

**CITY OF WARWICK PROPOSALS REQUESTED FOR
RFP2021-015 CITY OF WARWICK & WARWICK PUBLIC SCHOOLS MEDICAL,
PHARMACY & DENTAL INSURANCE BENEFITS**

ADDENDUM II: BIDDER QUESTIONNAIRE

Updated questions are highlighted in yellow.

1. Will an additional extension be granted to the RFP?
 - a. The RFP process will be extended accordingly to **Monday, March 16th at 11:00 a.m.** Sealed proposals will be received by the Purchasing Division, Warwick City Hall, 3275 Post Road, Warwick, Rhode Island 02886 up until 11:00 AM, Monday, March 16, 2020. The proposals will be opened publicly commencing at 11:00 AM on the same day in the Lower Level Conference Room, Warwick City Hall.
2. Today, the City and Schools have a Classic Blue Indemnity plan. Is this because the enrollees are mostly out of state retirees and outside of the local Blues RI network? If so, would the group (120 subs or so) consider moving to an in-network plan that keeps their current, passive, in and out of network benefits?
 - a. We specified in the RFP that we wanted the current benefits mirrored as closely as possible. The plan designs are contractual. If you have a product that emulates the current designs closely, then please feel free to include it.
3. What is the current dental commission level included in the rates (fee)?
 - a. There are no commissions included in the rates.
4. What level of commissions should be included in the proposed dental rates and fees?
 - a. None.
5. Please provide complete plan booklets (SPDs) if they are available for the Dental coverage.
 - a. The benefit summaries for the dental plans are available to prospective bidders. Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com if you have not already requested them.
6. How are the out-of-network claims reimbursed for dental? Negotiated fee schedule or R&C? If R&C, which percentile? (percentile equivalent) Are the Out-of-Network claims paid at the PPO level or Premier level?
 - a. Out of network claims are paid at Delta Dental's out-of-network reimbursement level, which is comparable to the PPO level.
7. What is the current level of employer contribution toward the cost of coverage by tier (by plan) for dental? Is this expected to change?

- a. **City** – employee contributes 0%; 100% employer paid for active municipal, fire and police.
 - b. **Public Schools** – employee contribute 20%; employer contributes 80%
8. There is no retiree indicator on the census for dental. Please confirm the # of retirees under each plan.
 - a. **City** – Municipal retirees not eligible (may COBRA); Fire retirees pay 100% of cost; police retirees pay the difference in cost between Plan 1 and Plan 3. Number of enrollees is pending at this time.
 - b. **Public Schools** – no retirees covered.
9. What is the current ASO fee?
 - a. Unable to disclose. Please price accordingly to what your plan/purchaser deems appropriate.
10. Are the premium equivalent dental rates available for the current self-funded plan(s)?
 - a. **City** – there are three plans offered as follows:
 - i. Plan 1: Municipal Police Active Retirees Single: \$32.50 / Family: \$105.25
 - ii. Plan 2: Fire Active Retirees Single: \$29.75 / Family: \$96.50
 - iii. Plan 3: Warwick Police Retirees Single: \$28.75 / Family: \$93.00
 - b. **Public Schools** – there is one plan offered as follows:
 - i. Plan 4 Summary: All Groups have the same plan and same working rates
 - ii. Single: \$26.21 / Family: \$80.13
11. Have there been any dental plan design changes over the past 3 years? If so, please provide the details and dates of any change(s).
 - a. No.
12. Can you provide dental enrollment by plan for the City or provide the reports from Delta that break out enrollment and claims by division?
 - a. Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com to request these reports.
13. Can you provide the current medical ASO Fees?
 - a. Unable to disclose. Please price accordingly to what your plan/purchaser deems appropriate.

