



**CITY OF MEMPHIS
REQUEST FOR PROPOSAL**

#123759

HEALTH PLAN ADMINISTRATION

Addendum One (1)

This Addendum will become part of the Contract Documents. In case of difference with previous Addenda or communications, this Addendum takes precedence. Receipt will be acknowledged by inserting the Addendum number and its date in the RFP Response.

1. Responses to Questions

Questions & Answers

Except to remove vendor names and addresses, questions are provided exactly as submitted.

#		Section	Question / Answer
1	Q	Vision	Please provide the number of members for 2022.
1	A		As of 12/31/2022, the number of members for 2022 is 14,090. Historical membership can be found in "Attachment X7 - HP Admin RFP - Claim and Enrollment Totals by Product and Plan".
2	Q	Vision	Please provide the number of exams, frames, contact lenses, single vision, bifocal, and trifocal for 2022.
2	A		Aggregate 2022 vision plan utilization data requested can be found in "Attachment X4 - HP Admin RFP - Vision Claims by Service Type".
3	Q	RFP123759 Health Plan Administration, Section 3 Proposal Response, Pages 17	Please confirm what information should be included in Section 6, Relevant Experience.
3	A		"Your relevant experience will be assessed through your response to the RFP questionnaire." In your printed/physical proposal, please state "Our relevant experience is provided in our questionnaire responses."
4	Q	RFP123759 Health Plan Administration, Section 3 Proposal Response, Pages 17 and 18	Please confirm the format needed to submit our response in hard copy format. For example, there are attachments requested on RFP360 that are not included in the table on page 17. Please confirm where these would go in the hard copy binders.
4	A		Hard copy should include the full RFP questionnaire responses from RFP360 as Section 4 of the printed hard copy. Any attachments requested as part of the RFP360 questionnaire should also be included (with exceptions noted below).

			<p>The below list of large files can be completed/sent on the thumb drive (and RFP360), and do not need to be printed out;</p> <ul style="list-style-type: none"> ● Attachment P1 - HP Admin RFP - Medical GeoAccess Analysis ● Attachment P2 - HP Admin RFP - Medical Provider Analysis ● Attachment P4 - HP Admin RFP - Medical Market Basket Analysis ● Attachment Q5 - HP Admin RFP - Rx Claims File ● Attachment Q1 - HP Admin RFP - Rx Formulary Disruption ● Attachment Q2 - HP Admin RFP - Rx Network Disruption ● Attachment Q6 - HP Admin RFP - Rx Specialty Drug List ● Attachment R2 - HP Admin RFP - Dental Disruption Analysis ● Attachment S2 - HP Admin RFP - Vision Disruption Analysis
5	Q	RFP123759 Health Plan Administration, Section 3 Proposal Response, Pages 17 and 18	Please confirm large files (repricings, disruptions, formulary disruptions etc) can be included on the thumb drive response only and do not need to be printed.
5	A		<p>The below list of large files can be completed/sent on the thumb drive (and RFP360), and do not need to be printed out;</p> <ul style="list-style-type: none"> ● Attachment P1 - HP Admin RFP - Medical GeoAccess Analysis ● Attachment P2 - HP Admin RFP - Medical Provider Analysis ● Attachment P4 - HP Admin RFP - Medical Market Basket Analysis ● Attachment Q5 - HP Admin RFP - Rx Claims File ● Attachment Q1 - HP Admin RFP - Rx Formulary Disruption ● Attachment Q2 - HP Admin RFP - Rx Network Disruption ● Attachment Q6 - HP Admin RFP - Rx Specialty Drug List ● Attachment R2 - HP Admin RFP - Dental Disruption Analysis ● Attachment S2 - HP Admin RFP - Vision Disruption Analysis
6	Q	Attachment K: Scope of Services/Pharmacy	<p>Please provide clarification on the below bullet points under “Home Delivery”.</p> <ul style="list-style-type: none"> ● “Worry Free” Fills <p>Bridge Supply</p>
6	A		<ul style="list-style-type: none"> ● “Worry free” Fills - Is a program that members can sign-up for to receive automatic refills ● Bridge supply - Provides members a short term retail fill, (e.g. 3-7 days) to ensure that they do not run out of their medication while transitioning to home delivery
7	Q	Attachment Q5- HP Admin RFP- RX Claims Files	For Column J, Formulary, please provide a legend for “P, I, X, Y, N”.

