



**DEPARTMENT OF PURCHASING & CONTRACT COMPLIANCE**

**Winner 2000- 2008 Achievement of Excellence in Procurement Award  
National Purchasing Institute**



**Felicia Strong-Whitaker, Interim Director**

**May 7, 2009**

**Re: 09RFP83412C-GS  
Employee Health Benefit Plan**

Dear: Proposers:

Attached is one (1) copy of Addendum 3, hereby made a part of the above referenced 09RFP83412C-GS.

Except as provided herein, all terms and conditions in the 09RFP83412C-GS referenced above remain unchanged and in full force and effect.

Sincerely,

  
**Gus A. Roberson, CPPO  
Interim Deputy Director**

**09RFP83412C-GS Employee Health Benefit Plan**

**Addendum No. 3**

**Page Two**

**\*\*\* (NOTE: There are five (5) attachments for this addendum. In order to receive the attachments, please send me an e-mail requesting the attachments for your firm/company). \*\*\***

This Addendum forms a part of the contract documents and **modifies** the original RFP documents as noted below:

Reference: the following questions relating to the RFP:

**Retirees**

1. Although the RFP specifications do not mention a Medicare Advantage medical plan for the Medicare eligible retirees, may we proactively quote a Medicare Advantage plan with an integrated Part D Rx benefit? [Is Fulton County interested in a fully-insured Medicare Advantage plan that would be offered to Medicare eligibles as an option to the current ASO plan for retirees?]

*No.*

2. Can you explain or identify the last column entitled Ded Plan on the retiree census file?

*The column applies to retirees only and consists of internal codes used to distinguish the years the person retired and the plan design to which they subscribe.*

**EAP**

1. What has been the average membership for the last 3 years?

*Same as medical membership.*

2. Please provide the name of the current EAP vendor and the length of time they have administered the EAP.

*The Current EAP vendor is Blue Cross Blue Shield. They have administered the plan since 1/1/2006.*

3. Provide the utilization of the EAP over the last 3 years including the total number of face to face sessions and total utilization including phone inquiries. Also provide total "open cases", closed cases, average length of session, and common presenting problems.

*Refer to Activity Trends (3 year UR) revised 5/5/09 attachment.*

4. What is the total number of on site support services received in each of the last three years, including critical incident and training?

*Refer to Activity Trends (3 year UR) revised 5/5/09 attachment.*

5. What are the training requirements per year?

*Training needs are determined as needed by the various departments.*

6. Describe any current work/life services arrangement, if applicable. Who is the carrier? What is the current fee? What services are provided?

*None.*

7. What are your communication requirements for EAP distribution (frequency and manner)?

*The expectation is that there will be a quarterly EAP newsletter, via email. Also, there should be meetings with supervisors and managers at least annually.*

8. What needs have not been met by the current carrier?

*The County is using this opportunity to gauge the market for all requested services. As the current services provider has been invited to propose on this RFP, we will not be discussing any strengths or weaknesses of the current carrier at this time. Strengths and weaknesses of all proposers will be considered jointly as part of the technical and cost proposal evaluations.*

## **Pharmacy**

1. Do the current PBM and Medical Carrier integrate medical, lab and pharmacy claims?

*It is not known if lab results are included in the disease management algorithms.*

2. If integrated, what medical savings has the Plan Sponsor experienced and how often are claim files passed? What is the charge for the integration of claims services?

*There is a data feed from the PBM to Disease Management on a monthly basis. There is no charge for this service.*

3. What clinical edits: Step Therapies, Prior Authorizations, and Quantity Limits are in place?

*The current plan requires prior authorizations. There are quantity limits of 30 days for local pharmacy and 90 days for mail order. There is an informational program on generics.*

4. How long has the current PBM contract been in place?

*Since 1/1/2006.*

5. Does the Plan Sponsor have any specific PBM services issues with their retail, mail or specialty drug programs?

*No.*

6. Will Plan Sponsor provide 12 months of detailed Pharmacy Claims Data to include 11 Digit NDCs, Pharmacy Name/NABP numbers, Date of Service and Unique Member IDs. Formulary tier identification should be included if possible.

*Refer to FC-RX-Data 2Q08 – 1Q09.xls attachment.*

7. Does the pharmacy benefit include a retail 90 day program? If yes, are any major chains excluded?

*No 90 day retail program exists.*

8. Does the Plan Sponsor receive rebates? If yes, what is the percent shared?

*The current financial arrangement with Cigna cannot be shared at this time. The prescription drug administration financial bids will include a holistic analysis of administration fees, discounts, and rebates.*

## **Medical**

1. Please see the attached GeoAccess.xls, for the criteria to be used in the GeoAccess analysis.
2. As indicated in 9.1.3, "all repricing responses must be returned with all of the original fields and the exact number of records that were included on the original file. For clarification, your returned file should include 2 additional fields:
  1. Network Indicator (In-Network versus Out-of-Network)
  2. Discounted Charges
3. Would Fulton County would be willing to consider a proposal for a fully insured, slice HMO to be offered alongside the self funded plan.

