
Request for Proposal

RFP # 01-15/16

Request for Proposals for:

Fully Insured & Self Insured

Medical/Pharmacy Benefits, Insured Ancillary Benefits, Flexible
Spending Account Administration, COBRA Administration and
Benefit Administration

Florence County
South Carolina

Proposals are due
August 7, 2015 before 3:00pm

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1 Introduction

1.1 Introduction

Florence County, South Carolina (“The County”) is seeking proposals from qualified carriers and TPAs who possess the resources and expertise to administer the County’s Medical/Pharmacy Benefits, Ancillary Benefits, Worksite Benefits, FSA & COBRA administration and Benefit Administration.

1.2 County Background & Description

Demographics. Florence County is served by a Council-Administrator form of government, providing various programs and related public services to its residents. The Administrator’s direct span of control includes 11 departments with the remaining departments under the direction of various Elected and Appointed Officials.

The County employs approximately 780 regular, full-time employees as well as 80 part-time and temporary employees and 130 retirees, COBRA and survivors. These employees are in various levels of administrative, technical trades, public works, public safety, human services, professional and executive occupational groups.

Of the regular full-time employees, retirees, COBRA and survivors, approximately 723 participate in the health care program, 731 participate in dental, 342 participate in dental plus, 608 in optional life insurance, and 250 participate in the dependent life insurance for spouse/children. Approximately 449 participate in the vision plan; and 505 participate in the supplemental long term disability insurance.

Retiring County employees who meet the requirements of the Employee Insurance Program (EIP) and SCRS benefit eligibility are eligible to enroll in retiree health insurance benefits as permitted by these State programs. Financial assistance is a percentage of the current retiree only premium which is based on continuous years of employment service attained with Florence County as outlined herein. For any employee commencing full-time employment after June 30, 2011, the baseline financial assistance is as follows: 20 years of continuous full-time County employment services – 50%, over 25 years of continuous full-time County employment service – 75%. All financial assistance ceases when the retiree first becomes Medicare eligible.

For any employee commencing full-time employment on or before June 30, 2011, the baseline financial assistance is as follows:

- ☐ 35 years of County employment service – 100%
- ☐ 30 years of County employment service – 90%
- ☐ 25 years of County employment service – 80%
- ☐ 20 years of County employment service – 70%
- ☐ 15 years of County employment service – 60%
- ☐ Less than 15 years of County employment – 0%

For any employee commencing full-time employment after June 30, 2010, all post-retirement health insurance assistance ceases when the retiree first becomes Medicare eligible.

Covered survivors of employees and retirees are eligible for a one-year waiver of health insurance premiums. After the one-year waiver, covered survivors may continue coverage by paying the full cost of premiums.

The current health, dental, vision, disability, life insurance, long term care, flexible spending (MoneyPlu\$) and Prevention Partner programs are offered, managed and administrated through the Public Employee Benefit Authority (PEBA). The employee administrative enrollment and related duties are primarily handled by the County Human Resources Department staff with active deductions conducted by the Finance Department.

At this time, there are four (4) levels/tiers of coverage available for health, dental and vision: Employee only, Employee/Spouse, Employee/Child and Full Family.

The County desires for any proposed benefit plans, eligibility, coverage or pricing obtained through the market to be as good as or better than the current plans offered through PEBA. Any long term rate guarantees, performance guarantees, benefit enhancements will be viewed favorably.

Details regarding coverage and eligibility offered by PEBA to Florence County employees and retirees can be downloaded via the South Carolina PEBA Insurance Benefits website: <http://www.eip.sc.gov/ibg/>

Benefits currently offered by the County are as follows:

A) Health Plans

Three health plans are available. The State Health Plan (which includes both a Standard Plan and a Health Savings Plan) operates as a Preferred Provider Organization (PPO). BlueChoice HealthPlan is a Health Maintenance Organizations (HMO). The benefits each plan offers are similar but not identical. All of the plans cover prescription drugs and mental health and substance abuse services, as well as care from doctors and hospitals. There are differences in provider networks, preventative services, and a subscriber's freedom to decide when to see a specialist. The costs-including deductibles, co-payments and premiums also differ. Active employees may pay premiums before taxes through MoneyPlu\$.

No matter which health plan is chosen or whether an active, retired, COBRA or survivor subscriber, there is a monthly tobacco surcharge of \$40 a month for employee only, \$60 month for employee/child, employee spouse, and full family.

The **State Health Plan (SHP)** is a comprehensive, self-insured medical plan. It offers protection from catastrophic illness or injury worldwide and easy access to medically necessary care. The **Standard Plan** and the **Savings Plan** pay benefits for medically necessary treatments of illnesses and injuries. The Standard Plan and the Savings Plan pay benefits for medically necessary treatments of illnesses and injuries. Employees may choose from the **Standard Plan**, which offers this coverage with a higher premium for a lower deductible; or the **Savings Plan**, which offers this coverage, plus some additional preventive benefits, with a lower premium and higher deductible. Retired employees who are eligible for Medicare may choose the Medicare Supplemental Plan, which coordinates its benefits with Medicare (a Medigap policy) to pay those Medicare-approved expenses not paid by Medicare, such as Medicare's deductibles and co-insurance.

B) Prevention Partners (Wellness Initiatives)

Prevention Partners provides activities, programs and services designed to educate covered employees, retiree and their covered dependents on leading healthier lives. This unit's focus is on disease prevention, early detection of disease and disease management. From Preventive Worksite Screenings to Chronic Disease Workshops to weight management and beyond, Prevention Partners coordinates a variety of resources for health at the workplace.

C) Dental Insurance

Benefits are divided into four classes. The State Dental Plan covers Class IV (orthodontics), but Dental Plus does not. The maximum yearly benefit for each

covered person is \$1,000 for those covered under the State Dental Plan and \$2,000 for those covered under both plans. Active employees can pay premiums before taxes through Money Plus. The State Dental Plan is free to active employees only. COBRA, survivors, and dependents pay the full dental premium. Retiree only premiums are based on continuous years of employment service attained with Florence County. Eligible dependents may be added by paying a premium. Subscribers do not have to be enrolled in a health plan to enroll in the Dental Plan. To enroll in Dental Plus, a subscriber must also be enrolled in the State Dental Plan, cover the same family members under both plans and pay an additional premium. In classes I-III, Dental Plus covers the same services, but the allowed amount (the maximum amount paid for a service) is higher.

D) Vision Care

The State Vision Plan (Eyemed) is open to active and retired employees, survivors and COBRA subscribers, as well as to their eligible dependents. It offers benefits for a comprehensive vision exam every year, eyeglass lenses or contact lenses every year and frames every two years. Additionally, the Vision Care Discount Program is offered at no cost to full-time and part-time employees, retirees, survivors and COBRA subscribers and their dependents. Participating providers offer a routine eye examination for \$60. Providers also give a 20% discount on all eyewear, except disposable contact lenses. These discounts can vary yearly.

E) Life Insurance

Basic Life Insurance (for active employees only) is Term Life and Accidental Death and Dismemberment (AD&D) insurance which are provided free to employees enrolled in a health plan. All employees younger than 70 receive \$3,000 in life insurance and those 70 and older receive \$1,500. **Optional Life Insurance** – Employees can enroll in this coverage, in \$10,000 increments, up to three times, the amount of basic annual salary, rounded down to the nearest \$10,000 (\$500,000 maximum), without providing medical evidence of good health. An employee can purchase more insurance, in \$10,000 increments up to a maximum of \$500,000, by providing medical evidence of good health. Coverage starts on the first day of the month in which the employee starts work, if the employee is actively at work as a full-time employee on that date. If the employee is not actively at work as a full-time employee on that date, coverage starts on the first day of the month after the date the employee began work. Coverage that requires medical evidence starts on the first day of the month after approval. **Dependent Life Spouse Insurance** – Within 31 days of the date the employee begins employment or marries an employee, the employee can enroll a spouse for \$10,000 or \$20,000 in life insurance without providing medical evidence of good health. The employee does not have to be enrolled in Optional Life. Medical evidence is required for coverage of more than \$20,000 and for late entry. An employee enrolled in Optional Life may cover the spouse, in increments

of \$10,000, up to 50 percent of the Optional Life coverage, or \$10,000 whichever is less. A premium for Dependent Life- Spouse coverage is based on the employee's age, and the employee is the beneficiary. **Dependent Life Child** – Eligible dependent children may be covered for \$15,000 without medical evidence. The premium is \$1.24 a month, not matter how many children are covered.