7	A		
			<p>See below notes regarding Column J Formulary legend;</p> <ul style="list-style-type: none"> ● I = Formulary, non-preferred ● P = Formulary, preferred ● Y = Formulary, neutral ● T = Formulary, preferred, therapeutic interchange occurred on this claim ● J = Non-Formulary, non-preferred ● N = Non-Formulary, neutral ● X = Non-Formulary
8	Q	2.1. Minimum Bid Criteria/Question 23	<p>Please clarify this applies to the ASO Medical product. Also confirm the BAA is between the carrier and the City. Please clarify the monthly feeds to the data warehouse vendor are specific to medical only. Please identify the required data fields and format.</p>
8	A		<p>a) The data expected to be sent to the data warehouse on a monthly feed includes the following:</p> <ul style="list-style-type: none"> i) Medical Claims File ii) Rx Claims File iii) Disease Management Engagement Reporting iv) Wellness program reporting v) COBRA reporting vi) HRA Reporting <p>b) BAA is signed/contracted between the bidder (administrator) and the City</p> <p>c) The monthly data feeds are not limited to Medical only. Please see response to question 8a.</p> <p>d) The City will consider providing this information to the finalist vendor.</p>
9	Q	2.1/Minimum Bid Criteria/Question 27	<p>Please confirm the onsite clinic includes an onsite pharmacy.</p>
9	A		<p>Currently a limited selection of generic medications are available through the clinic. The City may consider expanding dispensing capabilities in the future.</p>

10	Q	2.4. Key Confirmations – Pharmacy/Question 2	Is the intent of this question to be sure we are in compliance with the Tennessee PBM legislation with regards to retail pharmacies?
10	A		The intent is to comply with Tennessee PBM Legislation and to ensure a transparent pricing arrangement.
11	Q	2.5 Insurance Requirements	<p>Please confirm if the City’ Risk Management has recently changed their address?</p> <p>The address on the RFP form is 170 N. Main St., 5th Floor, Memphis, TN, 38103, which is different from where we currently send COIs as the incumbent.</p> <p>We currently have the address for City of Memphis Risk Management located at 2714 Union Extended, Suite 200, Memphis, TN 38112.</p>
11	A		<p>There is no section 2.5 in either the RFP document or RFP360 questionnaire.</p> <p>No COI/insurance documents need to be provided at this time.</p> <p>For physical copy submission requirements, please see the address in “Section 2.6 PROPOSAL SUBMISSIONS” of the RFP document.</p>
12	Q	2.5 Insurance Requirements	Please see the red-lined Insurance Requirements Addendum attached with proposed changes. Is this sufficient and satisfactory for The City?
12	A		<p>There is no section 2.5 in either the RFP document or RFP360 questionnaire.</p> <p>The City is not accepting redlines as it pertains to insurance.</p>
13	Q	12.12 RX Organization Overview	<p>Regarding this question:</p> <p>5. Bidder agrees that its organization is held accountable for the integrity of the financial transactions as requested under ERISA.</p> <p>Can you please clarify what is meant by “financial transactions” as this is not a defined or commonly used term under ERISA?</p>
13	A		The question is asking if vendors/bidders are willing to act as a fiduciary for Rx claims and administration.
14	Q	2.4 Key Confirmations	<p>It appears that question #7 in this section contradicts question #8:</p> <p>7. Regarding rebate reconciliation, Bidder agrees to provide dollar for</p>

			<p>dollar payment across any shortfall on an individual pricing guarantee basis.</p> <p>8. Bidder agrees that minimum Rebate guarantees will be reconciled separately and in aggregate. No offsetting is allowed including Rebate surpluses to offset discounts, dispensing fees or other guarantees.</p> <p>Can you please clarify the intent of question #7?</p>
14	A		<p>Minimum rebate guarantees, (e.g., retail, retail90, mail, specialty, etc.) should be reconciled and paid out individually.</p> <p>An over-performance for retail cannot be used to offset an under-performance (or shortfall) for any of the other minimum rebate guarantees.</p> <p>Furthermore, a minimum rebate guarantee over-performance can not be used to offset an under-performance for other guarantees (e.g., discount, dispensing fee, etc.).</p>
15	Q	Section 12.32 RX Claims File	<p>Please provide clarification on whether the “formulary change flag” field request is necessary if you are the incumbent.</p> <p>For the “suggested alternative drug NDC” field request, may we just provide alternatives to non-covered drugs as the other medications are covered and eligible.?</p>
15	A		<p>Incumbent vendor must complete all sections of the RFP. Please identify any known formulary changes for 2023.</p>
16	Q	General Procedure Question	<p>Are the formulary and network disruptions required of the incumbent provider?</p>
16	A		<p>Yes, please identify any known formulary changes and network disruptions for 2023.</p>
17	Q	Section 6 – Relevant Experience	<p>Regarding instructions:</p> <p>Your relevant experience will be assessed through your response to the RFP questionnaire.</p> <p>Please clarify what documents are requested within this section.</p>
	A		<p>“Your relevant experience will be assessed through your response to the RFP questionnaire.”</p>

