefits for family planning, history, physical examination, diagnostic testing and genetic testing.
 - a. Sterilization procedures.
 - b. Services or supplies for infertility evaluation and testing.
 - c. Medically Necessary and Medically Appropriate termination of a pregnancy.
 - d. Injectable and implantable hormonal contraceptives and vaginal barrier methods including initial fitting and insertion.
2. Exclusions
 - a. Services or supplies that are designed to create a pregnancy, enhance fertility or improve conception quality, including but not limited to: (1) artificial insemination; (2) in vitro fertilization; (3) fallopian tube reconstruction; (4) uterine reconstruction; (5) assisted reproductive technology (ART) including but not limited to GIFT and ZIFT; (6) fertility injections; (7) fertility drugs, (8) services for follow-up care related to infertility treatments.
 - b. Services or supplies for the reversals of sterilizations.
 - c. Induced abortion unless: (1) the health care Practitioner certifies in writing that the pregnancy would endanger the life of the mother; (2) the fetus is not viable (3) the pregnancy is a result of rape or incest; or (4) the fetus has been diagnosed with a lethal or otherwise significant abnormality.

Question #9: Please confirm Rx accumulation to out of pocket maximum – does Rx truly have a separate OOP max? Is it combined with medical? What is the Rx OOP amount today?

Response: The current OOP max is \$2,500 individual / \$5,000 family (in-network). It includes both medical and prescription drug coverage.

Question #10: Please provide the following submission form as it was not included in the RFP or located on the website: H. Drug Free Affidavit

Response: Please find the Drug Free Affidavit attached.

Question #11: Can we get the monthly claim reports and enrollment reports broken out by benefit plan (4 sets of reports)? BCBS typically provides this to their clients.

Response: See Addendum 2.

Question #12: Are you able to share the provider discounts you are receiving from BCBS today?

Response: BCBST offered a savings guarantee on Network P each year of the contract of 57.5%. They have met or exceeded this guarantee each year.

Question #13: Related to a Nurse Case Manager request on page 12 of the RFP – do you have parameters on the frequency of the on-site resource requested?

Response: At present, the nurse case manager has the ability to come onsite if needed. While this position does have other clients, the City of Knoxville's cases are her priority.

Question #14: Related to a Health Navigator request on page 12 of the RFP – do you have parameters on the frequency of the on-site resource requested?

Response: Health Navigator frequency is 5 days a week for a total of 40 hours per week.

Question #15: Section 7.2 - Submission Information: Instructions indicate the proposal should include one electronic copy of the proposal (.pdf format on CD only). However instructions in the RFP ask for the following items in the formats indicated below:

- Submission Form S-2: Pricing Information – Excel
- Submission Form S-3: Supplemental Questionnaire – same format it was provided for completion (Word)
- Submission Form S-5: GeoAccess and Disruption Analysis (complete Exhibit J) – Excel

Is it acceptable to The City to submit the files listed above in the formats indicated and provide all other files on the electronic copy of the proposal in .pdf format?

Response: Yes, please provide those documents in the format requested, not in a PDF.

Question #16: To reduce unnecessary printing of materials, is it acceptable to The City to provide summary tables listing specifics of the Disruption Analysis and GeoAccess Reports in Submission Form S-5 in the notebooks and provide the Disruption Analysis GeoAccess Reports in their entirety only on the electronic (CD) copy of the proposal?

Response: Electronic would be preferred and acceptable. Please provide in a format that can be manipulated, if possible.

Question #17: To reduce unnecessary printing of materials, is it acceptable to the City to provide large attachments such as the sample reports requested in Submission Form S-3 only on the electronic (CD) copy of the proposal?

Response: Electronic would be preferred and acceptable. Please provide in a format that can be manipulated, if possible.

Question #18: 7.3 Format The City is committed to reducing waste. Submissions of qualifications must be typed on 8.5 x 11 inch wide white paper, printed on both sides. DO NOT BIND the document; instead, staple or binder clip the submission together and place in a sealed envelope (see Paragraph 7.2). Pages must be consecutively numbered. A table of contents must be included in the proposal immediately after the title page, and each of the following numbered sections must be tabbed.

Are loose leaf, 3-ring notebooks acceptable since the pages can be easily removed for review or do you prefer that not be used either?

Response: No, the City's preference is to have the proposals only bound with binder clips or rubber bands.

Question #19: The RFP states that the current ASO fee of \$39.25 pspm includes the listed services plus PhysicianNow and Maternity. To clarify:

Response:

- PhysicianNow (telehealth) and Maternity are paid separately from the ASO fee
- Out-of-State Network Access is paid on a per claim basis and not part of the overall ASO fee.
- The Third Party Stop Loss Interface Fee is not included in the fee, but there is currently not a fee for the interface as the City uses a preferred provider with BCBST, BlueRe.
- Disease Management is not included in the ASO, nor is this a current service the City uses.

Advanced Radiological Imaging and Musculoskeletal UM is included in the fee. If this applies to other vendors, include this and similar items under "Other" and note "Included in ASO."

END OF ADDENDUM 4

SUBMISSION FORM S-4
Self-Funded Medical Plan Administration
Discount Analysis

Claims files have been made available that include paid claims detail from 01/01/2017 through 12/31/2017. Please provide the specific allowable charge for each claims line included by provider in the report(s). Your network discounts will be evaluated on this basis, so it is important that detailed claims information be provided; not summary information.

Exhibit F – Discount Analysis. While this information has been deidentified, it still needs to be treated confidentially. This file is available by request through OneHub. To gain access to this file, please email Penny Owens (powens@knoxvilletn.gov) and Christine Fitzgerald (cfitzgerald@knoxvilltn.gov).

It is understood that the claims detail is proprietary, and it will be summarized by Willis Towers Watson for consideration by the City of Knoxville. Neither individual claims line detail nor competitor discount information will be shared with the City. If Willis Towers Watson must sign a confidentiality and non-disclosure agreement (CNDA) in order for this information to be released, forward the CNDA to brandon.allan@willistowerswatson.com.

Your proposal will **NOT BE CONSIDERED** if the detailed claim by claim analysis is not received by the date and time determined by Willis Towers Watson: May 17, 2018. This information must be submitted directly to Willis Towers Watson. Do not include it with the proposal to be submitted to the City.

To upload: Once you have completed your Discount Analysis, please use the email received from Brandon Allan at Willis Towers Watson to securely upload your detailed claims file. The email is titled “City of Knoxville Claims Repricing”, and in the body of the email there will be a link that says “Click here to begin exchanging files”. Once you click on the link, please click on the icon that says “File upload”. Once you select the file to be uploaded, Willis Towers Watson will receive a notification to go and retrieve the file.

DRUG-FREE WORKPLACE AFFIDAVIT

State of _____

County of _____

_____, being duly sworn, deposes, and says that:

- (1) He/She is a principal officer of _____, the firm that has submitted the attached Proposal, his or her title being _____ of the firm; and
- (2) He/She has personal knowledge of the policies of the above-named firm with respect to the maintenance of a drug-free workplace; and
- (3) He/She certifies that all provisions and requirements of the Tennessee Drug-Free Workplace Program, as established by Tenn. Code Ann. §§ 50-9-101 et. seq., have been met and implemented.

(Signed)

(Title)

Subscribed and sworn to before me this ____ day of _____, _____.

Title _____

My Commission expires _____