F) Long Term Disability Insurance

Basic Long Term Disability (BLTD) – BLTD is provided free to active employees who are enrolled in a health plan offered through PEBA. It pays a benefit of 62.5 percent of the employee's gross monthly salary, reduced by other sources of income, up to a maximum of \$800 a month. There is no minimum benefit. BLTD has a 90-day benefit waiting period, the time the employee must be disabled before benefits are payable. **Supplemental Long Term Disability (SLTD)** – The SLTD premium is paid by the employee. The benefit is 65 percent of the employee's gross monthly salary, reduced by other source of income, up to a maximum of \$8,000 a month. There is a minimum benefit of \$100 a month. The employee may choose a 90-day or a 180-day benefit waiting period. Premiums are based on the employee's age and salary. If the employee does not enroll within 31 days of the date of hire, the employee can enroll year round by providing medical evidence of good health. The employee may also reduce the benefit waiting period from 180 to 90 days providing medical evidence.

G) MoneyPlus

This program enables an active employee to save money on eligible medical and dependent care costs by paying these expenses with money deducted from the employee's salary before taxes. **Pretax Premiums** – The Pretax Group Insurance Premium Feature permits an employee to pay health, vision, dental and Optional life premiums (for coverage up to \$50,000) before taxes are taken from the employee's paycheck. **Flexible Spending Accounts** – The program offers these **Flexible Spending Accounts**: a Medical Spending Account; a limited-use Medical Spending Account, which can accompany a Health Savings Account; and a Dependent Care Spending Account. A person with medical and dependent care expenses can open both accounts. An employee authorizes deposits to the account every pay periods. As eligible expenses occur, a request for tax-free reimbursements from the account may be filed. **Health Savings Accounts (HSA)** - A Health Savings Account is available to employees enrolled in a high-deductible health plan, such as the Savings Plan. Funds in an HSA do not have to be spent the year they are deposited. Money in the account is tax-free and can be used for eligible medical expenses even if an employee changes jobs.

Fiscal and Plan Years. Florence County operates on a July 1 – June 30 fiscal year. The benefits plan year is January 1 – December 31.

Basis for Action. The County is evaluating its Medical/Pharmacy Benefits, Ancillary benefits, Flexible Spending Account, COBRA & Benefits Administration platforms.

The County's objective in conducting its evaluation is to procure a vendor to provide comprehensive set-up, administration, management, analysis and data reporting of the County's benefits plans.

The County's requirements in conducting its evaluation are:

- (1) Competitive claim and administrative costs in management of the program;
- (2) Demonstrated consistent and efficient plan administration and compliance;
- (3) Effective employee & retiree communication and enrollment options;
- (4) Excellent member service;
- (5) Outstanding reporting and client service;
- (6) Lower plan costs via administration and other fees plus better discounts
- (7) Maintain or improve benefits offered to County employees and retirees. As a baseline, please quote the same plan designs as are currently offered while making enhancements where appropriate;
- (8) The County will require a Benefit Management system in which to enroll employees (self-service available) and administer its benefit plans. The County seeks a flexible, customizable Benefit Management system that can be tailored to the specific needs and requirements of the County. The System should also be able to assist with various compliance, tracking and reporting requirements of the Affordable Care Act.

Those responding to this request for proposals may submit proposals for any and all of the services listed below:

1. Fully Insured Medical/Pharmacy Benefits
2. Self-Insured Medical/Pharmacy Benefits
 - a. Third Party Administration Services (TPA)
 - b. Stop Loss Coverage (specific & aggregate)
 - c. Pharmacy Benefit Management Services (PBM)
3. Medicare Supplement, Medicare Advantage and/or Exchange Services
4. Flexible Spending Account Administration
 - a. Medical
 - b. Dependent Care
5. Health Savings Account (HSA)
6. COBRA & HIPAA Administration Services
7. Dental Insurance
8. Vision Insurance
9. Life Insurance (Basic, Dependent, Supplemental)
10. Long Term Disability

1.3 Scope of Services

The scope of services covered in this RFP is to provide coverage, administration and management of the County's insurance program to its benefit eligible employees and retirees. Respondents are encouraged to submit proposals for any or all service categories. The County will review each response and determine which independent or bundled solution may best fit the long term needs of the County.

It is expected that the vendor will be able to provide a comprehensive set of services including but not limited to:

Medical/Rx Insurance (Fully Insured and/or Self Insured)

- Provide same or enhanced benefits based on current options offered by PEBA
- Claims administration
- PPO network administration
- Open enrollment services & ongoing communication services
- Eligibility maintenance
- Billing for claims and fixed costs
- Member service
- Client service to the County and its consulting partner, Gallagher Benefit Services, Inc.
- Compliance with all applicable laws & regulations
- Ongoing reporting & data analysis (Financial & Utilization)
- Provide at no charge or allocate funding for a Benefit Management System
- Case Management
- Utilization Management & Disease Management
- Stop Loss Coverage
- Pharmacy Benefit Management Services

COBRA Administration Services

- Provide full service administration including but not limited to:
 - Initial notices
 - Election notices and enrollment materials
 - Premium billing and collection
 - Communicate rate and plan change information to all eligible beneficiaries and enrollees
 - Online enrollment
 - Electronic notification to carriers and third party administrators
 - Monthly Reporting

Flexible Spending Account & Health Savings Account Administration

- Enrollment & Communication materials and support
- Debit Card method of payment
- Detailed reporting monthly and year end
- Direct Deposit reimbursement
- Online account access
- Non-Discrimination testing

Dental Insurance

- Provide same or enhanced benefits based on current dual option offered by PEBA
- Fully Insured or Self Insured is acceptable
- Quality, comprehensive network of providers
- Utilization data reporting package monthly

Vision Insurance

- Provide same or enhanced benefits based on current plan offered by PEBA
- Provide a quality, comprehensive network consisting of both Private Practice and Major Retail chain providers
- Utilization data reporting package monthly

Basic Life, Dependent and Supplemental Insurance and Accidental Death & Dismemberment (AD&D)

- Provide same or enhanced benefits based on current plans offered by PEBA
- Provide same or greater guaranteed issue amounts for supplemental life insurance

Long Term Disability Insurance

- Provide same or enhanced benefits based on current plans offered by PEBA

1.4 General Bidding Requirements

To be considered as a qualified vendor to provide services outlined in this RFP, vendors must meet the following minimum requirements for consideration:

- Must be licensed to do business in the State of South Carolina.

- Must have a comprehensive eligibility, claims and reporting system for new enrollments, eligibility maintenance and reporting
- Provider contracts should have a fiduciary-hold harmless provision structured so that the patient and/or Florence County will not be financially liable in the event the vendor denies, delays or fails to pay expenses.
- Must agree to a periodic claims and/or eligibility audits by the County's selected third party vendor. The methodology, number of claims and frequency will be mutually agreed upon.

In addition, when responding to this RFP, please follow all instructions carefully. Please submit proposal contents according to the outline specified and submit documents according to the instructions. Failure to follow these instructions will be considered a non-responsive proposal and may result in immediate elimination from further consideration.

