



Patricia A. Peshka

Purchasing Agent

Scott Avedisian

Mayor

**City of Warwick**  
Purchasing Division  
3275 Post Road  
Warwick, Rhode Island 02886  
Tel (401) 738-2013  
Fax (401) 737-2364

The following notice is to appear on the City of Warwick's website Friday, February 2, 2018. The website address is <http://www.warwickri.gov/bids>.

**CITY OF WARWICK  
PROPOSALS REQUESTED FOR**

**RFP2019-003 City of Warwick & Warwick Public Schools  
Medical, Pharmacy & Dental Insurance Benefits**

Specifications are available in the Purchasing Division, Warwick City Hall, Monday through Friday, 8:30 AM until 4:30 PM on or after Friday, February 2, 2018.

Sealed proposals will be received by the Purchasing Division, Warwick City Hall, 3275 Post Road, Warwick, Rhode Island 02886 up until 11:00 AM, Friday, March 2, 2018. The proposals will be opened publicly commencing at 11:00 AM on the same day in the City Council Chambers, 2<sup>nd</sup> Floor, Warwick City Hall.

Awards shall be made on the basis of the lowest evaluated or responsive proposal price. Please note that no proposals can be accepted via email or fax.

Individuals requesting interpreter services for the hearing impaired must notify the Purchasing Division at 401-738-2013 at least 48 hours in advance of the proposal opening date.

Patricia A. Peshka  
Purchasing Agent

**PLEASE COMPLETE THIS PAGE & SUBMIT WITH YOUR PROPOSAL**

**Acknowledgement of Addendum (if applicable)**

<b>Addendum Number</b>	<b>Signature of Bidder</b>
_____	_____
_____	_____

COMPANY NAME: \_\_\_\_\_

COMPANY ADDRESS: \_\_\_\_\_

COMPANY ADDRESS: \_\_\_\_\_

BIDDER'S SIGNATURE: \_\_\_\_\_

BIDDER'S NAME (PRINT): \_\_\_\_\_

TITLE: \_\_\_\_\_ TEL. NO.: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_\*

\*Please include your email address. Future proposals will be emailed, unless otherwise noted.

**II. AWARD AND CONTRACT:**

The CITY OF WARWICK, acting as duly authorized through its Purchasing Agent/Finance Director/Mayor (delete if inapplicable), accepts the above proposal and hereby enters into a contract with the above party to pay the proposal price upon completion of the project or receipt of the goods unless another payment schedule is contained in the specifications. All terms of the specifications, both substantive and procedural, are made terms of this contract.

DATE: \_\_\_\_\_  
RFP2019-003

\_\_\_\_\_  
Purchasing Agent

**PLEASE COMPLETE THIS PAGE & SUBMIT WITH YOUR PROPOSAL**

**CERTIFICATION & WARRANT FORM\***

**This form must be completed and submitted with sealed bid.  
Failure to do so will result in automatic rejection.**

Any and all bids shall contain a Certification and Warrant Form that they comply with all relevant and pertinent statues, laws, ordinances and regulations, in particular, but not limited to Chapter 16-Conflicts of Interest, of the Code of Ordinances of the City of Warwick. Any proven violation of this warranty and representation by a bidder at the time of the bid or during the course of the contract, included, but not limited to negligent acts, either directly or indirectly through agents and/or sub-contractors, shall render the bidder's contract terminated and the bidder shall be required to reimburse the City for any and all costs incurred by the City, including reasonable attorney fees, to prosecute and/or enforce this provision.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

**\*This form cannot be altered in any way**

**CITY OF WARWICK  
NOTICE TO BIDDERS**

**RFP2019-003 City of Warwick & Warwick Public Schools  
Medical, Pharmacy & Dental Insurance Benefits**

If you received this document from our homepage or from a source other than the City of Warwick Purchasing Division, please check with our office prior to submitting your proposal to ensure that you have a complete package. The Purchasing Division cannot be responsible to provide addenda if we do not have you on record as a plan holder.

Proposals received prior to the time of the opening will be securely kept, unopened. No responsibility will be attached to an officer or person for the premature opening of a proposal not properly addressed and identified. No proposals shall be accepted via facsimile or email.

The opening of proposals shall be in the order established by the posted agenda and the agenda shall continue uninterrupted until completion.

---

Once an item has been reached and any proposals on that item has been opened, no other proposals on that item will be accepted and any such proposal shall be deemed late.

The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap for any position for which the employee or applicant is qualified and that in the event of non-compliance the City of Warwick (the City) and/or the Warwick Public Schools (the Schools) may declare the contractor in breach and take any necessary legal recourse including termination or cancellation of the contract.

A bidder filing a proposal thereby certifies that no officer, agent, or employee of the City and/or the Schools has a pecuniary interest in the proposal or has participated in contract negotiations on the part of the City and/or the Schools, that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other bidder for the same call for proposals, and that the bidder is competing solely in his own behalf without connection with, or obligation to, any undisclosed person or firm.

All proposals should be submitted with one (1) original and sixteen (16) copies as well as five (5) complete electronic copies, preferably in PDF format. The proposal shall be sealed, which should read: *YOUR COMPANY NAME* plainly marked on the exterior of the package as well as "RFP2019-003 City of Warwick & Warwick Public Schools Medical, Pharmacy & Dental Insurance Benefits."

All proposals submitted become the property of the City and the Schools and will not be returned. If the company intends to submit **confidential or proprietary information** as part of the proposal, **any limits on the use or distribution of that material should be clearly delineated in writing. This information should be submitted in a sealed envelope, clearly labeled confidential** and where it should be submitted in the response. Please be advised of the Freedom of Information Act as it may pertain to your submittal.