			In your printed/physical proposal, please state "Our relevant experience is provided in our questionnaire responses."
17			
18	Q	Exhibit 5 – City of Memphis Standard Contract for Goods and/or Services	Exhibit 5, the City’s Standard Contract, does not appear to be linked to a specific instruction, and additional information is not provided to clearly indicate what is expected regarding this attachment. Please confirm the document is for informational purposes only.
18	A		Redlines to the City’s Standard Contract for Goods and Services will not be collected until the selection of finalists. No action is needed at this time.
19	Q	General Procedure Question	Where do we include additional items not outlined within the prescribed Proposal Response layout (Section 3) such as Dental Provider Network Analysis (6.4), Vision Provider Network Analysis (7.5), etc.?
19	A		Dental Provider Analysis and Vision Provider Network Analysis can be uploaded in the appropriate sections that request for each of those deliverables to be uploaded. For example please see below; Dental: -6.4.1: Dental Provider Network Analysis -6.4.2: Dental Disruption Analysis -6.4.3: Dental Self-Reported Discounts Vision: -7.5.1: Vision Area Access Analysis -7.5.2: Vision Disruption Analysis -7.5.3 Vision Self-Reported Discounts Please do not submit any attachments beyond those requested, any additional attachments will not be reviewed.
20	Q	General RFP	Please advise if electronic signature is acceptable for non-notary required forms.
20	A		Electronic signatures are not acceptable. A wet signature is required everywhere a signature is requested in the "Original" hard copy binder response.
21	Q	1.5 and 2.1	Scope of Services -please clarify the services to be provided for COBRA? Are you looking for full COBRA administration services or solely for carrier offerings to include COBRA enrollees. FSA, EAP, Life and other Voluntary

			Coverage line items are not included with this RFP. Will any of these be solicited separately at a later date? If so, please share any additional detail you might have available at this time.
21	A		<p>a) Yes, the City is looking for a bidder to provide full COBRA administrative services. COBRA enrollment data can be found in attachment T1. Attachment C1 also includes additional details for bidders to provide quotes for COBRA and medical expense accounts.</p> <p>b) EAP services are not included in the scope of this RFP.</p> <p>Life Insurance is not included in the scope of this RFP, however a separate RFP process is currently being conducted for this coverage.</p> <p>Spending accounts (HRA and FSA) are included in the scope of this RFP and questions regarding these products are included in Section 5 of the RFP360 Questionnaire.</p> <p>Voluntary dental and vision coverages are included in the scope of this RFP and questions regarding these coverages can be found in Section 6 (dental) and 7 (vision) of the RFP360 Questionnaire (and are also included in the medical pricing form).</p>
22	Q	4.9 Contract Award	Please specify if Exhibit 5 “City of Memphis Service Agreement Sample Contract” was provided with the RFP for general information purposes only; or if the respondents should provide the City of Memphis with comments to the contract.
22	A		Redlines to the City’s Standard Contract for Goods and Services will not be collected until the selection of finalists. No action is needed at this time.
23	Q	General RFP	Please provide all current fees for ASO admin., stop loss, FSA and HRA.
23	A		The City is not providing rates/premiums/fees.
24	Q	General RFP	Please provider the current ASO Agreement.
24	A		The City is not providing the current ASO agreement.
25	Q	General RFP	Please provide current pharmacy contracted discounts, rebates and dispensing fees.
25	A		The City is not providing the current pharmacy contracted discounts, rebates, and dispensing fees.
26	Q	Census Clarification	Based on census enrollment in the medical and HRA, it would appear that the plans are all HRA options and there is a short waiting period for new hires/enrollees to have HRA funds available for use. Is that correct?