By submitting a proposal, Proposers acknowledge that:

- 1.4.1 ***The County reserves the right to reject any or all proposals if it determines that select proposals are not responsive to the RFP. The County reserves the right to reconsider any proposal submitted at any phase of the procurement. It also reserves the right to meet with select Proposers at any time to gather additional information.***

2 General Submittal Requirements

2.1 Proposal Contact

This RFP and any subsequent action taken as a result thereof are issued by the Florence County Procurement Services on behalf of the County. Proposal responses should be directed to Gallagher Benefit Services, Inc., as outlined below. In regards to this RFP and subsequent procurement process, vendors shall make NO CONTACTS, either written or verbal, with any Florence County employee, staff member, or Board of Commissioner members during the period beginning with the issuance of this document through approval of award unless authorized by the proposal contact. ***Any attempt by a Proposer to contact or influence a member or members of the aforementioned will result in the immediate disqualification of the Proposer from award for items or services on this RFP.***

Proposal Contact:
Steve Love
Gallagher Benefit Services, Inc.
Steve_love@AJG.com

2.2 Proposal Submittal Requirements

Proposers are required to prepare their proposal in accordance with the instructions outlined in this part and elsewhere in this RFP. Each Proposer is required to submit its proposal in a sealed package.

Six (6) hard copies shall be submitted to the address shown below as well as an electronic version on Flash Drive.

Mailing Address:

Florence County Procurement
Attn: Patrick D. Fletcher
180 N. Irby Street, MSC-R
Florence, South Carolina 29501

Florence County must receive proposals no later than **3:00 p.m. on August 7, 2015**. *The Proposer's name, RFP number, and proposal closing time and date must be marked clearly on the proposal submission to the County.* The time of receipt shall be determined by the time clock in the Florence County Procurement Services office. The County will not be held responsible for the failure of any mail or delivery service to deliver a proposal response prior to the stated proposal due date and time. It is solely the Proposer's responsibility to: (1) Ascertain that they have all required and necessary information, documents and addenda, prior to submitting a response; (2) Ensure that the response is received at the correct location and time. Late responses, regardless of delivery means, will not be accepted.

2.3 Proposer Expenses

The County will not be responsible for any expenses incurred by any Proposer in the development of a response to this Request for Proposal or any other activities associated with this procurement including but not limited to any onsite (or otherwise) interviews and/or presentations, and/or supplemental information provided, submitted, or given to Florence County and/or its representatives. Further, the County shall reserve the right to cancel the work described herein prior to issuance and acceptance of any contractual agreement/purchase order by the recommended Proposer even if the County Council has formally accepted a recommendation.

2.4 Interpretations, Discrepancies and Omissions

Should any Proposer find discrepancies, omissions or ambiguities in this RFP, the Proposer must request in writing, within seven days of receipt of proposal, an interpretation from proposal contact listed in Section 2.2.

Any clarifications requiring addenda to the RFP will be available by **July 10, 2015**. Responses will be posted on the Florence County Website at <http://florenceco.org/>.

The issuance of a written addendum is the only official method by which interpretation, clarification or additional information will be given by the County. Only requests answered by formal written addenda will be binding. Oral and other interpretations or clarification will be without legal effect. It is the County's intent not to issue any addenda after July 10, 2015.

2.5 Tentative Schedule

Date	Event
June 23, 2015	Distribution of Request for Proposal
June 30, 2015 at 5:00 pm EDT	Additional Clarification and General Questions Due by Respondents
July 10, 2015	Responses to Questions & Addenda Posted on Website
August 7, 2015	Sealed proposals due on or before 3:00pm
August 21, 2015	Finalists Notified
September 1-9, 2015	Finalist Interviews (if needed)
September 18, 2015	Contracts Awarded & implementation Begins
October 5, 2015	Open Enrollment Begins

2.6 General Clarifications and Questions

General clarifications and questions related to the RFP, may be submitted in writing via email and are due June 30, 2015. **Answers provided to questions will be posted to the County's Web site by July 10, 2015.**

2.7 Finalists and Interviews

From the proposals received, the Group Benefits Committee may identify a short-list of three (3) finalists. The finalists will be expected to make a presentation to and respond to questions from the Group Benefits Committee and the County's consultant, Gallagher Benefit Services, Inc. Additional information regarding the content of the presentation will be provided to the selected finalists. If an agreement cannot be made with the top ranking firm, negotiation will be initiated with the next highest ranking firm.

2.8 Award

Florence County reserves the right to award a contract, based on initial offers received from Proposers, without discussion and without conducting further negotiations. Under such circumstance, the acceptance of a proposal by the County shall be deemed to be an acceptance of an offer. The County may also, at its sole discretion, have discussions with those Proposers that it deems to fall within a competitive range. The County may enter into negotiations separately with such Proposers. Negotiations with a Proposer may continue with a Proposer that the County has tentatively selected to award a contract to. The County shall not be deemed to have finally selected a Proposer until a contract has been successfully negotiated, approved by County Council and signed by both parties.

2.9 Non-disclosure of County Information

The Proposer and its agents shall treat all data and information gathered by the Proposer and its agents, including this RFP and all reports, recommendations, specifications, and data as confidential. The Proposer and its agents shall not disclose or communicate the aforesaid matters to a third party or use them in advertising, propaganda, and/or in another job or jobs, unless written consent is obtained from the County.

2.10 Retention of Proposer Material

Any and all information submitted in conjunction with this RFP and the evaluation process will not be returned to the respondent.

3 General Terms and Conditions

3.1 *Certification*

The Proposer hereby certifies that it has carefully examined this Request for Proposal and the Proposer certifies that it understands the scope of the work to be done and that the Proposer has knowledge and expertise to provide the scope of the work. By signature on the response to the RFP, the Proposer certifies that its proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud, so that all proposals for the purchase will result from free, open and competitive proposing among all vendors. Further, the Proposer certifies that it understands that collusive bidding/proposing is a violation of Federal law and can result in fines, prison sentences, and civil damage awards.

3.2 *Conflict of Interest*

By submission of a response, the Proposer agrees that at the time of submittal, it: (1) has no interest (including financial benefit, commission, finder's fee, or any other remuneration) and shall not acquire any interest, either direct or indirect, that would conflict in any manner or degree with the performance of Proposer's services, or (2) will not benefit from an award resulting in a "Conflict of Interest." A "Conflict of Interest" shall include holding or retaining membership, or employment, on a board, elected office, department, division or bureau, or committee sanctioned by and/or governed by Florence County. Proposers shall identify any interests, and the individuals involved, on separate paper with the response and shall understand that the County, in consultation with legal counsel, may reject their proposal.

3.3 *Assignment*

No assignment of the Proposer's obligations or the Proposer's right to receive payment hereunder shall be permitted without prior consent of the County. The Proposer may not sell, assign, transfer or convey the contract resulting from this RFP, in whole or in part, without the prior written approval from the County.

3.4 *Indemnification*

The Contractor will indemnify and hold the County harmless from any and all liability, expense, judgment, suit, or cause of action for personal injury, death, or direct damage to tangible property which may accrue against the County to the extent it is caused by the negligence of Contractor, its subcontractors, or their employees or agents, while performing duties under this Agreement, provided that the County gives the Contractor prompt, written notice of any such claim or suit. The County shall cooperate with Contractor in its defense or settlement of such claim or suit. This section sets forth the full extent of the Contractor's general indemnification of the County from liabilities that are in any way related to Contractor's performance under this Agreement.

3.5 Independent Contractor

It is understood that in the performance of any services herein provided, the Proposer shall be, and is, an independent contractor, and is not an agent or employee of the County and shall furnish such services in its own manner and method, except as required by this contract. Further, the Proposer has, and shall retain the right to exercise full control over the employment, direction, compensation, and discharge of all persons employed by the Proposer in the performance of the services hereunder. The Proposer shall be solely responsible for, and shall indemnify, defend, and save the County harmless, from all matters relating to the payment of its employees, including compliance with Social Security, withholding, and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

3.6 Payment

Payment for the rendered services pursuant to the Agreement resulting from this RFP shall be made in amounts and at times set forth in the Agreement and shall be made upon receipt of original invoice(s) in accordance and in conformity with payment dates for bills and claims as established by the County. Prior to payment, the Contractor must submit an original dated itemized invoice of services rendered. Electronic invoices are acceptable and preferred. Accommodations for self-bill can be considered (Photographs or facsimiles of invoices will not be accepted.) Any reimbursement for expenses as allowed in the Agreement that are included in the invoice(s) must be supported with attached original billings for such expenses.