Should you have any questions regarding this proposal, please contact Robert F. Calise, The Hilb Group of New England, LLC, 931 Jefferson Blvd., Suite 3001, Warwick, RI 02886 at 1-800-678-1700.

All proposals should be written in ink or typed. If there is a correction with whiteout, the bidder must initial the change.

Negligence on the part of the bidder in preparing the proposal confers no rights for the withdrawal of the proposal after it is open.

Any deviation from the specifications must be noted in writing and attached as part of the bid proposal. The bidder shall indicate the item or part with the deviation and indicate how the proposal will deviate from specifications.

The IRS Form W-9 available on [www.warwickri.gov](http://www.warwickri.gov) should be completed and submitted with the proposal if the bidder falls under IRS requirements to file this form.

For a bid to be awarded to a corporation, limited liability company or other legal entity, prior to commencing work under the awarded bid, that corporation, company or legal entity may be required to provide to the Purchasing Agent a **Certificate of Good Standing** from **The Rhode Island Secretary of State** dated no more than thirty (30) days prior to the date upon which the bid approval was made. **Please note that no other State's Certificate of Good Standing will be accepted.**

If required, the successful bidder will provide said **State of Rhode Island's Certificate of Good Standing** within ten (10) calendar days after notification or the City reserves the right to rescind said award.

All bids and rates must be guaranteed for a minimum of a twelve-month period beginning July 1, 2018 and expiring June 30, 2019. Priority consideration will be given to bids that will guarantee premium rates and/or administration/retention charges for more than one year and which include rate caps. Early termination penalties, if any, should be clearly stated as to the terms and obligations of both parties. Term contracts may be extended for one additional term upon mutual agreement unless otherwise stated.

The contractor must carry sufficient liability insurance and agree to indemnify the City against all claims of any nature, which might arise as a result of his operations or conduct of work.

The City is exempt from the payment of the Rhode Island Sales Tax under the 1956 General Laws of the State of Rhode Island, 44-18-30, Paragraph I, as amended.

On behalf of the City, the Purchasing Agent reserves the right to reject any and all proposals, to waive any minor deviations or informalities in the proposals received, and to accept the proposal deemed most favorable to the interest of the City. The Schools separately reserves the right to reject any and all proposals, to waive any minor deviations or informalities in the proposals received, and to accept the proposal deemed most favorable to the interest of the Schools.

The City and the Schools separately, reserve the right to terminate the contract or any part of the contract in the best interests of the City and/or the Schools, upon 30-day notice to the contractor. The City and/or the Schools shall incur no liability for materials or services not yet ordered if it terminates in the best interest of the City and/or the Schools. If the City and/or the Schools terminate in the interest of the City and/or the Schools after an order for materials or services have been placed, the Bidder shall be entitled to compensation upon submission of invoices and proper proof of claim, in that proportion which its services and products were satisfactorily rendered or provided, as well as expenses necessarily incurred in the performance of work up to time of termination.

The successful bidder must comply with all Rhode Island Laws applicable the public works projects, including, but not limited to provisions of Chapter 13 of Title 37 of the Rhode Island General Laws, pertaining to prevailing wage rates, and all other applicable local, state and federal laws.

The City and/or the Schools reserve the right to terminate the contract or any part of the contract in the best interests of the City and/or the Schools, upon 30-day notice to the contractor. The City and/or the Schools shall incur no liability for materials or services not yet ordered if it terminates in the best interests of the City and/or the Schools. If the City and/or the Schools terminate in the interests of the City and/or the Schools after an order for materials or services have been placed, the contractor shall be entitled to compensation upon submission of invoices and proper proof of claim, in that proportion which its services and products were satisfactorily rendered or provided, as well as expenses necessarily incurred in the performance of work up to time of termination.

No extra charges for delivery, handling or other services will be honored. All claims for damage in transit shall be the responsibility of the successful bidder. Deliveries must be made during normal working hours unless otherwise agreed upon.

All costs directly or indirectly related to the preparation of a response to this solicitation, or any presentation or communication to supplement and/or clarify any response to this solicitation which may be required or requested by the City of Warwick shall be the sole responsibility of and shall be borne by the respondent.

If the respondent is awarded a contract in accordance with this solicitation and the respondents proposal or response and if the respondent fails or refuses to satisfy fully all of the respondents obligations thereunder, the City and/or the Schools shall be entitled to recover from the respondent any losses, damages or costs incurred by the City and/or the Schools as a result of such failure or refusal.

The City and the Schools, separately, reserve the right to award in part or full and to increase or decrease quantities in the best interest of the City and the Schools.

Any quantity reference in the proposal specifications are estimates only, and do not represent a commitment on the part of the City and/or the Schools to any level of billing activity. It is understood and agreed that the agreement shall cover the actual quantities ordered during the contract period.

The City and Schools reserve the right to rescind award for non-compliance to proposal specifications.

In accordance with the City of Warwick Resolution #R-11-7, this proposal requires that vendors automatically extend the contract for two (2) months after the contract expires at the price contained in the expiring contract.

---

The successful bidder must adhere to all City, State and Federal Laws, where applicable.

## SECTION 1

### **A. OVERVIEW**

The City of Warwick (the City) and Warwick Public Schools (the Schools) have decided to pursue a collaborative bid process in the pursuit of the most economical solution for purchasing medical, pharmacy and dental insurance benefits for their combined employee populations. Although the current medical, pharmacy and dental plans are self-insured, Warwick will entertain fully insured bids if they make economic sense. There is particular interest in exploring the potential of carving out pharmacy benefit management services should this unbundled approach prove to be more economical for the City and the Schools.