*Fulton County is not considering a fully-insured option at this time.*

4. Is it a requirement of Fulton County that the successful bidder have a contract with Grady Hospital? I understand the provision that would require steerage to the hospital, but am questioning whether or not a hospital contract is required.

*A contract with Grady is not required per se, but this would be considered in the disruption and repricing analysis. Should a strategy be implemented to direct more care to Grady, channeling assumptions will be made, and higher reimbursement rates to Grady would negatively impact your financial proposal.*

5. Are there any custom forms used by for enrollment or other administrative functions? Can the carrier use their own enrollment forms?

*Yes, there is a custom enrollment form. We use one form to enroll for medical, dental and vision. We expect to continue with one form.*

6. Are there multiple agencies that have separate eligibility files? How many eligibility files will be sent for interface?

*Yes, there are separate eligibility files. There will be one file sent to the selected vendor.*

7. Are there any legislated time requirements to complete a contract or SPD/employee booklet once the award is provided?

*There is no County legislation that specifically covers this, but they should be completed within a reasonable amount of time after approval by the Board of Commissioners.*

8. How often are members going to in network providers?

*Members use in-network providers over 92% of the time.*

9. Please itemize the disease management programs currently included in the medical plan. [What disease management programs are in place today and what are the prevalence rates for each condition?]

*Asthma, Coronary Artery Disease, Heart Failure, COPD, Diabetes.*

Primary Condition	Prevalence Rate as of 12/31/2008
Asthma	5.1%
Coronary Artery Disease	2.5%
Heart Failure	1.1%
COPD	1.2%
Diabetes	8.2%

10. Are the disease management programs available to retirees?

*Yes.*

11. Please itemize the wellness programs currently included in the medical plan. [What wellness programs are in place today?]

*Presently, the County offers a fitness center for employees at the Government Center. Present vendor offers 24/7 Nurse Line. There is also employee communication of wellness information disseminated*

*monthly.*

12. Please confirm the deadline for submitting questions. We noticed 2 different dates provided, May 1<sup>st</sup> and May 8<sup>th</sup>.

*Addendum No. 2 clarified that all questions are due by May 1.*

13. Please confirm the number of responses on CD for both the technical and cost proposals. We noticed a request for one of each and also 6 copies on CD for both technical and cost later on within the proposal.

*Refer to addendum #1, item 2 - Technical Proposal (two (2) printed copies and 6 CDs) – must include all “.doc” and “.xls” files in printed and CD copies. Cost Proposal (two (2) printed copies and two (2) CDs) – must include all “.doc” and “.xls” files in printed and CD copies. Signed Contract Compliance Exhibits (two (2) printed copies) Required forms A – F and EBO Plan of Section 11 of RFP. Financial Information: In sealed envelope (2 printed copies of each document) (1) Annual Report and financial statement for last 3 yrs, income statements, balance sheets, change in financial position. (2) Latest quarterly financial report, description of material change in financial position since the last annual report. (3) Most recent Dun & Bradstreet and/or Value Line Reports. (4) Documentation and discussion of the financial condition and capability of the Proposer(s). (5) Statement regarding Proposer’s team filing for bankruptcy, insolvency, reorganization, receivership, moratorium, or assignment of benefits of Pages 92 -103*

14. Please confirm if the deductibles listed under the medical plan also apply towards Pharmacy.

*Deductibles apply to medical only. Pharmacy has co-pays only.*

15. What is the % of utilization at Grady Hospital? [Please confirm the dollar amount of charges or percent of charges that goes through Grady Memorial Hospital.]

*In 2008 Grady utilization was 1.88% among the top 25 in-network providers. Specifically, 1.3% of inpatient claims were paid to Grady Hospital. Grady is not currently one of the top providers of outpatient*

*services.*

16. What % do you expect to shift to Grady Hospital in 2010?

*The plan to channel care to Grady is still being designed, and a decision has not been made whether to implement the change. Therefore, this is unknown at this time.*

17. Is a provider disruption and/or repricing required for submission with our completed response?

*Yes, the County is requesting the following for disruption and repricing:*

*As indicated in 9.1.3, "all repricing responses must be returned with all of the original fields and the exact number of records that were included on the original file. For clarification, your returned file should include 2 additional fields:*

- *Network Indicator (In versus Out)*
- *Discounted Charges*

18. When reviewing CPT codes for analysis, how would you like the professional and technical components addressed for the 7000, 8000, and 9000 series codes?