3.7 Insurance

Proposers shall obtain, at their sole expense, all insurance required in the following paragraphs and shall not commence work until such insurance is in effect and certification thereof has been received by Florence County's Risk Manager. Workers' Compensation Insurance, with limits for Coverage A Statutory-State of South Carolina and Coverage B County's Liability \$500,000 each accident, disease policy limit and disease Each Employee.

Commercial General Liability - Combined single limits of no less than \$1,000,000 each occurrence and \$2,000,000 aggregate. This insurance shall include Comprehensive Broad Form Coverage including contractual liability.

Commercial Automobile Liability, with limits of no less than \$500,000 Combined Single Limit for bodily injury and property damage. Evidence of commercial automobile coverage is only necessary if vehicles are used in the provision of services under this Agreement and/or are brought on a Florence County site.

Professional Liability (Errors and Omissions) with limits of no less than \$3,000,000 each occurrence and \$5,000,000 aggregate.

All insurance companies must be licensed in South Carolina and be acceptable to the County's Risk Manager. Insurance Policies, except Workers' Compensation, shall be

endorsed (1) to show Florence County as additional insured, as their interests may appear and (2) to amend cancellation notice to 30 days, pursuant to South Carolina law. Certificates of insurance shall be signed by a licensed South Carolina agent and be amended to show "thirty (30) days' notice of change or cancellation will be given to the Florence County Risk Manager by certified mail."

If an "ACCORD" Insurance Certificate is used, the words "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company" in the "cancellation" paragraph of the form shall be deleted.

Copies or originals of correspondence, certificates, endorsements or other items pertaining to insurance shall be sent to:

Florence County Procurement
Attn: Patrick D. Fletcher
180 N. Irby Street, MSC-R
Florence, South Carolina 29501

If the Proposer does not meet the insurance requirements of the specifications, alternate insurance coverage satisfactory to Florence County may be considered.

3.8 Governing Law

This RFP and any contract resulting there from shall be governed by and construed according to the laws of the State of South Carolina. Should any portion of any contract be in conflict with the laws of the State of South Carolina, the State laws shall invalidate only that portion. The remaining portion of the contract(s) shall remain in effect.

3.9 Confidential Information/Public Records Law

The County assumes no responsibility for confidentiality of information offered in a proposal. The RFP does not intend to elicit proprietary information. However, if proprietary information is submitted as part of the proposal, the information is to be labeled as such. Proposals are not subject to public inspection until after the contract award. Florence County reserves the right to share any information submitted in response to this RFP or process with any person(s) or firm(s) involved in the review and evaluation process.

3.10 Compliance with Laws and Regulations

Proposer must comply with all applicable State and Federal Laws. In the event any governmental restrictions may be imposed which would necessitate alteration of the material, quality, workmanship or performance of the items offered on this proposal prior to their delivery, it shall be the responsibility of the successful Proposer to notify Florence County at once, indicating in their letter the specific regulation which required such alterations. The County reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the contract.

3.11 Acceptance

Submission of any proposal indicates a Proposer's acceptance of the conditions contained in this RFP unless clearly and specifically noted otherwise in the proposal.

Furthermore, the County is not bound to accept a proposal on the basis of lowest price, and further, the County has the sole discretion and reserves the right to cancel this RFP, and to reject any and all proposals, to waive any and all informalities and/or irregularities, or to re-advertise with either the identical or revised specifications, if it is deemed to be in the County's best interests to do so. The County reserves the right to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part and/or negotiate any or all items with individual Proposers if it is deemed in the County's best interest. Moreover, the County reserves the right to make no selection if proposals are deemed to be outside the fiscal constraint or not in the best interest of the County.

3.12 Evaluation and Award Criteria

- | | |
|--|-----|
| ▪ Experience and Qualifications of Team | 20% |
| ▪ Member and County Service Capabilities | 20% |
| ▪ Quality of Response | 20% |
| ▪ Overall Cost (Premium, Fees, Provider Discounts, Guarantees, etc.) | 40% |

4 Proposal Requirements

4.1 Proposal Format

Proposers shall prepare their proposals in accordance with the instructions outlined in this section. Each Proposer is required to submit the proposal in a sealed package. Proposals should be prepared as simply as possible and provide a straightforward, concise description of the Proposer's capabilities to satisfy the requirements of the RFP. Utmost attention should be given to accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled. The proposal should be organized into the following major sections:

<u>Proposal Section</u>	<u>Title</u>
	Title Page
	Letter of Transmittal
	Table of Contents
1.0	Executive Summary
2.0	Scope of Services
3.0	Company Background
4.0	Client References
5.0	Cost Proposal
6.0	Completed Proposal Questionnaire(s)

Note: Please separate each section referenced above by a tab divider. If proposing more than one service category or line of coverage, please feel free to add additional sub-sections under the appropriate proposal section (i.e.: Section 5.a, 5.b etc.). Please make sure to reference the service or line of coverage under the appropriate sub-section and all other supporting documentation.

Instructions relative to each part of the response to this RFP are defined in the remainder of this section. Response information should be complete but brief and limited to pertinent information only. Marketing and sales type information is not to be included.

4.2 Executive Summary

(Proposal Section 1.0) This section of the response should be limited to a brief narrative summarizing the Proposer's proposal. The executive summary shall, at a minimum, be a summary of the proposed services.

This section should highlight aspects of the proposal that make it superior or unique in addressing the needs of the County. Please note that the executive summary should identify the primary engagement contact. Contact information should include a valid address, e-mail address, and a telephone number.

4.3 Scope of Services

(Proposal Section 2.0) This section of the response should include a general discussion of the Proposer's overall understanding of the project and the scope of work proposed listed in Section 1.3.

As the County is seeking the Contractor to bring substantial expertise in medical and ancillary plan administration and related services, the Proposer should outline a recommended approach, critical tasks and timeline for achieving the County's objectives in Section 1.3 based on the Proposer's experience with organizations similar to the County and the basis for the approach.

Responses should be specific and identify the anticipated role of the County during each stage of the process including implementation, employee education and communication and enrollment.

Proposers are encouraged to provide examples of services provided to their clients and the impact of those services. It is not necessary to name the client; however, it is necessary to provide specifics such as what strategies were used and what success these items had.

4.4 Company Background and Engagement Team Experience

(Proposal Section 3.0) Each proposal must provide the following information about the submitting Proposer's company, so that the County can evaluate the Proposer's stability and ability to support the commitments set forth in response to the RFP. The County, at

its option, may require a Proposer to provide additional support or clarify requested information.

4.4.1 *Company Background*

- a. How long the company has been in business.
- b. A brief description of the company size and organizational structure.
- c. How long the company has been providing services to agencies similar to the County.
- d. Any material (including letters of support or endorsement from clients) indicative of the Proposer's capabilities.
- e. Identify any litigation or governmental or regulatory action pending against your organization that might have a bearing on your ability to provide services to the County.
- f. Describe your contractual relationships, if any, with other organizations that will provide services described in your proposal.

4.4.2 *Engagement Team Experience*

- a. Identify your account management team indicating who will be responsible for the key roles & responsibilities.
- b. Include the résumés or business biographies of staff that will work on the engagement and provide ongoing client support. If they are working on only certain portions of the project, please indicate this on their résumé or biography.
- c. Given that the County will be evaluating several proposals, describe why you feel that your services, from a professional and technical perspective, are the best fit for the County environment. Describe the distinguishing features the County should know about your services and company.

4.5 *Client References*

(Proposal Section 4.0) The County considers references to be important in its decision to award a contract. Selected organizations may be contacted to determine the quality of work performed and personnel assigned to the plan. Failure to provide this information may result in the proposal being considered non-responsive.

Please provide a list of references and indicate the number of covered lives, contract period and description of services for each. Also provide at least (3) three clients (current or past within the last 24 months) who we may contact.