The City maintains a self-insured arrangement purchased through WB Community Health purchasing collaborative and Blue Cross Blue Shield of RI. Currently, the City offers four plan options, Healthmate Coast-to-Coast, a preferred provider organization, Classic Blue, an indemnity plan, Blue Solutions, a High Deductible Health Plan and Blue Chip, a point of service plan. In addition to these plans, the City also provides Work Related Injury (WRI) benefits and Medicare supplemental coverage. The program is currently offered through the WB Community Health (purchasing collaborative) and Blue Cross Blue Shield of RI.

The City has approximately 1,160 employees currently enrolled in its existing health benefits program.

The Schools maintain a self-insured arrangement purchased through WB Community Health (purchasing collaborative) and Blue Cross Blue Shield of RI. Presently the Schools are offering Healthmate Coast to Coast a preferred provider organization and Classic Blue, an indemnity plan. In addition to these plans, the Schools also provide Work Related Injury (WRI) benefits as part of their self-insured arrangement.

The Schools have approximately 1,436 employees enrolled in their existing health benefits program.

The City and the Schools also purchase individual stop-loss insurance from WB Community Health and Blue Cross Blue Shield of RI. The City and the Schools retain \$200,000 of risk per member and WB Community Health retains an additional \$300,000 of risk per member and ultimately stop-loss insurance is purchased for any claim that exceeds \$500,000 per member. Currently, the stop-loss insurance is with Blue Cross Blue Shield of RI.

The details of existing coverage, claims and enrollment for the City and the Schools are provided via secure web access at: <https://hilbgroupne.sharefile.com/d-saca1125001240d89>. The following documents are contained on the secure server.

1. Current benefit plan design specifications
2. Most recent 36 months of medical claims
3. Most recent 36 months of pharmacy claims
4. Most recent 24 months of dental claims
5. Medical and Dental Disruption Data
6. Current enrollment and census data file
7. Provider Access Report for disruption analysis
8. Collective Bargaining Agreements
9. Pricing Illustration



## B. PURPOSE OF RFP

The City and the Schools are interested in a long-term relationship with a partner that will provide a high-quality product at the lowest pricing possible. As municipal budgets continue to get cut, keeping healthcare and dental costs under control is paramount to the long term fiscal condition of the City and the Schools. The City and the Schools will need pricing for the following services and coverage, you are allowed to provide pricing on any or all of the services identified below:

1. Self-Insured Arrangement (Medical)
  - a. Administrative Services Only (ASO) including PBM
    - i. City and Schools combined
    - ii. City only
    - iii. Schools only
2. Stop Loss Insurance (if available)
  - a. Specific Stop Loss Insurance
    - i. City and Schools combined
    - ii. City only
    - iii. Schools only
  - b. Aggregate Stop Loss Insurance
    - i. City and Schools combined
    - ii. City only
    - iii. Schools only
3. Pharmacy Benefit Management
  - a. Stand Alone PBM Services
    - i. City and Schools combined
    - ii. City only
    - iii. Schools Only
4. Fully Insured Medical and Rx Plan (Optional)
  - a. City and Schools Combined
  - b. City Only
  - c. Schools Only
5. Self-Insured Arrangement (Dental)
  - a. Administrative Services Only (ASO)
    - i. City and Schools combined
    - ii. City only
    - iii. Schools only
6. Fully Insured Dental Plan (Optional)
  - a. City and Schools Combined
  - b. City Only
  - c. Schools Only

For your Medical ASO and PBM quote as well as Fully Insured Medical/Pharmacy, please include (at a minimum) the following services:

Medical Claims Administration  
Pharmacy Claims Administration  
Pharmacy Formulary Management  
HIPAA Administration  
Utilization Review  
Large Case Management  
Disease Management  
Coordination and Subrogation of Benefits

### **C. REQUIREMENTS**

In order satisfy the criteria of becoming a qualified bidder, each carrier proposing **must** comply with the following terms:

1. Provide a standard provider disruption report utilizing the Provider Access Report provided, for any bidder responding that utilizes the Blue Cross Blue Shield of RI network, you do not need to provide this report.
2. Provide your medical provider discounts (with guarantees) by setting; hospital, physician, lab, imaging and pharmacy.
3. Please indicate whether you will laser any claimants at inception of the policy and whether your contract allows for lasering at renewal. If you offer contracts with and without lasering, please indicate the price adjustment for both options.
4. Provide a monthly report electronically with all claims paid with provider name, dollar amount charged, dollar amount paid, patient responsibility, diagnosis and de-identified subscriber profile information as prescribed by HIPAA regulations.
5. All submittals must include a completed Section 10 showing rate development details.
6. Offer a multi-year agreement if available. Early termination penalties, if any, should be clearly stated as to the terms and obligations of both parties.
7. Please provide a discussion about wellness program scope, content and cost.

#### D. EVALUATION CRITERIA

The evaluation of proposals will be based on the following criteria:

Category	Weighting
Overall cost to provide services	50%
Multi-year administrative fee and/or premium guarantees	15%
Network Disruption (including ancillary networks)	15%
Ability to provide comparable coverage	20%

#### E. SUBMISSION REQUIREMENTS

- Proposals must answer all questions in the same order asked in this RFP. The list should be included in your submittal and clearly identified on separate sheet(s). A response to this proposal that does not respond to all questions in this RFP will be deemed incomplete and may be rejected.
- All questions and requests for clarification concerning this RFP shall be directed to Robert F. Calise, The Hilb Group of New England, at 1-800-678-1700.
- Written questions shall be submitted to Robert Calise, The Hilb Group of New England, 931 Jefferson Blvd., Suite 3001, Warwick, RI 02886
- All proposals should be submitted with one (1) original, sixteen (16) copies and five (5) complete electronic versions, preferably in PDF format, in a sealed envelope, which should read: YOUR COMPANY NAME and plainly marked on the exterior of the envelope “**RFP2019-003 City of Warwick and Warwick Public Schools Medical, Pharmacy and Dental Insurance Benefits**”.
- The proposals will be reviewed by the City’s consultant, The Hilb Group of New England and a recommendation will be made to the City Council and the School Committee.
- All proposals submitted become the property of the City and the Schools and will not be returned. If the company intends to submit **confidential or proprietary information as part of the proposal, any limits on the use or distribution of that material should be clearly delineated in writing.** This information should be submitted in a **sealed envelope, clearly labeled confidential** and where it should be submitted in the response. Please be advised of the Freedom of Information Act as it may pertain to your submittal.
- This RFP may be modified or withdrawn by the City and/or the Schools at any time.
- We ask that each bidder provide proposals as outlined above and that all deviations from the benefit scenarios and plan designs should be noted in the submission.

