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GOVERNOR



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April 29, 2011

ADDENDUM 4
TO
REQUEST FOR PROPOSALS
No. 11-01

TO FURNISH MEDICAL BENEFITS

EUTF's Response to Written Questions: (see attachments – 7 pages).

RFP 11-01 for Medical Benefits

	Question	Answer
1	Will the contractor be allowed to market other related products and services to EUTF beneficiaries who enroll in its contract plan	No
2	Reference Section 1, Item 21-7 Insurance is requiring that "throughout the entire term of the contract, the EUTF, the Board and its trustees shall be named as additional insureds on all of the insurance policies required hereunder." By adding the EUTF, the Board and its trustees as additional insured to the contractor's insurance policies, coverage is provided for ALL acts and omissions committed by these parties. Is it the intent to have the contractor's insurance cover all the acts and omissions of the EUTF, the Board and its Trustees? Please clarify the scope of this requirement.	The RFP is very specific as to these requirements. Refer to the RFP
3	For Insured/Risk Sharing proposed rates, will proposal that guarantee a maximum administration, plus retention and profit as a percentage of premiums received be acceptable?	Insured/Risk sharing proposed rates must include a maximum claim cost, in addition to maximum retention (administrative cost).
4	Will the EUTF limit retroactive enrollment, changes, and cancellations to no more than six (6) months from the current month?	No
5	Does the requirement to enroll new enrollees within forty-eight (48) hours, and process cancellations within 24 hours, exempt weekends and holidays	The time that is guaranteed must only include days of operation of the EUTF Administrative Office, which excludes state and federal holidays, and, Saturday and Sunday.
6	How do we incorporate contractual provisions of our Service Agreement not currently in the RFP (i.e., binding arbitration)	The State does not agree to binding arbitration. If there are other provisions you would like the EUTF to consider, they should be included in the Exceptions section of the proposal
7	Can Section I, Item 2, Page 17 - Transition Procedures: Can the initial statement be amended to include "limited to what is permitted by Federal and State laws and regulations, including HIPAA?"	No
8	Please validate that the fully insured closed panel HMO contracts do not have a risk-sharing dividend eligible requirement to refund any excess dollars to EUTF if the total benefit is less than the proposed benefit cost.	Confirmed
9	The proposal sheet for the Closed Panel HMO Comprehensive plan (Proposal Sheet 6A, p.70, BG Unit 12) requests a decrement to include HSTA enrollment, is this applicable?	Yes

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Question	Answer
10 The proposal sheet for the Closed Panel HMO Basic plan (Proposal Sheet 7A, p.74) lists ...All bargaining units except bargaining unit 12 HSTA. Should HSTA be deleted from this line?	No, the Proposal Is Requested for All Bargaining Units except BU 12 and HSTA. The word "and" was deleted from this title.
11 Will EUTF provide the data format and requirements for the reporting requirements? If not, what elements are required?	The bidder must agree to provide all available elements of data in a format that will be determined by the EUTF and is subject to change from time to time
12 Please acknowledge that reports pertaining to Medicare claims and utilization are not available due to community rating.	Medicare claim reports are not available
13 Please clarify if the proposed rates for the extension periods to be maximums not to exceed, or actual contracted rates.	Please refer to the specific requested rates for each proposal sheet. For Insured, No Risk Sharing Proposal Sheets, Rates are a fixed charge without refunding, but are a fixed price.
14 Can performance standards/guarantees be modified to be consistent with currently accepted industry standards without penalty?	Evaluation of the Proposal will take into account the Proposers acceptance of the performance guarantees contained in this RFP. Refer to the Evaluation Criteria Scoring Section III, page 20 and 21
15 Please provide clarification of what needs to be measured in the performance guarantee to achieve a minimum of 99% financial accuracy.	As measured on the financial accuracy of claim payment determinations as audited by the internal and external auditors of the contractor.
16 Section IV, Table 1, page 31, The section on the table Retirees with Medicare – EUTF, Kaiser subscriber counts are not listed, will the table be corrected to reflect this information?	As of 3/11/2011, Kaiser had 3,407 single; 1,663 two party and 106 family subscribers
17 Will the Insured/Risk Sharing Premiums need to be filed with the Insurance Division?	That is a matter between the OFFEROR and the State Department of Insurance
18 How is a bidder's ability to perform services requested in the RFP going to be evaluated and scored?	Please refer to the explanation in the RFP
19 Is the requirement that the contractor have a toll-free customer service line from 7:00am - 7:00pm HST only if the contractor does not maintain neighbor island offices?	No
20 For the annual plan performance and accounting reports, will the Retirees have the same July – June reporting period as the Actives, even though their contract periods are calendar year?	Reporting should be based upon the Plan Year (contract period) and the Fiscal Year of the State, if different than the Plan Year. For retirees the Plan Year is the calendar year. For Actives, the Plan is stipulated as Fiscal year