References should be clients similar in size and with scope of services similar to those being requested by the County. At least (2) two references should be a public sector

County. Please give the organization name, address, contact name, email address and telephone number.

Also provide 1 (one) client who terminated services with your company in the past 24 months prior to the conclusion of the contracted services. If there haven't been any terminations, indicate the ones that have occurred and mark the remaining boxes "No terminated client." References should be clients similar in size to the County. The County reserves the right to ask for additional references.

	Current Client #1	Current Client #2	Current Client #3
County Name			
Contact Name			
Contact Title			
Contact Phone			
Address			
Number of Employees			

	Terminated Client #1
County Name	
Contact Name	
Contact Title	
Contact Phone	
Address	
Number of Employees	

4.6 Cost Proposal(s)

(Proposal Section 5.0) Proposers should submit project costs for all proposed services. The County will look favorably on multiple year rate guarantees and performance guarantees.

The County reserves the right to contact Proposers on cost and scope clarification at any time throughout the selection process and negotiation process. **The County works with Gallagher Benefit Services, Inc. (Gallagher) as its healthcare consultant. However, proposals must be submitted directly from the vendor to the Florence County. Commission to Gallagher or any other broker/consultant should not be included in your rates or fees.**

The County may award a contract based on initial offers received without discussion of such offers. A Proposer's initial offer should, therefore, be based on the most favorable terms available. The County may, however, have discussions with those Proposers that it deems to fall within a competitive range. It may also request revised pricing offers from such Proposers, and make an award and/or conduct negotiations thereafter.

Medical/Pharmacy

Please quote plan designs that are similar or better than the plans currently offered through PEBA. In previous years, employees enjoyed the lower office visit copays offered through the BlueChoice Healthplan offering (no longer available). As an alternative, the County will consider a third option with lower office visit copays and employee out of pocket expense. This can be in the form of an HMO or other plan design platform.

The County is asking Proposers to indicate estimated participation fees and any auxiliary administrative charges. Identify the assumptions used in determining the calculation. Items that should be included in this cost section include:

- a. Your administrative fee should be structured on a per employee per month basis and itemized by service line. This rate should be based on the plan's current participation rate and group size for the time frame indicated in the attached analysis. Any and all re-rating caveats during the proposed period of contract must be clearly explained in your proposal.
- b. 2016 medical claim projections should be provided on an immature and mature basis, assuming no plan design changes. *All calculations for your claim projections must be included.*
- c. Any and all fee caveats being proposed, including but not limited to:
 - Interface fee with our Pharmacy Benefit Manager and/or other outside third party vendors
 - Custom and ad hoc reporting

Fee modifications during the services agreement period will not be accepted by the County unless clearly and specifically stipulated during this proposal process.

In responding to this RFP, the TPA shall propose an administrative fee, which will be guaranteed for up to three (3) years. To the extent that the TPA intends to recover start-up costs through the administrative fee, such recovery should be amortized over this period.

The administrative fee proposed by the TPA should be adequate to cover the cost incurred for the performance of all services described herein prior to and during the period of the Contract and during any runoff period (mature fee) following termination of the Contract.

Provide your proposed medical, pharmacy and related fees in the following table. Use the categories noted.

Administration Component	Administration Cost PEPM
Utilization Review ¹	
Disease Management (please provide details for each of the programs)	
Claim Processing	
Member Service	
PPO Network Access & Management	
Behavioral Health Program Management	
General Administration ²	
Advanced reporting, predictive modeling, and reporting	
Member Communication	
COBRA Administration fee	
HIPAA Administration fee	
Online Enrollment/Benefit Management System	
Data Interface with Third Party Vendors	
Printing Costs	
Plan Document Preparation	
Wellness Programs	
ACA compliance guidance / reporting	
Other ³	
Total	

STOP LOSS INSURANCE PROPOSAL

Contract: Stop Loss Incurred in 12 / Paid in 15

Individual Stop Loss Premium (PEPM) (ISL)	2016
Individual Deductible \$75,000 per person	\$0
Individual Deductible \$100,000 per person	\$0
Individual Deductible \$150,000 per person	\$0

¹ Includes all cost containment activities except Disease Management.

² Includes actuarial, legal, underwriting, reporting (except advanced reporting/predictive modeling) and other technical assistance.

³ Specify.

Aggregate Stop Loss Premium (PEPM)

ISL Deductible Levels	\$75,000	\$100,000	\$150,000
ASL Premium	\$0	\$0	\$0

All Fully Insured Proposals can be displayed in a similar format shown below:

Insured Option	Plan Year 2016
Employee Only	\$
Employee + spouse	\$
Employee + children	\$
Employee + family	\$

In addition, please include in your cost proposal responses to the following questions:

- a. Include your projected claims on both an immature and mature basis for 2016, and a mature basis for 2017 and 2018, in a PEPM or PEPY format. Include the claim calculations with your cost proposal.
- b. Note what is and is not included in the proposed fees. Specifically address the following and note whether they are included or excluded in your proposed fees:
 - SPD draft and electronic copy of final version
 - Hard copy SPDs
 - Member ID cards and mailing costs
 - Enrollment materials
 - Claim forms, as needed
 - Member communication materials throughout the year
 - Claim drafts and EOBs
 - Contract development and ongoing policy updates as agreed
 - Reporting
 - Underwriting and actuarial analysis
 - ACA Compliance Guidance and Reporting
- c. Are there any implementation costs that have not been addressed elsewhere in the RFP?
- d. Do proposed costs include all current and future functions necessary for assuming administration of the County medical & pharmacy plan as outlined in the RFP?
- e. Identify any costs related to custom/ad hoc reports not available through your standard reporting tool.

- f. Identify any costs related to integrating computer systems with various carriers and County payroll systems
- g. Please confirm whether your organization will or will not charge a percentage of savings or similar fee to Florence County Government for in-network or non-network claims. For example, if your organization has a relationship with MedCost network for non-network claims, the County does not wish to incur a 30% of savings charge back for use of that network.
- h. If provided as a service, is there a fee for ACA compliance guidance?
- i. Are there any additional administration fees that have not been addressed elsewhere in the RFP? If so, please explain.

****Please include all Cost Proposals for Ancillary Coverages and Administrative Services in this section also.**

5 General Proposal Questionnaire

(Proposal Section 6)

5.1 General Information To Be Completed By All Respondents

- 1. Please state the name, title, address, phone and email address for the individual who will serve as the main contact for this RFP.
- 2. What is the location for the site that would provide service to the County?
- 3. Provide a complete description of the services your organization is proposing.
- 4. Please list deviations from the requested services included in this RFP.
- 5. Document your current AM Best rating and outlook, as well as S&P and Moody's rating, if applicable.
- 6. What claim administration services do you subcontract, if any? To whom?
- 7. The County must have the right to audit claim systems, financial records and procedures for their organization. Are there any restrictions? Please provide a copy of any audit and confidentiality agreement required.
- 8. Do you conduct customer and member satisfaction surveys? If so, how often? Is there an allocated cost to the County if performed specifically for them? What is the cost?

In addition to the General Proposal Questionnaire, please also include in Proposal Section 6 responses to any service or coverage sections below for which you are responding.

6 Medical/Pharmacy: Third Party Administration, Stop Loss & Fully Insured Questionnaire

6.1 Network

1. Do you own your proposed provider network? If not, please explain.
2. Briefly describe your network. How large is it in the Florence County area by provider type? How has it changed in size and discounts in the past 12 months? What changes are planned or expected in the next 12-36 months?
3. Please identify which hospital and/or hospital systems your PPO contracts with in the Florence County area.
4. Please identify the major medical groups that your PPO contracts with in the Florence County area.
5. How can plan members get network provider information? How often is that information updated? Does this frequency of updates vary by provider type?
6. Identify and explain your provider retention and turnover rates for 2014 and 2015 in the Florence County area.
7. Are there any major facilities in the Florence County area with which you are experiencing contract concerns? Do you have any major facility contracts up for negotiation in the next 3 years in Florence County area?
8. Explain your basis for non-network claim payments.
9. Briefly outline your credentialing process.
10. How and at what frequency are providers in your proposed network paid?
11. Please include a PDF or Excel version of your provider network for the Florence County area.