- All proposals and rates must be guaranteed for a minimum of a twelve-month period beginning July 1, 2018. Priority consideration will be given to proposals that will guarantee premium rates and/or administration/retention charges for more than one year and which include rate caps. Early termination penalties, if any, should be clearly stated as to the terms and obligations of both parties.
- All proposals must conform to Rhode Island laws and mandated benefits/policy provisions.
- **Please note that all Sections pertinent to the programs your organization is bidding on must be completed and submitted with all proposals.**

The City and the Schools realize the development and implementation of these programs will require significant effort in planning and careful execution. For this reason, strict adherence to the following timetable will be followed:

Date	Action
February 2, 2018	RFP Released
March 2, 2018	Bid Responses Due
TBD	Consultant's report to the School Committee with Vendor Award Recommendation
TBD	Consultant's report to City Council with Vendor Award Recommendation
July 1, 2018	Effective Date of Plan

## SECTION 2

### STOP-LOSS COVERAGE QUOTE SPECIFICATIONS

The City and the Schools will be exploring both fully insured and self-funded arrangements for the 2018-19 medical plan year. Below we have provided the stop loss levels and benefits that should be considered in your quoting.

<b>Benefit Accumulation Period:</b>	City: 12/24; Schools: 36/12; Combined 36/12
<b>Benefits Covered:</b>	Medical and Prescription Drugs
<b>Specific Deductible:</b>	City: and Schools: \$200,000, \$225,000, \$250,000 per member
<b>Specific Stop-Loss Maximum:</b>	Unlimited
<b>Specific Stop-Loss Coverage:</b>	100% of losses in excess of the specific deductible will be reimbursed up to the specific maximum
<b>Aggregate Accumulation Period:</b>	City 12/18; 12/24; Schools 36/12
<b>Aggregate Corridor:</b>	125%
<b>Aggregate Benefits Covered:</b>	Medical and Prescription Drugs
<b>Aggregate Maximum Benefit:</b>	\$2,000,000
<b>Monthly Aggregate Accommodation (MAA):</b>	Quote should indicate with and without MAA
<b>Lasering:</b>	Quote should indicate with and without Lasering, please provide pricing for both options if available

### **SECTION 3**

#### **MEDICAL ASO (AND OPTIONAL FULLY INSURED) - QUESTIONNAIRE**

**This questionnaire must be completed by all  
respondents submitting ASO proposals.**

##### **A. PIGGY BACK PROVISIONS:**

1. Will the City and/or the Schools be given the opportunity to piggy-back onto any other RFP for similar services with other municipalities or other State agencies that you have offered coverage to?
2. If you answered no to question one above, please provide an explanation indicating why the City and/or the Schools would not be able to obtain the same pricing as your lowest priced municipal or State agency account.
3. Is any part of your bid contingent on being awarded any other part of this - RFP (i.e. retiree plan is contingent upon offering of active plan)?

---

##### **B. PROVIDER NETWORK & ACCESS TO CARE:**

1. Please provide a list of the provider contract expiration dates for each Rhode Island based hospital in your network.
2. Please indicate if access fees are paid to providers outside of the Rhode Island "home" network for in-network services. If access fees are paid, please indicate what the fee is and how it is calculated.
3. Please provide a disruption analysis using the providers that were accessed by plan participants in the past 12 months. You will find this listing on the secure server.

##### **C. BENEFITS & SERVICES:**

1. Briefly explain your programs ability to assess health, promote wellness, and prevent disease and the level of involvement of your participating physicians in these programs. Please explain your disease management program in detail and provide ROI metrics for the following conditions:
  - a. Diabetes
  - b. Asthma
  - c. Coronary Artery Disease
  - d. Heart Failure
  - e. COPD
  - f. Hypertension
  - g. Depression/mental health
  - h. Low back pain
  - i. High-risk maternity

2. Should the City and/or the Schools decide to use a third party to develop, promote, implement and monitor a comprehensive wellness program, what data can you provide in electronic format to a wellness vendor, how often can you feed this data to an outside vendor?
3. Do you participate in a Center of Excellence program? If yes, please explain or provide literature listing procedures and sites and whether participation is mandatory, voluntary or determined by the employer.
4. Please describe your benefits relative to transplants and experimental procedures.

**D. CLAIMS ADMINISTRATION:**

1. Please provide a general description of your firm's experience in processing claims with particular emphasis on your experience in processing claims for governmental units of similar size to the City and the Schools.

**E. PAYMENTS TO PROVIDERS**

1. Please describe any unique payment or reimbursement arrangement that you may have amongst your provider panel.
2. Have you developed any Accountable Care Organizations or do you participate with any ACOs?
3. Please indicate your ASO pricing assuming you retain 100% of Rx manufacturer rebates. Please indicate your estimate of the rebates that you will receive through the policy year 7/1/2018-6/30/2019. Please breakdown the rebate estimates by the City's portion and the School's portion.