14. How many employees are eligible for dental coverage?
- MMA did not receive dental waivers. Due to the generous contributions, MMA suggests you assume a high participation rate.
15. What is the out-of-network UCR level (i.e. 80th %) for each of the Dental PPO plans?
- Pending. Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com to request this information.
16. Are they currently in a Multi-year agreement? If they are in a multi-year, are there termination fees?
- No, the City and Public Schools are not in a multi-year agreement.
17. Can you please advise on whom determines if a claim for WRI is valid or not?
- Claims approval is determined by the City.
18. Are these claims paid under the same banking account as the medical?
- Same banking account – no deductible or copay taken.
19. If there is a separate banking account, is this paid by a 3rd party administrator that is part of the services provided by WBC?
- N/A
20. Are all classes of the City covered by WRI under this arrangement such as Fire/Policy/DPW/Admin staff or just specific classes?
- The City provides coverage to Police & Fire.
21. Are these claims covered under the Specific Deductible Stop Loss Carrier?
- No.
22. Please provide the current self-insured equivalent rates so that we can maintain current benefit differentials.
- Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com to request this information.
23. On the City census, there are plan categories for Group 65, Plan 65 no/SNF. Are over 65 retirees? Please confirm whether or not this population should be included in the quote and/or what plan they have.
- Yes, for the City, there are currently 401 subscribers on Plan 65. There are an additional 96 subscribers on the BlueChip Plan offered through the City as well. Warwick Public Schools does not offer a Medicare product.

24. Do the City or Schools currently receive pharmacy rebates?

- a. Yes.

25. Please outline the current wellness programs in place with BCBS

- a. All non-uniform municipal hourly and salary employees can participate in the wellness program and the municipal union employees. Municipal Union contract section 17.13 Employees covered by this Agreement agree to participate in a Wellness Program to be initiated by the City. It is further understood that participation in the program will be voluntary on the part of the employee. Employees participating in the City's health insurance plan and who meet the wellness criteria established by the City, in consultation with the Union, shall receive a payment incentive up to a maximum of \$300.00 per year for an individual health insurance plan and up to \$500.00 per year for a family health insurance plan. The earned Wellness Incentive payment shall be awarded to active employees beginning FY 2013 in the month of April in each fiscal year following the employee's participation in the wellness activities.
- b. The wellness incentive program will integrate preventative and wellness behaviors into the medical plan. Examples of possible activities include completion of the health assessment, obtaining a primary care physician, wellness coaching programs, preventative screenings, non-smoker or completion of smoking cessation program, and/or participation in a program that measures key points in assessing an individual's overall health.
- c. Each year Personnel meets with the Union and can make changes to the cash incentives and values. The provider for the wellness program which is currently blue cross and has been blue cross since this program begin. Blue Cross provides us a list of those individuals that completed the different incentives so that the City can do the payout. So the new provider must be able to provide a program similar to the same one we have. The RFP language on the wellness may need to be tightened to ensure that we get the same type of program.

26. Please outline any current allowances (i.e. wellness, implementation, communication) the group receives today.

- a. N/A

27. Please confirm if the City/Schools or a specific vendor should be fiduciary.

- a. Pending.

28. Please provide high cost claimants on the quoted policy date.

- a. Confirmed.

29. Please provide the most recent two to three years of complete (12 month) policy period HHC.

- a. Pending. Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com to request this information.
30. Please provide the current policy year to date (YTD).
 - a. Pending. Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com to request this information.
31. Please provide a large claim report listing all claimants with more than \$25K in prescription drug claims for the most recent rolling 12-month policy period.
 - a. Prescription claims are included in the large loss reports.
32. Please confirm if we are covering pre or post 65 retirees?
 - a. Confirming grandfathered status for retirees. New municipal non-union hired after 2/09 do not get any retirement benefits. Prior to this date, eligibility is predicated upon date of hires, policy, and contracts accordingly by the City.
33. Can you provide detailed pharmacy SPDs, plan design?
 - a. Plan grids were provided within the RFP specifics.
34. What type of formulary is in place?
 - a. BCBSRI Commercial Formulary.
35. Can you describe what Utilization program are in place today like Precert, QL, step applies?
 - a. The following is an overview of the Rx utilization programs as sited directly from the current in force BCBSRI policy:
 - i. **Generic Substitution:** By Rhode Island law, Pharmacies are required to dispense the FDA approved non branded version of a brand name medication for which the originally issued drug patent has expired, unless the physician indicates in the applicable space on the prescription form “Brand Name Necessary”.
 - ii. **Therapeutic Interchange:** This dispensing practice offers to utilize alternative drug products within the same therapeutic class as the originally prescribed medication, after obtaining the prescriber’s approval of the Interchanged drug. BCBSRI does not actively engage in this practice.
 - iii. **Prescription Drug Preauthorization:** Prescription drug preauthorization is the advance approval that must be obtained before BCBSRI provides coverage for certain prescription drugs. Prescription drug preauthorization is not a guarantee of payment, as the process does not take benefit limits into account. Services that require prescription drug preauthorization are marked with a (+) symbol in the Subscriber Agreement Summary of Pharmacy Benefits.