6.2 Membership/Eligibility

1. Please respond to the following questions regarding your eligibility system:
 - a. What data elements are stored?
 - b. Please briefly describe your online enrollment/benefit management system to be included in the price of your proposal (no direct cost to the County). If no system currently exists, please confirm that your fee proposal includes the cost of a third party benefit enrollment & management system.
 - c. If it is necessary for the County to secure its own third party benefit management system, please indicate the PEPM that is included in your cost proposal.
2. Will your benefit management system allow for linking and data transfer to other ancillary carriers? If so, please indicate any additional implementation or recurring fees that would apply.
3. How is the confidentiality of eligibility information secured? What data would be released to outside parties and under what circumstances? Describe the sharing of data online with the County and our consulting partner.
4. How does the system confirm/verify dependent eligibility?
5. Can the County have direct access to your eligibility system?
6. Would the County have to provide member social security numbers in the eligibility files? What are your security measures to ensure confidentiality of this and other eligibility/membership data transmitted?
7. Can you handle a true EDI data transmission?
8. Can you accept eligibility updates on a full-file basis?

6.3 Billing

1. Describe the options that would be available to the County for claim funding and timing.
3. Do you have the capability to reconcile individual billings against receivables for the month?
4. Do you require a claims escrow? If so, for what time period of expected claims?
5. Do you provide an invoice or statement identifying claims and service provided? At what frequency? Include a sample.

6.4 Medical Claims Administration

1. What claim office would be responsible for administration of the County's plan?
 - a. Please provide the following information regarding your claims processing staff at this location:
 - b. Total number of processors
 - c. Average length of service
 - d. Any specific experience required to be hired by your firm
 - e. Rate of turnover of claims processors
 - f. Staffing ratio to covered members
 - g. Average number of claims processed by a claims processor each day
 - h. Training process for new examiners
2. Indicate the turnover rate by area of responsibility for this claim operation during the most recently completed calendar year.
3. Identify the number of groups, average County size, plan funding (e.g., self-funded, insured), and claim volume administered by this unit/claim office.
4. Will Florence County be placed into a designated claim unit? Our preference is for our plan members to work with the same small team on a regular basis to foster relationships, better understanding of questions and answers, and improve the service to our members.
5. Indicate the hours of operation for this office and the time zone in which they are based.
6. Can your system capture primary and secondary diagnosis using the most current coding? What is the process for obtaining codes if primary and secondary diagnoses are not entered?
7. Can your system capture and/or assign DRGs? Does it?
8. Does your system capture discharge diagnoses? If so, is this done routinely or only upon client request? Does your system capture discharge status?

9. When a claim is pended, do you continue to use the original assigned claim number or do you assign a new claim number when the original claim is opened again for processing? Please describe the advantages/disadvantages of your arrangement.
10. Provide your definition of medical claim turnaround time.
11. What percentage of claims do you audit each month? Describe the audit process. Will you supply routine audit findings to the County and GBS?
12. Indicate the claim processing accuracy rates for medical claims in the office and team that will administer the County claims (definitions follows):
- a. "Overall claim accuracy rate" is defined as the number of claims processed accurately (financial and coding) divided by the total number of claims audited.
 - b. "Financial accuracy rate" is the dollar amount of correctly paid claims (minus the absolute value sum of all dollar payment errors [over- and underpayments] divided by the total dollars paid).
 - c. "Procedural accuracy" rate is the number of claims processed accurately (excluding those with only financial errors) divided by the number of claims audited.

	Overall Claim Accuracy		Financial Accuracy		Procedural Accuracy	
	Target	Actual	Target	Actual	Target	Actual
1Q 2014						
2Q 2014						
3Q 2014						
4Q 2014						
1Q 2015						

13. Complete the following table by providing your claim turnaround standards for all claims and the performance over the most recent four quarters of the claim office you propose for processing the County's claims.

	Standard	Performance				
		1 st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014	1 st Qtr 2015
Percent completed within 14 calendar days						
Percent completed within 30 calendar days						

	Standard	Performance				
		1 st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014	1 st Qtr 2015
Percent completed within 60 calendar days*						
Percent of pended claims						
Age of oldest claim processed						

* Please indicate the most prevalent reasons for claims requiring greater than 30 days.

14. What claim system do you use? Was it internally or externally developed?
15. Are any enhancements or changes to the system planned? If so, explain the scope of change and timing. How do you anticipate this will impact existing clients during the change process?
16. Is the system an online, direct access system or a plan/claim information storage and retrieval system? Provide a brief flowchart or description of its operation.
17. Can the same person access eligibility and claim transactions?
18. Will the County's benefits team be able to have access claims history on a real time online basis?
19. How is claim information accessed when employees make inquiries (e.g., by Social Security number, by employee name, member ID number)? Do you have the ability to use the employee ID number as assigned by the County? If yes, would there be an additional charge for this?
20. When are hospital precertification/concurrent review decisions made available to your claim processors? For example, are decisions input to your online claim system in real time (i.e., when the review work is being performed), or is this data input at a later date?
21. What are your safeguards against data loss due to hardware failure, including disaster recovery?
22. Do you have procedures in place to detect possible fraud by providers, employees or claims personnel?
23. Address any medical cost control programs initiated within the claims office. (Your response should not include initiatives from your UM department.)
 - a. Describe any programs for:

- i. Unnecessary or extensive hospital confinements
 - ii. Detection of overcharges
 - iii. Medically unnecessary treatment
 - b. Are outside physicians/nurses/consultants retained to review questionable claims or during the appeal process? Identify any subcontractors.
 - c. Do you have procedures in place to screen appropriateness of treatment against DRGs?
 - d. Do you have software and/or procedures to detect and guard against the practices of upcoding and/or unbundling?
 - e. What is the source for your R&C database? How frequently is this updated? What alternatives are you willing to administer for non-network benefit determination of R&C?
32. Under what circumstances is a claim investigated for other coverage? Are you capable of administering non-duplication in lieu of COB?
33. What was your book of business COB savings as a percent of total paid claims for 2013 and separately for 2014?
34. Explain your approach to investigating third party liability (TPL) right of reimbursement on expenses covered by “non-group” insurance, such as medical expenses resulting from a car accident. In particular:
- a. How do you coordinate with other plans to avoid duplicate payment?
 - b. Do you use an outside vendor for TPL recovery? If yes, who is the vendor?
 - c. How are they paid?
35. With your claim processing and network approach, are there any instances in which a non-claim item would be considered the plan members responsibility (e.g., network adequacy fee)?

6.5 Member Service

- 1. Do you have a separate customer service (CS) telephone unit to handle claim inquiries, or would they be handled by the claim processors?
- 2. If you employ a separate CS unit, please respond to the following questions:
 - a. Will representatives be specifically assigned to handle the County?

- b. Will back-up for overflow be provided? Please describe.
 - c. What are the qualifications of the proposed customer service unit?
 - d. What is the turnover ratio among the customer service staff that would be assigned to the County? Identify this ratio by quarter for 2014 and also for first quarter 2015.
 - e. Indicate the hours of operation for this unit and the time zone in which they are based.
 - f. Is there an after-hours provision? If yes, please describe.
 - g. Are there internal performance standards for the CS unit? If yes, please describe.
3. Do you provide ongoing training in customer service? If yes, please briefly describe.
4. Are there provisions for telephone/cable failure, weather emergencies or similar situations?
5. Do you currently have an Automatic Call Distribution (ACD) system at the location where you will handle the County's claims and inquiries? If yes, please provide the following:
- a. Abandonment rate: Target _____ 2014 Actual _____
 - b. Average wait time: Target _____ 2014 Actual _____
 - c. Criteria used to determine average wait time (e.g., time on hold, from first ring, from fifth ring).
 - d. How often are targets evaluated and new targets assigned?
6. Do you conduct member satisfaction surveys? How often are they conducted? Who conducts the survey (internal vs. external company)?
7. Do you conduct quality monitoring of telephone calls? If yes, what were your 2014 and 1Q 2015 results?
8. Do you track the number of telephone calls per covered employee? Do you observe an increase in calls resulting from claim back logs or accuracy problems?
9. Do you keep a log of participant complaints and how they were resolved?
10. Do you have an automated inquiry documentation system?