**F. QUALITY:**

1. What support do you provide to Patient Centered Medical Homes?
2. Explain/summarize how your participating physicians are involved in efforts to improve clinical quality.
3. Do you have the ability to provide subscribers with quality and efficiency metrics when comparing and selecting providers?
4. Does your plan monitor provider practice patterns? If you do, please explain how and for what procedures, and describe your means of information feedback to providers. Do you have programs to control known high-utilization procedures?
5. Does your plan have the means to monitor health outcomes and/or do you receive such data from any of your participating hospitals?

6. Do you survey plan members to determine areas and levels of satisfaction? How frequently?
7. Please share the results of your latest member satisfaction survey.
8. Please describe your grievance procedure for members.

**G. COLLABORATIVE PURCHASING GROUPS:**

1. Is the arrangement that you are proposing part of a collaborative purchasing group?
  2. If yes, please describe how your program operates.
  3. Is any up-front collateral required to be put on deposit with your organization?
  4. Are there any exit penalties or costs should the City and/or the Schools opt out at any time?
  5. If your program is self-insured, are you providing stop-loss insurance?
  6. If so, who is the stop-loss insurer?
- 
7. Is the City and/or the Schools exposed to any other communities' losses, in other words, is the City and/or the Schools pooling/sharing risk with any other community that is part of your program?
  8. What other organizations/communities participate in your purchasing group?
  9. Please provide 36 months of financial performance of your purchasing group and indicate which communities may have joined or terminated their participating in your purchasing group. All proposals submitted become the property of the City and the Schools and will not be returned. If the company intends to submit **confidential or proprietary information** as part of the proposal, **any limits on the use or distribution of that material should be clearly delineated in writing. This information should be submitted in a sealed envelope, clearly labeled confidential** and where it should be submitted in the response. Please be advised of the Freedom of Information Act as it may pertain to your submittal.
  10. Please provide a complete copy of any and all agreements that may be required to be signed by the City and/or the Schools in order to participate in your purchasing group.



## SECTION 4

### PHARMACY BENEFIT MANAGEMENT - QUESTIONNAIRE

#### A. General

1. Have there been any governmental investigations of your organization due to Medicare fraud? If so, please describe.
2. Do you anticipate any changes in your organization's basic ownership structure or any other significant changes in your organization within the next 12 months? If so, please describe.
3. If your organization proposes to subcontract with a mail service provider, please indicate on what basis that provider is selected and describe the nature of your firm's relationship with the subcontracted provider.
4. Discuss pharmaceutical management programs both included in core coverage and on an optional basis (and associated fee).
5. Describe how your system will fully support all applicable state and federal policies with regard to verification of client eligibility and editing for pharmacy claims.
6. Describe how you will support the handling of Federal and Supplemental rebates and your proposal for transitioning the rebate function from our current Contractor.
7. Explain how your proposed system will cross-check previous prescription history from the previous Warwick PBM, Prime Therapeutics, to generate prospective drug utilization review alerts to dispensing pharmacists.
8. The connectivity between the Contractor and pharmacy providers will be in accordance with current, national, uniform standards (NCPDP format) for batch claims processing and prospective drug utilization review (Pro-DUR) and will be HIPAA and HITECH compliant. Describe your process for insuring these standards continue to be met.
9. Describe your standards to address system vulnerability to theft and mischief, and efforts at tampering.
10. Identify your drug reference database (First Data Bank, MediSpan, etc.) vendor and ability to contract with other drug data vendors in order to provide drug information that is currently not supplied by your current data vendor to meet Warwick's needs. Address any licensing requirements or costs that we may incur to receive claims information with your vendor's drug reference information.

11. Describe your current MAC programs. Additionally, describe how you regularly monitor MAC to ensure adequate pricing and describe how MAC dispute process determines if a pharmacy is being paid unfairly or instead due to inadequate pharmacy purchasing.
  12. For Compounded Drugs, describe how the system will capture, edit, and adjudicate pharmacy claims. Explain how your system will perform this process and how the system will support 15 multiple-ingredient processing per the specifications of the most current National Council for Prescription Drug Programs (NCPDP) version being utilized.
  13. Is your retail pharmacy network contracted at the new AWP (those available post-September 26, 2009)?
  14. What is your definition of Specialty/Biotech drugs?
  15. Do you have a dedicated P&T (Pharmacy and Therapeutics) committee for your specialty drug program?
  16. If you have a dedicated specialty P&T Committee for specialty, what is the composition of your specialty P&T Committee, and their credentials?
  17. List the Specialty drugs to which your organization does not have access (i.e., limited distribution products).
- 
18. How does your organization obtain access to limited distribution products if you are not a "preferred vendor" for your clients?
  19. Describe your customer service operations as well as your call center hours and locations, average wait time, and issue resolution statistics.
  20. Describe in detail the educational outreach programs you would provide to customers including but not limited to social media, direct mail, and pharmacy-based communications.
  21. Describe what services customers may utilize through your company's website, e-apps, or other technology.
  22. Describe any physician outreach programs your company provides including but not limited to outreach associated with gaps in care, generic alerts and education.
  23. Describe your formulary review process, including the frequency with which drugs are tiered, the process of review and data sources that inform the review process.

## **B. Utilization Review**

Describe your current step therapy program, including your clinical review process utilized in developing your step therapy protocols and provide a list of affected drugs. Additionally, what provision do you have to allow a member to obtain a prescription for drugs on the step therapy list if the physician is unavailable? Will you be willing to work with the City and/or the Schools to customize the step therapy program?