26	A		<p>As of 4/1/2023, all enrolled members are in the Select Plan which has an HRA. The City funds the HRA account annually at \$750 for single coverage and \$1,500 for the other enrollment tier coverages.</p> <p>The funds are available on the member’s medical plan coverage effective date. However, there is a 30 day waiting period after the hire date before the employee is eligible for (medical) coverage.</p>
27	Q	Claims/Enrollment Data	Please provide monthly claims/enrollment from 2018-2022 (all products by plan).
27	A		<p>Additional data specific to plan year 1/1/21-12/31/21 have been recently uploaded to RFP360 as of 5/8/23. This includes the following;</p> <ul style="list-style-type: none"> ● Attachment X7 - HP Admin RFP - Claim and Enrollment Totals by Product and Plan (New) <ul style="list-style-type: none"> ○ Medical: 1/2018 through 5/2023 ○ Pharmacy: 1/2020 through 12/2022 ○ Dental: 1/2021 through 12/2022 ○ Vision: 1/2018 through 12/2022
28	Q	Claims Experience	Please identify all non-fee-for-service claim amounts billed via claims account so we can see just the fee-for-service claims.
28	A		With the current vendor, there are no services charged on a capitated basis, nor are there any shared saving fees. All amounts billed via claims are fee-for-service claims.
29	Q	Utilization Data	Please provide medical utilization by facility for 2022 and 2023
29	A		Medical utilization by facility for 2022 and 2023 can be found in “Attachment X6 - HP Admin RFP - Medical Facility Utilization CY2022, YTD2023”.
30	Q	Repricing – Medical	Would it be possible to get a medical claims data file for the last 12-24 months to allow us to run a disruption and repricing?
30	A		<p>No additional files will be provided at this time for disruption and repricing.</p> <p>For the disruption and provider discount analysis, please use Attachment P2 - HP Admin RFP - Medical Provider Analysis.</p>
31	Q	Onsite Clinic	<p>Please provide detail of the current arrangement such as:</p> <p>Who is funding today?</p> <p>Who provides the staffing for these clinics?</p> <p>What services are available at the clinics?</p> <p>Is the clinic open to all enrolled (employee and dependents inclusive of COBRA and retirees)?</p> <p>How is the billing for the clinic? Is there a cost share arrangement with the member utilizing?</p> <p>Are these buildings owned by the City or leased by the carrier?</p>

31	A		<p>a) The medical plan administrator currently funds the cost of the clinic.</p> <p>b) The clinic provider (Baptist Health System) provides staffing.</p> <p>c) Currently the clinic is utilized for acute care. The City intends to expand services, using a phased approach to begin in 2024, to generally include services such as preventive/primary care, MSK, mental health, dietary, etc., however, details regarding the specific services to be provided at the clinic have not been finalized at this time.</p> <p>d) Eligible Population:</p> <ul style="list-style-type: none"> ● Active Employees (regardless of health plan enrollment) and their dependents ● Grandfathered Retirees (and their dependents) - Approximately 1,800 retirees <p>e) BCBST reimburses Baptist directly for the operating costs.</p> <p>f) No member cost share.</p> <p>g) One clinic site is housed in a City owned and operated facility. The other clinic site is owned/leased by the clinic provider</p>
32	Q	Benefits-HRA	Is there currently an HRA? If so, how does it pay (ee first, then HRA, how much for each)?
32	A		<p>a) Yes. As of 4/1/2023, all enrolled members are in the Select Plan which has an HRA. The City funds the HRA account annually at \$750 for single coverage and \$1,500 for the other enrollment tier coverages. The funds are available on the member’s medical plan effective date. However, there is a 30 day waiting period after the hire date before the employee is eligible for (medical) coverage.</p> <p>b) Members receive debit cards that can be used anytime for 213(d) expenses.</p>
33	Q	HC FSA Financial Section	In review of the Financial worksheet for completion, we are not seeing a place for the Health Care Flexible Spending Account (HCFSAs) responses. Can an updated template be provided?
33	A		This has been updated, please use “Attachment C1 - HP Admin RFP - Pricing Form - Medical - v3” which has been added to RFP360.
34	Q	Benefits-Medical	The medical plan information is very limited. Can you please provide more detail summaries or SPDs for each?