11. Describe in detail the appeal process that will be in place to hear and resolve plan participants' problems. Include the expected turnaround time for this process.
12. Will you share service results and member services complaints to the County and Gallagher?
13. Do you have a mechanism for members to send questions via email? If so, describe. What is the turnaround time for these responses?
14. Do you have a private portal for members to access online via your website? What custom information can a member access (e.g., EOB copies, cost estimates for treatment, provider comparisons, network provider information) from this site? Please include a demo site link.

6.6 Care and Utilization Management

1. Please provide a complete description of your care and utilization management systems including:
 - a. Hospital admissions precertification, including basis for approving confinements
 - b. Outpatient services precertification, including procedures
 - c. Ancillary services precertification, including procedures
 - d. Physician referral authorization and/or tracking, including reporting to the County
 - e. Inpatient concurrent management
 - f. Inpatient case management
 - g. Discharge planning
 - h. Other
2. Explain the criteria and process employed to identify case management situations.
3. How do you communicate to physicians or patients that their proposed hospital admission or length of stay extension has been approved or denied?
4. Do you have an onsite medical director? If yes, full time or part time? What is that person's role?
5. What are the credentials of your staff — Medical Director and nurses?
6. Briefly describe the role of your staff — who performs the various functions?
7. Briefly describe the role, availability (hours on-site per week) and type/extent of interaction between review nurses and physician advisors during pre-admission certification and case management review activities.

8. Please provide a detailed description of how the medical criteria for care and utilization management is maintained.
9. Please explain in detail how you assist your clients in early identification and involvement in high cost/long-term cases.
10. Do you hold an industry accreditation (e.g., URAC)?
11. Explain in detail the appeal process for medical determinations.
12. If you outsource any of these services, identify the vendors and their roles.
13. Provide the care & utilization management results for your book of business in South Carolina. Include retirees in your results.

	Admissions per 1,000		Days per 1,000		Average Length of Stay	
	Target	Actual	Target	Actual	Target	Actual
2014						

6.7 Data Reporting and Analysis

In this section, please respond to the data reporting and analysis questions. Please identify any additional costs for special reports.

1. Describe the system's capabilities to handle multiple users and locations.
2. Describe your data capture methods for management reporting or analysis.
3. Please complete the following table of standard management reports that you would provide the County. Describe the purpose of each report and provide sample copies of each report listed.

Type of Report	Frequency and Timing	Additional Cost (if any)

4. Can you generate ad hoc reports at the County's request? If so, please respond to the following as they relate to your reporting capabilities:
 - a. Data elements captured by your system.
 - b. List all claims data elements that can be accessed directly by the County and Gallagher.
 - c. List all encounter data elements that can be accessed.
 - d. How many months of historical data are accessible?
 - e. Provide your charge schedule for producing ad hoc reports.
 - f. Are you able to provide detailed reports by provider and by diagnosis and provider?
 - g. What reports are available to analyze real discounts achieved? Is this available by provider for key providers?
5. Describe how your system supports the following cost and care management activities:
 - a. Pre-authorization of hospital and/or outpatient procedures
 - b. Communication with claims processing systems to track hospital or physician referral pre-authorizations
 - c. Use of artificial intelligence or decision tree systems to support prospective utilization review activities.
6. Are you capable of providing the County and/or Gallagher with the ability to make ad hoc queries?
7. What standard care and utilization management reports are provided? How long do these reports take to produce? Include examples of these reports.
8. Can your system generate provider profiles? Can you prepare provider specific trend reports? Please provide examples.
9. Is your system able to adjust for demographic case mix? How is this information included in provider profiling?
10. Provide a sample of your monthly financial reports, ASO billing & eligibility reports, available utilization reports, and HRA reports.

6.8 Mental Health/Substance Abuse Services (MH/SA)

1. How do you currently handle MH/SA? Do you use a network? If yes, do you own or lease that network? Please explain.
2. Please describe how MH/SA services are managed, e.g., local, regional, by this vendor.

6.9 Wellness

1. What programs and incentives do you suggest to enhance the County's wellness programs.
2. Outline the costs for any components you recommend and could provide and include in the cost proposal (not in this section of the proposal response).

6.10 Performance, Implementation and Discount Guarantees

1. The County seeks a vendor committed to providing an exceptional level of service to its plan participants and Human Resources/Benefits team. Please outline the guarantees your Company is willing to offer as part of the administrative agreement.
2. Willingness to enter into performance guarantees if selected as the administrator for the County will be viewed favorably.
 - a. Please outline the guarantees.
 - b. How much are you willing to put at risk?
 - c. How will the performance guarantees be measured?

4. Please **provide a network discount guarantee** that is good for each year of the contract time period proposed. Explain how the target discount was calculated.
5. The County expects its plan administrator to have all benefits and eligibility loaded and correctly and tested prior to the effective date of 1/1/16. **Please include an implementation timeline.**

Explain your internal audit processes that will be used to evaluate and document preparedness within a mutually agreed upon timeframe. In addition, the County reserves the right to retain an external auditor to evaluate the eligibility and benefit loading accuracy. Please confirm your organization's agreement to this and allowance that the County's auditor would have full, appropriate access to make this determination on their behalf.

6.11 Stop Loss Insurance

Qualifications of the Provider

1. How many total lives and annualized medical stop loss premium you represent in the United States market?
2. Please describe your renewal disclosure process.
3. The County desires to secure stop loss coverage with no new laser language and rate guarantees (or caps). However, if you laser claimants, what methodology do you utilize upon initial writing and at any subsequent renewal?
4. Are you willing to guarantee your specific or aggregate rate beyond a one year period? If so, please explain.
5. Are there any TPA's with which you do not do business?
6. Please confirm that you will issue final renewals at least 90 days prior to renewal, with a preliminary renewal 180 days in advance of the plan anniversary date.
7. Describe how you work with the TPA or Carrier to obtain notification of large claimants along with large claimant tracking information.
8. What is your minimum attachment point percentage for first year clients such as the County?
9. What is your aggregate annual maximum claim liability, if any?
10. Are there any medical or pharmaceutical fees that will not apply to the specific or aggregate coverage? If yes, please describe.
11. Please list all medical circumstances that may require pre-approval.
12. Is there a Center of Excellence (COE) provision in your contract? If so, is it a mandatory or voluntary provision?
13. Please confirm that you will rely on the provider network fee schedule, PBM and TPA to determine reasonable and customary paid amounts. If not, please explain when this may not be the case.
14. Describe any event or circumstance where your organization would deny a claim that was a covered benefit in the County's current Certificates of Coverage.
15. The County desires to have the Plan Document/SPD be the controlling document for claim determination. Please confirm that you agree to rely on this document for any and all stop loss claim determinations. If not, please explain.

7 Medicare Supplement, Medicare Advantage Plans and/or Exchange Services

1. Provide a brief history of your organization and experience in the retiree market including pre and post 65 retiree populations.
2. Please indicate the total members participating in your plans or exchange services.
3. Please describe how your company differentiates itself within the retiree health care marketplace.
4. Describe in detail your company's Medicare and/or Exchange services that are included with your proposal.
5. What location(s) will provide customer service support?
6. What are your standard hours of operation? Do you offer any special accommodations for retirees that may need to call after-hours?
7. Do you offer a dedicated and co-branded 800 number? Describe your telephone and call routing system.
8. Please describe the background and experience of the individuals who will be assisting retirees. Are they licensed? What training is provided to them?
9. Please provide information regarding the available plan options through your company or on your Medicare exchange.
10. Do you offer retirees telephone appointment setting to enroll in benefits? If yes, what is the average wait time to speak to an Advisor?
11. Will retirees have specialized (100% retiree focused) representatives to provide support?
12. Can you provide retirees a total picture of their medical costs in the individual market factoring in Rx and medical utilization? If yes, how is this done? Do you use personal data or averages?
13. When comparing prescription drug plans (price, drugs covered, formularies) do your benefit advisors have to go to each the various carrier websites to do a comparison?
14. Will you provide direct billing to retirees and/or bank draft premium payment availability? Please explain.
15. Please confirm that you will mail monthly invoices and past due notices; collect and

track retiree payments; provide retiree service and support for all billing and benefit questions.