### **C. Mail Order and Maintenance Drug Network**

1. Name the primary pharmacy (and location) that would provide mail order prescription medication to participants. What is the dispensing capacity of this pharmacy and what capacity is currently utilized? How would you handle the additional utilization by the City and/or the Schools members?
2. Confirm that you offer, or can offer by July 1, 2018, a retail network that provides better prices for dispensing 90-day supplies (i.e., Retail-90 Network)?
3. Please outline your transition plan to transfer plan members from the existing mail order pharmacy provider to your mail order pharmacy offering with minimal disruption. Please do the same for the maintenance drug network.
4. If your company offers mail order or deeply discounted pricing at select retail-90 pharmacies, please provide information about these networks/select pharmacies.
5. Identify any pharmacies that are in the current Maintenance Drug Network that will not be in your network. Also, identify any pharmacies that are not in the current Maintenance Drug Network that will be in our maintenance drug network and provide a list of pharmacies in your network not in the State's existing network.

---

### **D. Financial**

How will Warwick be reimbursed for rebates? Warwick would prefer to receive a guaranteed rebate for each script dispensed. If you are proposing a non-guaranteed rebate structure, please describe how Warwick would benefit from this structure.

The Bidder must specify both brand and generic costing methodology and dispensing fees. The Bidder must describe all of the following:

1. Indicate how often the Bidder's MAC list is updated and the criteria for adding and deleting products from this list.
2. Confirm that the Bidder's MAC list applies to both retail and mail order.
3. Attach a copy of Bidder's most recent MAC price list.
4. Indicate how generics without a MAC price are priced.
5. Describe the source, reference price and frequency of updates for the Bidder's single source brand name medications.
6. Describe the source, reference price and frequency of updates for the Bidder's single source generic medications and the generics subject to MAC pricing.

7. Claims must adjudicate at the lowest of discounted cost plus dispensing fee, Usual and Customary (U&C) cost, or member copay. Providers must submit the U&C with each claim. How does the Bidder's organization assure that this protocol is followed?
8. Identify specific performance guarantees and associated financial incentives. The City and/or the Schools welcome your suggestions about areas in which you will guarantee performance along with financial incentives and/or penalties. Possible areas include: customer service call resolution, network size, mail order pharmacy performance (e.g. fill accuracy, delivery turnaround time, capacity), utilization management program performance, etc.

#### **E. Retail and Maintenance Drug Networks**

1. How large is your nationwide network of member pharmacies?
2. How many Warwick network pharmacies will be included in the network intended to service Warwick employees?
3. How do you administer your specialty drug network?
4. Please note a complete list of all pharmacies utilized by Warwick members is contained on the secure server Please identify those pharmacies not in your networks.
5. Which of the following price sources does your company use to determine the gross cost of medications which are dispensed at the specialty pharmacy?
  - MediSpan,
  - Micromedex
  - Thomson HealthCare's Red Book
  - Other: \_\_\_\_\_

## SECTION 5

### MEDICAL AND RX STOP LOSS QUESTIONNAIRE

1. Confirm that all rates quoted are final.
2. Confirm whether or not ongoing large claims will be subject to specific underwriting in the initial year of coverage and in subsequent renewal years, i.e., "lasering".
3. Provide a specimen contract.
4. Are you fully licensed to provide this coverage in the State of Rhode Island?
5. Under what circumstances do you reserve the right to review the experience and change the rate structure off anniversary? Do changes in plan enrollment during the policy year give you the right to adjust rates off anniversary? If so, please indicate the enrollment change as a percentage of the whole group.
6. We are requesting waiver of any actively at work/dependent non-confinement requirements (no loss/no gain). Describe any actively at work/dependent non-confinement requirements, pre-existing conditions or other limitations applicable under your contract.
7. Describe the administrative and reporting procedures that the City and/or the Schools must adopt if you are selected as the stop-loss underwriter. Include claim documentation requirements.
8. Describe specific stop-loss claim reconciliation in the event that claims exceed the specific level. Are you able to coordinate with our health care administrator to provide for advance funding? Is there a cost?
9. Do you offer terminal liability protection? Is there a cost?
10. Describe any utilization review or case management requirements under your contract. In the event of a large claim, will you perform case management in addition to or concurrent with our health care administrator?
11. Please include a copy of your company's most recent financial report, as well as ratings from at least three (3) insurance industry financial rating sources. Please indicate the dates associated with your financial ratings. All proposals submitted become the property of the City and the Schools and will not be returned. If the company intends to submit **confidential or proprietary information** as part of the proposal, **any limits on the use or distribution of that material should be clearly delineated in writing. This information should be submitted in a sealed envelope, clearly labeled confidential** and where it should be submitted in the response. Please be advised of the Freedom of Information Act as it may pertain to your submittal.

## SECTION 6

### DENTAL ASO - QUESTIONNAIRE

#### **A. PIGGY BACK PROVISIONS:**

1. Will the City and/or the Schools be given the opportunity to piggy-back onto any other RFP for similar services with other municipalities or other State agencies that you have offered coverage to?
2. If you answered no to question one above, please provide an explanation indicating why the City and/or the Schools would not be able to obtain the same pricing as your lowest priced municipal or State agency account.
3. Is any part of your bid contingent on being awarded any other part of this - RFP (i.e. retiree plan is contingent upon offering of active plan)?

#### **B. PROVIDER NETWORK & ACCESS TO CARE:**

1. Please provide a disruption analysis using the providers that were accessed by plan participants in the past 12 months. You will find this listing on the secure server.

#### **C. BENEFITS & SERVICES:**

1. Briefly explain your programs' ability to assess oral health, promote wellness, and prevent disease and the level of involvement of your participating dentists in these programs.
2. What programs and measures do you have in place to help contain the costs in the City's and/or the Schools program?

#### **D. CLAIMS ADMINISTRATION:**

1. Please provide a general description of your firm's experience in processing claims with particular emphasis on your experience in processing claims for governmental units of similar size to Warwick.