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Question	Answer
21 Does EUTF intend on being a "grandfathered" plan based on ACA regulation?	If bargained contributions by the Employer are reduced to 50% effective with the new Memorandum of Understanding, the Plans will likely lose Grandfathered status
22 What's the difference between Fully Insured and Insured with Risk Sharing?	Fully Insured Proposals do not pay refunds or carry over deficits. Insured/Risk Sharing Proposals must refund any surplus as defined in the RFP, but may not charge deficits
23 Is the coding guarantee regarding how provider's code claims or something else?	It is the accuracy of the coding by the administrator of claims or the insurance company
24 Do all the performance guarantees listed in the medical RFP apply to all plans a carrier is awarded? Some guarantees appear to be duplicated.	Each contract will carry its own performance guarantee
25 How does EUTF define real-time status information?	We accept the standard definition of real time, which is that the information is current and will illustrate changes immediately upon execution
26 What are examples of member status/changes?	Active, Inactive, Retired, Leave and examples, which are not all inclusive
27 For the Insured/Risk Sharing proposals, can all plans and populations (Actives, HSTA, BU12) awarded to the same carrier be combined, so that a refund in one could offset a deficit in another? Or, will each benefit plan and population be settled separately?	Examples: new hire, termination, divorce, marriage, etc.
28 For the Insured/Risk Sharing Proposals, when comparing the total benefits paid to the proposed benefit costs, can the Retirees Over and Under 65 be combined, so that a refund in one could offset a deficit in another? Or, will the Retirees Over and Under 65 be settled separately?	Retiree Medicare Plans may be combined, provided that they are not Medicare Advantage plans
29 Are all of the ASO fees requested on the Self-Insured Proposal Sheets for Medical only?	Yes, that is to say that Pharmacy Benefit Management Expenses are accounted for under a different RFP
30 Are the ASO fees requested on the Self-Insured Proposal Sheet for the Self-Insured 90/10 PPO Plan - EUTF Active including BU 12 and excluding HSTA?	See Title of Proposal Sheet

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	Question	Answer
31	Are the Insured/Risk Sharing benefit costs and premiums for the 80/20 PPO Plan –Active EUTF for all Bargaining Units except BU 12 and HSTA?	See Title of Proposal Sheet
32	Are the ASO fees requested on the Self-Insured Proposal Sheet for Self-Insured 80/20 PPO Plan - EUTF Active including BU 12 and excluding HSTA?	See Title of Proposal Sheet
33	Are the ASO fees requested on the Self-Insured Proposal Sheet for Self-Insured HMO Plan - EUTF Active including BU 12?	See Title of Proposal Sheet
34	Are the Insured/Risk Sharing benefit costs and premiums for the HDHP Plan –Active EUTF for all Bargaining Units except BU 12?	See Title of Proposal Sheet
35	Are the ASO fees requested on the Self-Insured Proposal Sheet for Self-Insured HDHP Plan – Active EUTF including BU 12?	See Title of Proposal Sheet
36	Are the Insured/Risk Sharing Benefit Costs and Premiums for the EUTF Active Employee Supplemental Copay Medical Plan and EUTF Active Employee Dual Coverage Supplemental Medical Plan for medical and drug benefits?	For the current plan of benefits
37	Are the Insured/Risk Sharing Benefit Costs and Premiums for the HSTA Active Employee Supplemental Medical Plan for medical, drug, and vision benefits?	For the current plan of benefits, refer to table 12 of the RFP
38	Are the ASO fees requested on the Self-Insured Proposal Sheet for Self-Insured Supplemental Plan – EUTF Active including BU 12?	See Title of Proposal Sheet
39	Are the Insured/Risk Sharing benefit costs and premiums for the Supplemental Plan –Active EUTF for all Bargaining Units except BU 12 and HSTA?	See Title of Proposal Sheet
40	Are the ASO fees requested on the Self-Insured Proposal Sheet for Self-Insured Supplemental Plan - EUTF Active including BU 12 and excluding HSTA?	See Title of Proposal Sheet
41	Are the Insured/Risk Sharing benefit costs and premiums for the 90/10 PPO Plan – EUTF Retiree for all Bargaining Units except HSTA?	See Title of Proposal Sheet