*As indicated, the rates provided should be averages across all modifier codes.*

19. On anesthesia claims, how do you want the allowed amounts to be priced (at the base rate per unit or other)?

*For the detailed claims repricing, use units field provided. Otherwise, use Base rate per unit.*

20. On CPT codes, do you have clear guidance regarding the “place of service” for CPT allowances?

*Please give allowances according to most prevalent place of service for each CPT according to your book of business.*

21. In the RFP document we didn't see anything about the need for printed directories; however, in the performance guarantees one of the components is provider directory delivery. Please confirm if printed directories are needed or if online availability is acceptable.

*Online availability is acceptable.*

22. Please confirm to how many vendors COBRA premiums will need to be remitted.

*One.*

23. Do you have stop loss coverage today? Will there be a separate stop loss RFP issued?

*No. And No.*

24. On the confirmation spreadsheet, question 21.3, Upon Fulton's appropriate assurances as to compliance with the relevant HIPAA privacy requirements, you will disclose all requested health information to Fulton. Please clarify what information is requested.

*This question is meant as a general cooperation between the proposer and the County. In other words, you will agree to provide the County*

*any health data as requested by the County, as long as the request does not conflict with HIPAA privacy requirements. Common requests include claims summary by diagnostic category, claims summary by provider type, claims summary by top procedures, etc.*

25. Will you agree to sign a non-disclosure agreement for the repricing analysis?

*The County and its consultant, Deloitte Consulting LLP, will not use the information provided in the repricing analysis for this RFP except for the purposes of completing financial analysis associated with this RFP. No repricing information will be used to populate a discount database or shared with any other party; although already stated in other terms, explicitly, no repricing information submitted will be shared with other proposers. If you still require a non-disclosure agreement, please send a follow-up e-mail with details of your request.*

26. There is no guidance in the RFP on how to complete the Repricing analysis. Please confirm.

*Please reprice the claims based on your current network discounts. As indicated in 9.1.3, "all repricing responses must be returned with all of the original fields and the exact number of records that were included on the original file. For clarification, your returned file should include 2 additional fields:*

- Network Indicator (In versus Out)*
- Discounted Charges*

27. Repricing file layout document contains the fields below but they are not included in the text file.

1. Provider Last Name/Medical Group Name

2. Provider First Name
3. Provider Middle Initial

*Please use the information provided to reprice the claims: provider tax ID and zipcode.*

28. RFP instructions say to use the file named "2009 Census\_File\_Actives.xls" and "2009 Census\_File\_Retirees.xls" for disruption. Please confirm the file to be used for the disruption.

*Disruption analysis will be performed on the claims file "NR50992\_FULTON\_COUNTY.txt" within "Claims Extract.zip."*

*As indicated in 9.1.3, "all repricing responses must be returned with all of the original fields and the exact number of records that were included on the original file. For clarification, your returned file should include 2 additional fields:*

- *Network Indicator (In versus Out)*
- *Discounted Charges*

29. There is no provider information included in these files. Please confirm.

*Please use the information provided to reprice the claims: provider tax ID and zipcode.*

30. Please confirm what parameters to use when running geo access reports.

*Please see the attached GeoAccess.xls, for the criteria to be used in the GeoAccess analysis.*

31. In the medical questionnaire, 5.8.5, letter c, please provide more detailed information regarding formal benefits continuation offers.

Parts "c" and "d" of question 5.8.5 are two ways of asking if you will agree to satisfy the DoL requirement:

*"Plan participants and beneficiaries generally must be sent an election notice not later than 14 days after the plan administrator receives notice that a qualifying event has occurred. The individual then has 60 days to decide whether to elect COBRA continuation coverage. The person has 45 days after electing coverage to pay the initial premium."*

*If you wish, you may describe any services you provide for offering individual insurance to persons when their COBRA eligibility expires.*

32. Please provide full medical claims file or medical utilization information. If unable, please provide top 10 medical conditions by number of services and dollars paid.

*A full claims extract has been provided with the RFP in the "NR50992\_FULTON\_COUNTY.txt" file within "Claims Extract.zip."*

33. Confirmations #19 – Is this to say that Fulton County will not maintain an imprest balance for claim funding?

*The County will not maintain an imprest balance.*

34. What is the current contribution strategy?

*Active Employees  
HMO: County 80% Employee 20%  
PPO: County 75% Employee 25%*

*Retirees (Based on year retired)*

Year Retired – Plan	County %	Retiree %
2004 and Prior HMO	90%	10%
2004 and Prior PPO	80%	20%
2005 HMO	85%	15%

2005 PPO	78%	22%
2006 HMO	83%	17%
2006 PPO	77%	23%
2007 and Later HMO	80%	20%
2007 and Later PPO	75%	25%

35. Please provide current and renewal fees (all components) for all plans.

*In order to respect the confidentiality of the current administrative agreement, the County cannot provide this information.*

36. We were unable to locate the parameters by which the geo access analysis should be run. Please provide or advise if we are to use our standard parameters.