#### **E. PAYMENTS TO PROVIDERS**

1. Please describe any unique payment or reimbursement arrangement that you may have amongst your provider panel.

**F. QUALITY:**

1. Explain/summarize how your participating dentists are involved in efforts to improve clinical quality.
2. Does your plan monitor provider practice patterns? If you do, please explain how and for what procedures, and describe your means of information feedback to providers. Do you have programs to control known high-utilization procedures?
3. Do you survey plan members to determine areas and levels of satisfaction? How frequently?
4. Please share the results of your latest member satisfaction survey.
5. Please describe your grievance and/or appeals procedure for members.

**G. COLLABORATIVE PURCHASING GROUPS:**

1. Is the arrangement that you are proposing part of a collaborative purchasing group?
2. If yes, please describe how your program operates.
3. Is any up-front collateral required to be put on deposit with your organization?
4. Are there any exit penalties or costs should the City and/or the Schools opt out at any time?
5. Is the City and/or the Schools exposed to any other communities' losses, in other words, is the City and/or the Schools pooling/sharing risk with any other community that is part of your program?
6. What other organizations/communities participate in your purchasing group?
7. Please provide 36 months of financial performance of your purchasing group and indicate which communities may have joined or terminated their participating in your purchasing group. All proposals submitted become the property of the City and the Schools and will not be returned. If the company intends to submit **confidential or proprietary information** as part of the proposal, **any limits on the use or distribution of that material should be clearly delineated in writing. This information should be submitted in a sealed envelope, clearly labeled confidential** and where it should be submitted in the response. Please be advised of the Freedom of Information Act as it may pertain to your submittal.
8. Please provide a complete copy of any and all agreements that may be required to be signed by the City and/or the Schools in order to participate in your purchasing group.

**SECTION 7**

**QUOTE FORM – MEDICAL ASO & FULLY INSURED**

Fully Insured Quotes (Monthly Premiums): City Only

Plan Name	Employee Only	Employee / Spouse	Employee / Child(ren)	Family

Fully Insured Quotes (Monthly Premiums): Schools Only

Plan Name	Employee Only	Employee / Spouse	Employee / Child(ren)	Family

Fully Insured Quotes (Monthly Premiums): City and Schools Combined

Plan Name	Employee Only	Employee / Spouse	Employee / Child(ren)	Family



**SECTION 7**

**QUOTE FORM – MEDICAL ASO & FULLY INSURED (continued)**

ASO Quote (Monthly Administrative Fee): City Only

Plan Name	All Inclusive Monthly Administrative Rate	Working rate for Employee Only	Working rate for Employee/ Spouse	Working rate for Employee/ Child(ren)	Working rate for Family

ASO Quote (Monthly Administrative Fee): Schools Only

Plan Name	All Inclusive Monthly Administrative Rate	Working rate for Employee Only	Working rate for Employee/ Spouse	Working rate for Employee/ Child(ren)	Working rate for Family

ASO Quote (Monthly Administrative Fee): City and Schools Combined

Plan Name	All Inclusive Monthly Administrative Rate	Working rate for Employee Only	Working rate for Employee/ Spouse	Working rate for Employee/ Child(ren)	Working rate for Family

**SECTION 8**

**QUOTE FORM – DENTAL ASO AND FULLY INSURED**

Fully Insured Quotes (Monthly Premiums): City Only

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family

Fully Insured Quotes (Monthly Premiums): Schools Only

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family

Fully Insured Quotes (Monthly Premiums): City and Schools Combined

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family

**SECTION 8**

**QUOTE FORM – DENTAL ASO AND FULLY INSURED (continued)**

ASO Quote (Monthly Administrative Fee): City Only

Plan Name	All Inclusive Monthly Administrative Rate	Working rate for Employee Only	Working rate for Employee/ Spouse	Working rate for Employee/ Child(ren)	Working rate for Family

ASO Quote (Monthly Administrative Fee): Schools Only

Plan Name	All Inclusive Monthly Administrative Rate	Working rate for Employee Only	Working rate for Employee/ Spouse	Working rate for Employee/ Child(ren)	Working rate for Family

ASO Quote (Monthly Administrative Fee): City and Schools Combined

Plan Name	All Inclusive Monthly Administrative Rate	Working rate for Employee Only	Working rate for Employee/ Spouse	Working rate for Employee/ Child(ren)	Working rate for Family

**SECTION 9**

**QUOTE FORM - MEDICAL STOP LOSS INSURANCE**

**CITY QUOTE SPECIFICATIONS**

**Assumptions**

Specific Stop Loss Level:  
Specific Stop Loss Maximum:

**Benefit Accumulation Period**

Coverage:  
Incurred:  
Paid:  
Aggregate Corridor:  
Aggregate Maximum:  
Minimum Aggregate Deductible:  
Monthly Aggregate Accommodation:

**Specific Stop Loss**

Monthly Per Subscriber Rates:

**Aggregate Stop Loss**

Monthly Per Subscriber Rates:  
Monthly Attachment Factor:

	Option 1			Option 2		
	Quote 1	Quote 2	Quote 3	Quote 1	Quote 2	Quote 3
	City Only			City and Schools Combined		
Specific Stop Loss Level:	\$200,000	\$225,000	\$250,000	\$200,000	\$225,000	\$250,000
Specific Stop Loss Maximum:	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Coverage:	Medical & Rx	Medical & Rx	Medical & Rx	Medical & Rx	Medical & Rx	Medical & Rx
Incurred:	12 Months	12 Months	12 Months	36 Months	36 Months	36 Months
Paid:	24 Months	24 Months	24 Months	12 Months	12 Months	12 Months
Aggregate Corridor:	125%	125%	125%	125%	125%	125%
Aggregate Maximum:	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Minimum Aggregate Deductible:	95%	95%	95%	95%	95%	95%
Monthly Aggregate Accommodation:	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No
Monthly Per Subscriber Rates:						
Monthly Per Subscriber Rates:						
Monthly Attachment Factor:						

**Notes:**

Each vendor is required to quote on at least one option above. You need not provide quotations for both options however, you may do so. Please quote net of all broker/agent Commissions. Please indicate your pricing for No Lasers and separate pricing for coverage that would allow Lasers if available.