RFP 11-01 for Medical Benefits		
Question	Answer	
42	Are the ASO fees requested on the Self-Insured Proposal Sheet for Self-Insured 90/10 Plan – Retiree EUTF excluding HSTA?	See Title of Proposal Sheet
43	Should the dates for the 2 extension periods in the column headings be “January 1, 2013” and “January 1, 2014”?	Please see the RFP Addendum posted on ETUF's Website
44	Does “Under 65” mean non-Medicare Retirees and their families, while “Over 65” means Medicare Retirees and their families? Or, has the designation into the 2 populations changed?	Under 65 means non Medicare retirees and non medicare dependents of retirees
45	The RFP indicates detailed benefits are available in Appendix E. Appendix E provides a link to the EUTF website that doesn't exist. Is there another website we can go to for the information?	The EUTF Web Site, www.eutf.hawaii.gov contains links to all of the carriers web sites where benefit information is available
46	What does “the EUTF reserves the right to offer multiple options” mean?	The EUTF reserves the right to award more than one contract for each benefit plan for which proposals are being requested
47	For the Insured/Risk Sharing Proposals, when comparing the total benefits paid to the proposed benefit costs, if the medical, drug, and vision contracts are awarded to the same carrier, can they be combined, so that a refund in one could offset a deficit in another?	No. Each contract must carry its own premium rate, cost and refund calculation
48	For the Insured/Risk Sharing Proposals, assuming that the first comparison of the total benefits paid to the proposed benefit costs will take place at the end of the initial contract period, if the contract is extended with the same Carrier, can the surplus/deficit from the initial period be rolled forward to any extension period?	No. Each contract period must carry with it a total accounting of expenses, claims and surplus
49	Section I, Item 8, page 15 - Transition Procedures: Can the initial statement be amended to include 'limited to what is permitted by Federal and State laws and regulations, including HIPAA?	No.
50	Section II, Item 2, page 17 - Cover Letter, EUTF Rights Regarding Contractor's Recommendations: Can the statement be amended to include 'unless otherwise negotiated or agreed upon by the EUTF, EUTF Board of Trustees, and the Contractor?'	No.

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	Question	Answer
51	Section II, Item 13, page 18, HIPAA Compliance: Can another document be used instead of a Business Associate Agreement to validate HIPAA compliance?	If there are other provisions you would like the EUTF to consider, they should be included in the Exceptions section of the proposal. If you propose any document other than EUTF's Business Associate Agreement you must provide information showing that a Business Association Agreement is not required.
52	Section IV, Item 7, page 25, Open Enrollment: Can a statement be included that open enrollment will be held for either (i) plan year, or (ii) calendar year, or (iii) contract period?	Whether and when an open enrollment will be held is and will be determined by the EUTF Board.
53	Is there a workable mechanism for price adjustments to allow for changes in benefits mandated by law, or EUTF?	Benefit Changes either mandated by law or by the EUTF would be negotiated with the contractor as an adjustment and amendment to the contract
54	What is the definition of a renewal action?	This term is not applicable to this RFP
55	Questionnaire, page 153, question 2: The contractor is required to be bound to their proposal; is the State similarly bound?	This means that the offeror is not allowed to change its proposal after the submission deadline or, if awarded the contract, after award. EUTF will be bound by the terms of any contract that results from the RFP.
56	The State has the right to terminate upon 60 days notice; does a contractor have the same right to terminate?	Neither the RFP nor the general conditions require the State to provide 60 days notice of termination, nor do they provide that the contractor has the same right to terminate. If this is a provision you would like the EUTF to consider, it should be included in the Exceptions section of the proposal.
57	What is EUTF's definition of provider turnover? Is retirement, relocation out of state, or death, considered turnover?	Turnover includes voluntary and involuntary terminations, including retirement and death and relocation out of area
58	Is the requirement of claims repricing applicable to closed-panel HMOs?	No.

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Medical Benefits

Table	Page	Plan Design	In Vs. Out	Question	Answer
4-Active	55	Primary Care office Visit	20%4	Is this intended to be 20%	Yes
6-Active	68	Diagnostic Lab and X-ray	\$15/department/day	Please define department. Is this reference to lab vs. pathology or flat film vs. imaging etc.	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link
8-Active	78	Anesthesia	No Charge; \$15 office visit co	Further clarification on whether anesthesia is no charge or does a \$15 co-pay apply to the ASA code and does this apply to pain management?	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link
9-Active	81	General		Does Pharmacy apply to the deductible and/or the out of pocket limit under the medical portion?	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link
9-Active	81	Routine Physical exams		Need clarification on the physical exam per calendar year up to \$300 in cash incentives through the rewards program.	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link
10-Active	88	General		Are there in and out of network benefits allowed?	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link
10-Active	88	General		When it states co-pay covered, does that include deductible and co-insurance from the main policy?	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link
13-Retiree	106	Outpatient Services/Surgery	10%*cutting	How do you classify non-invasive surgery and does the out of network cover both cutting and non-cutting at 30%?	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link
17-Active	125	General		The two ** at the bottom(routine x-ray); table 18 and 19 list that as plan year is it intended to be different?	No
General Question for all plan summaries:				Are there separate benefits based on Calendar Year vs. Plan Year under the same plan design?	For complete information on the benefit plans, refer to the plan documents and Explanation of Coverages located on the EUTF Website by following the Carrier Link