*Please see the attached GeoAccess.xls, for the criteria to be used in the GeoAccess analysis.*

37. The file provided for the disruption analysis includes tax identification number, state and zip code only. Can additional detail be provided (i.e. provider name, specialty, street address, network affiliation (participating/non-participating)?

*The claims extract was provided with all fields that are currently available.*

38. The RFP asks if we are willing to offer a claim target guarantee. Will the claim target exclude large claims payments in excess of \$100k? If not, please provide large claims report (claims in excess of \$50k) for the most recent plan year.

*It is up to your organization, how you wish to quote the claim target guarantee.*

*Please refer to the attached report titled, "High Cost Claims.pdf."*

39. Please provide paid claims reporting for most recent plan year broken out by active vs. retiree within each plan. Report should also detail paid claims and capitation separately.

*Please see the attached claims and enrollment exhibit.*

40. Please provide ledger for fields on census file.

*For actives:*

EMPLOYEE ID	STATUS	ZIP	SEX ID	BIRTH DT	PLAN	COVERAGE
A unique number given to each employee as a row identifier	Employee Status: A=Active, I=Inactive	Zip code	M=Male, F=Female	Birthdate	HMO or PPO	Coverage Tier; HMOE=HMO EE only, HMOE1=HMO EE+1, HMOE2=HMO EE+2, PPOE=PPO EE only, PPOE1=PPO EE+1, PPOE2=PPO EE+2

*For retirees:*

EMPLOYEE ID	RET STATUS	ZIP	GENDER	BIRTH DT	DED PLAN3	MEDICARE IND	DED PLAN
A unique number given to each employee as a row identifier	Retiree Status	Zip code	M=Male, F=Female	Birth Date	Plan, HMO or PPO	Medicare eligible or not	The column applies to retirees only and consists of internal codes used to distinguish the years the person retired and the plan design they subscribe to.

41. Please outline plan changes, if any, by plan for 2007 and 2008 separately.

*There were no plan changes in 2007 or 2008.*

42. The quote request pricing pages include a line to provide an estimate for MH/SA (Mental Health and Substance Abuse) claims paid. We have been unable to identify paid claim experience provided which breaks out these services.

We would need experience broken out for these items in order to determine an estimate. Is a claims exhibit available that breaks out Mental Health and Substance Abuse services?

*That claims experience breakdown is not available at this time. Please ignore the request for separate estimated MH/SA claims.*

**Contracting**

1. What are your protocols regarding negotiation or modification of your standard procurement contract templates (indemnify and hold harmless provisions, etc.)?

*There is no specific protocol and it is handled on a case by case basis with the vendor(s) deemed susceptible for award.*

2. Under your procurement guidelines, what requests for contract revisions or deviations on the RFP response will result in immediate disqualification of a proposal response?

*There is no procurement guideline for contract revisions or deviations that will result in immediate disqualification. All contract modifications are examined on a case by case basis with the responding vendor should they be deemed susceptible for award. Deviations from the requested RFP response requirements could lead to a determination of non-responsiveness which would disqualify a response.*

3. It is unclear how Article 19 of the sample contract is applicable to administrative services. Does the term "consultants" refer to insurance vendors? Please explain.

**ARTICLE 19. COOPERATION WITH OTHER CONSULTANTS**

Consultant will undertake the Project in cooperation with and in coordination with other studies, projects or related work performed for, with or by County's employees, appointed committee(s) or other Consultants. Consultant shall fully cooperate with such other related Consultants and County employees or appointed committees. Consultant shall provide within his schedule of work, time and effort to coordinate with other Consultants under contract with County. Consultant shall not commit or permit any act, which will interfere with the performance of work by any other consultant or by County employees. Consultant shall not be liable or responsible for the delays of third parties not under its control nor affiliated with the Consultant in any manner.

*Not necessarily applicable. This clause was picked from other consultant contracts where other work is going on with the same department, etc. This is a requirement to "just get along" with others performing related work.*

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ACKNOWLEDGEMENT OF ADDENDUM NO. 3

The undersigned proposer acknowledges receipt of this addendum by returning one (1) copy of this form with the proposal package to the Purchasing Department, Fulton County Public Safety Building, 130 Peachtree Street, Suite 1168, Atlanta, Georgia 30303 by the RFP due date and time **May 15, 2009, 11:00 A.M.**

This is to acknowledge receipt of Addendum No. 1, \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Legal Name of Bidder

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Title