**SECTION 9**

**QUOTE FORM - MEDICAL STOP LOSS INSURANCE (continued)**

**SCHOOLS QUOTE SPECIFICATIONS**

**Assumptions**

Specific Stop Loss Level:  
Specific Stop Loss Maximum:

**Benefit Accumulation Period**

Coverage:  
Incurred:  
Paid:  
Aggregate Corridor:  
Aggregate Maximum:  
Minimum Aggregate Deductible:  
Monthly Aggregate Accommodation:

**Specific Stop Loss**

Monthly Per Subscriber Rates:

**Aggregate Stop Loss**

Monthly Per Subscriber Rates:  
Monthly Attachment Factor:

	Option 3					
	Quote 1	Quote 2	Quote 3			
	Schools Only					
Specific Stop Loss Level:	\$200,000	\$225,000	\$250,000			
Specific Stop Loss Maximum:	Unlimited	Unlimited	Unlimited			
Coverage:	Medical & Rx	Medical & Rx	Medical & Rx			
Incurred:	36 Months	36 Months	36 Months			
Paid:	12 Months	12 Months	12 Months			
Aggregate Corridor:	125%	125%	125%			
Aggregate Maximum:	2,000,000	2,000,000	2,000,000			
Minimum Aggregate Deductible:	95%	95%	95%			
Monthly Aggregate Accommodation:	Yes/No	Yes/No	Yes/No			
Monthly Per Subscriber Rates:						
Monthly Per Subscriber Rates:						
Monthly Attachment Factor:						

**Notes:**

Each vendor is required to quote on at least one option above. You need not provide quotations for both options however, you may do so. Please quote net of all broker/agent Commissions. Please indicate your pricing for No Lasers and separate pricing for coverage that would allow Lasers if available.

**SECTION 10**

**WORKING RATE DEVELOPMENT DETAIL**

**CONFIDENTIAL**

(Please provide in a separate envelope clearly marked "CONFIDENTIAL")

<b>Rate Development Worksheet</b>				
Rate Year July 1, 2018-June 30, 2019				
<b>Item</b>	<b>Description</b>	<b>Rate/Value</b>	<b>Unit</b>	<b>Notes</b>
A	Total Estimated Claims			(Identify Experience Period Used for Incurred and Paid Claims)
B	Experience Period Employee Months			
C=A/B	Experience PEPM		PEPM	
D	Estimated Claims Removed from Experience		PEPM	
E	Incurred But Not Reported		PEPM	
F	Fully Incurred Experience Liability		PEPM	
G	Trended Claims Payments		PEPM	
H	Adjusted Trended Claims Payments		PEPM	(Please footnote adjustments made to Trended Claims Payments)
I	Pooling/Stop-Loss Charges		PEPM	
J=H+I	Total Adjusted Trended Claims Payments		PEPM	
K	Reserve Contribution (if any)		PEPM	
L	Credibility Factor		Percent	
M=J+K*L	Claims Payments and Reserve Contribution with Credibility Adjustment		PEPM	
N	Non-Experience Rated Coverage (if any)		PEPM	
O=M+N	Total Projected Claims Payments Liability		PEPM	
P	Administrative Fees		PEPM	
Q	Taxes		PEPM	
R=O+P+Q	Total Projected Claims, Administrative Fees and Taxes		PEPM	
S	Present Working Rate Revenue or Premium		PEPM	
T=R/S-1	Rate Adjustment		Percent	

**CITY OF WARWICK**

**PROPOSAL AND CONTRACT FORM**

**TITLE OF SPECIFICATION:** RFP 2019-003 City of Warwick and Warwick Public Schools Medical, Pharmacy and Dental Insurance Benefits

**I. PROPOSAL:**

WHEREAS, the CITY OF WARWICK and WARWICK PUBLIC SCHOOLS has duly asked for proposals for performance of services and/or supply of goods in accordance with the above-indicated specifications.

The person or entity below does irrevocably offer to perform the services and/or furnish the goods in accordance with the specifications, which are hereby incorporated by reference in exchange for the proposal price below;

This offer shall remain open and irrevocable until the CITY OF WARWICK and/or the WARWICK PUBLIC SCHOOLS has accepted this proposal or another proposal on the specifications or abandoned the project.

The bidder agrees that acceptance below by the CITY OF WARWICK and/or the WARWICK PUBLIC SCHOOLS shall transform the proposal into a contract.

**Pricing as Submitted**

**FULLY INSURED MONTHLY RATES – MEDICAL PLANS**

City Only

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family

Schools Only

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family

City and Schools Combined

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family





**FULLY INSURED MONTHLY RATES – DENTAL PLANS**

City Only

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family

Schools Only

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family

City and Schools Combined

Plan Name	Individual	Employee / Spouse	Employee / Child(ren)	Family



**MEDICAL STOP LOSS PRICING**

**CITY SPECS**  
**Specific Stop Loss**

Monthly Per Subscriber Rates

**Aggregate Stop Loss**

Monthly Per Subscriber Rates

City Only			City and Schools Combined		
Quote 1	Quote 2	Quote 3	Quote 1	Quote 2	Quote 3
12/24	12/24	12/24	36/12	36/12	36/12

**SCHOOL SPECS**  
**Specific Stop Loss**

Monthly Per Subscriber Rates

**Aggregate Stop Loss**

Monthly Per Subscriber Rates

Schools Only		
Quote 1	Quote 2	Quote 3
36/12	36/12	36/12

Prices Guaranteed \_\_\_\_\_ Months