- iv. **Step Therapy:** This process is often referred to as a type of prior authorization process which requires that one drug be used in treatment prior to another drug being allowed for coverage. The intention is that a member has tried or been treated with the first drug and a documented treatment failure or adverse reaction has resulted. In some cases, the pharmacy claim system can be utilized to “look back” at claim activity to identify that a certain drug has been prescribed previously to satisfy the step therapy requirements.

36. Can you share what the current stop loss rates are for the City and the Schools?

- a. Unable to disclose.

37. RFP notes that current contracts are 12/24 for City and 24/12 for Schools, but the requested contracts appear to be only requesting 24/12 contracts across the board. This would create duplicate coverage for the city. If the goal is to get both to a run-in contract, it would be best to have the city on a 12/12 contract on the current year and then move to the 24/12 contract at renewal on 7/1/2021 to avoid duplicate coverage in stop loss contracts. Please advise how you would like the contracts quoted.

- a. Please provide quotes based on the RFP request, however recommendations are welcome.

38. Are any further updated claims expected prior to the due date? Having only through November 2019 at this stage (5 months of current year claims) is likely going to cause a lot of underwriters to not quote due to dated claims information and only having 5 months of current plan year claims.

- a. Confirmed. Updated claims will be provided closer to the effective date in order to bind coverage.

39. Would the WB be willing to extend the current contract by 30 -60 days in the event a decision isn't rendered by May 1st?

- a. A definitive answer cannot be determined at this time without specifics or context.

40. The bid asks for a 12 month guaranteed rate. The only 12 month guaranteed rate is a prospective premium fully insured rate from one of the carriers, which are required to be filed and approved with the Office of Health Insurance Commissioner (OHIC). This means you walk away after 12 months with no terms or provisions that carry forward. All municipal collaboratives within RI are self-funded with BCBSRI, meaning every collaborative provides programs that require run out provisions, as well as surpluses and deficits whether pooled or administered separately. Can you confirm only direct carrier responses and no collaborative can respond to the bid form with a fully insured rate? Do not all collaboratives have to respond only with the ASO template and as such, provide their ASO fee and stop loss?

- a. As stated in our bid evaluation form that was sent with the data request, we will be evaluating bidders in three distinct categories:

i. Funding Arrangements

1. MMA will evaluate plan funding for both medical and dental plans for the City and the Schools independently and together as follows under the following funding schemes:
 - a. Self-Insured (ASO) Arrangements
 - b. Fully Insured Arrangements
 - c. Group Purchasing Arrangements (e.g. any collaboratives, captives and/or trusts, along with their corresponding funding structures as characterized under a group purchaser option)
 - b. Understanding that the RI group purchasers are self-insured with BCBSRI, and that they are structured differently comparatively to one another in terms of risk, pricing, pooling and rating, we will consider each group's pricing under the bucket of "group purchasing arrangements." How costs are represented (i.e., medical, pharmacy and stop loss), whether through an ASO fee or represented through one cumulative working rate, will be evaluated and considered relative to each purchaser's specific structure. We do not consider pricing and product offerings through group purchasers to be an apples to apples comparison with pricing and products offered through direct carriers.
 - c. Please note that the City is obliged to go out to bid on an annual basis, but they are not obliged to change carriers every twelve months. We will be evaluating the operational provisions, including exit policies, as part of the analysis. In the event there is a cost effective alternative arrangement that is proposed within this process, we will highlight any differentials accordingly compared to the City's current arrangement.
 - d. As part of the scoring and evaluation process outlined in our Evaluation sheet, we will determine qualifications pursuant to those parameters, as well as those provisions specified within the RFP. Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com to request our evaluation sheet if you have not received it through the data request.
41. From the Addendum #1 attachment, it is still not clear if the City should be bid as it is currently administered, 12/24 or, if it should be changed to 24/12 or both?
- a. Please proceed with bidding as it is currently administered, along with the 24/12.
42. If your carrier or purchaser submitted a data request, you should have received updated claims information including Work Related Injury claims. Please email Meghan.Sloan@marshmma.com and Danielle.Chaplick@marshmma.com to request this information if you have not received it.