16. Please confirm that you will exchange enrollment and disenrollment eligibility data with CMS.

8 COBRA & HIPAA Administration Questionnaire

8.1 COBRA Administration Services

1. Where is the Service Center located for the County's proposed COBRA administration?
2. Please outline your core services for this proposal (i.e. Initial notices, COBRA election notices to terminated employees and dependents, etc.)
3. As part of your core services, will you provide HIPAA Certificates of Coverage for COBRA participants?
4. Please describe the process you use to notify vendors and the County that premiums have been paid.
5. Please confirm that you will notify Qualified Beneficiaries and potential QB's of any open enrollment plan changes and election materials.
6. Can a COBRA participant pay their premium online via electronic interface?
7. Please confirm that your administration platform can interface with third party benefit management systems.

8.2 Retiree Billing Services

1. Can you accommodate the management of the County's retiree billing and payments?
2. If so, please confirm that you can mail monthly invoices and past due notices; collect and track retiree payments; provide retiree service and support for all billing questions.

9 Flexible Spending Account Administration Questionnaire

1. Please describe the core services that you are proposing for the County
2. Please list each acceptable method for submitting receipts for expense substantiation.
3. Does your web portal allow participants to:
 - Check balances
 - Upload receipt images for reimbursement
 - Downloading of reimbursement forms
4. Does your fee include printing and postage costs?
5. Can your administration platform receive electronic eligibility files from a benefit management system? What formats are acceptable?
6. Is annual non-discrimination testing included in your fee?
7. Will you send out year-end reminders to participants notifying them of any remaining balances? Will these mailings include ideas on how to exhaust their funds?

10 Dental Insurance Questionnaire

Florence County provides two dental plan options through PEBA:

- State Dental Plan (non-contributory)
- Dental Plus Plan (supplemental to State Dental Plan)

For comparison, please quote plans that are as similar as possible to the plans currently offered. Plan design specifics can be found in the 2015 PEBA Insurance Benefits Guide via the PEBA website referenced earlier in this RFP. Please feel free to offer an alternate plan design for consideration as well.

1. Please describe your network in the Florence County area, if any. Be sure to include information on access points, network efficiency or discounts, etc.
2. Please include a provider directory for Florence County and surrounding areas.
3. Please describe any local, regional or national support that Florence County can expect (Account managers, member service, etc.).

4. Please attach a sample of reports available on a monthly or quarterly basis.
5. Confirm your ability to receive electronic file feeds from a benefit management system.

11 Vision Insurance Questionnaire

Florence County provides The Vision Care plan and the Vision Discount Program through PEBA. Plan design specifics can be found in the 2015 PEBA Insurance Benefits Guide via the PEBA website referenced earlier in this RFP. Please feel free to offer a plan with similar or better benefits than the current PEBA offerings.

1. Please describe your network in the Florence County area, if any. Also:
 - Does your network include private practice and Major Retailers?
 - Optometrists and ophthalmologists?
2. Please provide a provider directory for Florence County and surrounding areas.
3. Please describe any local, regional or national support that Florence County can expect (Account managers, member service, etc.).
4. Please attach a sample of reports available on a monthly or quarterly basis.
5. Confirm your ability to receive electronic file feeds from a benefit management system.

12 Term Life Insurance

Florence County currently provides \$3,000 in term insurance to all eligible employees younger than age 70 and \$1,500 to eligible employees age 70 or older. An accidental death and dismemberment benefit is also included. Plan design specifics can be found in the 2015 PEBA Insurance Benefits Guide via the PEBA website referenced earlier in this RFP.

Optional life insurance is available on a voluntary basis in increments of \$10,000 up to a maximum of \$500,000 or three times annual salary, if less, without providing evidence of insurability. An accidental death and dismemberment benefit is also included.

Spouse-dependent life insurance can also be purchased up to \$20,000 without evidence of insurability. Spouse life insurance may be purchased above \$20,000 with medical evidence of insurability.

Child-dependent life insurance is available for eligible dependent children and may be purchased up to \$15,000 without medical evidence of insurability.

1. Please describe any local, regional or national support that Florence County can expect (Account managers, member service, etc.).
2. When is the average claim payment paid after a complete death claim is received?
3. Please list any value added services that enrollees will receive (i.e. EAP, Will Prep, etc.).
3. Please confirm ability for self-billing

13 Long Term Disability Insurance

Florence County currently provides a Basic LTD plan, plus a Supplemental LTD plan. The Basic plan is provided to all employees at no cost to them, whereas the Supplemental plan is a voluntary benefit should the employee elect to purchase. Plan design specifics can be found in the 2015 PEBA Insurance Benefits Guide via the PEBA website referenced earlier in this RFP.

Please propose plans that are similar or better than the current offerings through PEBA.

1. Please describe any local, regional or national support that Florence County can expect (Account managers, member service, etc.).
2. When is the average claim payment paid after a complete claim is received?
3. Please list any value added services that enrollees will receive (i.e. EAP, Will Prep).
4. Please confirm ability for self-billing
5. Please provide a sample of reports that will be available monthly or quarterly.
6. Please confirm that you will waive any actively at work requirements for currently covered participants.
7. Does your proposal include a rehabilitation benefit?
8. Does your proposal include a "Reasonable Accommodation" benefit that can go toward approved worksite modifications?
9. Does your proposal include a return-to-work incentive?

14 Additional Items Included with RFP

Included with this RFP are the following items:

- Census file
- Historical experience report (by plan, month, and population segment) and high claimant summary.
- Paid premium report

15 Evaluation of Proposals

All proposals submitted in accordance with the terms of the RFP will be evaluated for fulfillment of the specifications and requirements for this RFP. Evaluation and selection of the Insurer, as well as subsequent negotiations, will be based on information submitted in the proposals, references, and any required oral presentations.

The contract will be awarded to the vendor that best meets the needs of the County. The successful proposal will not necessarily be that with the lowest cost. A uniform selection process will be used by the County's Group Benefits Committee to evaluate all proposals. The evaluation outcome, the results of reference checks and any Committee recommendation will be brought forward to the County Council for final approval on the selection of the Insurer.

Responses will be evaluated based on the following criteria (no particular order):

- a. Compliance with the RFP; quality, clarity and completeness of information presented and services proposed in response to the scope of services and criteria noted within respondent background, strength, experience, financial standing.
- b. Experience working with governmental entities or County's similar in size to the Florence County Government.
- c. The ability of the vendor to successfully deliver the proposed services including enrollment services and related communication/enrollment materials
- d. Knowledge, expertise and quality of client service team. This includes responsiveness of account management team, plan administration and network/systems, and customer service.
- e. Client References
- f. Cost Effectiveness and Value of Proposal. Fixed (fees) & variable (claim) costs will be measured.
- g. Response to the Cost and Proposal Questionnaire
- h. Track record and ability to maintain effective performance standards

- i. Fee and Discount Guarantees
- j. Vendor Flexibility
- k. Value added services that could enhance member value & satisfaction, plan administration, and County management of the program.

RFP Evaluation and Award Criteria

- | | |
|--|-----|
| ▪ Experience and Qualifications of Team | 20% |
| ▪ Member and County Service Capabilities | 20% |
| ▪ Quality of Response | 20% |
| ▪ Overall Cost (Premium, Fees, Provider Discounts, Guarantees, etc.) | 40% |

Finalists Evaluation and Award Criteria

The final evaluation will be based on the interviews of the selected finalists. The quality of the finalist interview will comprise 100% of the final evaluation.