34	A		<p>The 2022 Select Plan SPD has been added to RFP360 as “Attachment X5 - HP Admin RFP - 2022 Medical SPD”.</p> <p>For any discrepancies between the 2022 SPD and 2023 Plan Design in “Section 1.5 Current Benefit Programs” of the RFP document, the modified Select Plan Design in the RFP document should be considered as up to date and correct.</p>
35	Q	Attachment O-2023 Benefits Booklet pgs 29, 51 & 69 and Attachment U2 Dental Benefit Summary	In the 2023 Benefits Booklet, the dental out-of-network (OON) shows \$50/\$150 deductible & 50% ortho coinsurance mirroring the in-network, but the BCBST dental summary shows OON deductible as \$100/\$300 & 40% as OON ortho coinsurance. Which is correct?
35	A		Please reference the BCBST dental summary, Attachment U2- HP Admin RFP - Dental Benefit Summary, as this supersedes the 2023 benefit booklet.
36	Q	Attachment U1-HPAdmin RFP Dental Enrollment & Utilization	Monthly dental claims and enrollment were provided for the period of 1/1/22-02/28/23. Can the prior year of monthly claims and enrollment also be provided (1/1/21-12/31/21)?
36	A		Dental plan data requested, 1/1/21-12/31/21, can be found in “Attachment X7 - HP Admin RFP - Claim and Enrollment Totals by Product and Plan” which has been added to RFP360. Please reference the dental tab.
37	Q	Attachment O-2023 Benefits Booklet	Have there been any dental or vision plan changes in the past three years (2021, 2022 or 2023)?
37	A		No, there have been no dental or vision plan changes during 2021-2023.
38	Q	Attachment U2 Dental Benefit Summary	Under Network Reimbursement for non-network dentists, please define “Tennessee PPO fee schedule”. Can you confirm that non-network dentist are reimbursed based on the in-network PPO fee schedule? What is the % of R&C equivalency of the PPO fee schedule for out-of-network provider reimbursement?
38	A		<p>BCBST reimburses out-of-network dentists at the in-network PPO fee schedule.</p> <p>The percent of R&C equivalency is not available at this time.</p>
39	Q	Attachment U2 Dental Benefit Summary	Under Network Reimbursement for non-network dentists, please define “Tennessee PPO fee schedule”

39	A		BCBST reimburses out-of-network dentists at the in-network PPO fee schedule.
40	Q	Attachment U2 Dental Benefit Summary	Please provide a copy of the dental SPD so complete benefits (frequencies, exclusions and limitations) can be evaluated.
40	A		A dental SPD is not available at this time and will not be provided, however please reference the BCBSTN dental benefit EOC that has been added to RFP360 as "Attachment X2 - HP Admin RFP - EOC Dental Plan".
41	Q	Attachment V1- HPAdmin RFP Vision Enrollment & Utilization	Monthly vision claims and enrollment were provided for the period of 1/1/22-02/28/23. Can the prior year of monthly claims and enrollment also be provided (1/1/21-12/31/21)?
41	A		Vision plan data requested, 1/1/21-12/31/21, can be found in "Attachment X7 - HP Admin RFP - Claim and Enrollment Totals by Product and Plan", which has been added to RFP360. Please reference the vision tab.
42	Q	Attachment O- 2023 Benefits Booklet	Would the City of Memphis be willing to offer a low cost DHMO option in addition to the current DPPO plan for 2024?
42	A		The City is open and willing to see bidders' creativity towards plan design enhancements, if accessibility and affordability of care are still satisfied. Please move forward with providing your best quote. Please quote on the basis of the current plans and then separately with any other options.
43	Q	1.13	Does the City contract their own rates at the on-site pharmacies? If yes, please provide the NABP numbers of the pharmacies. Does the City utilize 340b pricing?
43	A		a) The City does not contract directly. The medications that are dispensed at the city employee clinic are purchased through Baptist's vendor with Baptist contracted pricing. Clinic RX expenses are invoiced the same as clinic medical expenses and are currently funded by the Medical Plan Administrator. b) The clinics do not currently utilize 340b pricing.
44	Q	2	Please provide the monthly pharmacy lives from 2/2022-3/2022.
44	A		Please see "Attachment X7 - HP Admin RFP - Claim and Enrollment Totals by Product and Plan", which has been added to RFP360.
45	Q	Claims Data - Pharmacy	Please request a pharmacy data file with the following fields included: <ul style="list-style-type: none"> Line-by-Line claim Information by Drug dispensed for a 12 month period (i.e. Calendar Year or Rolling 12)

			<ul style="list-style-type: none"> ● Date of Service/Fill Date ● National Drug Code (NDC) = 11 digit number ● NABP (Pharmacy) Number ● Quantity Dispensed ● Days' Supply ● Retail/Mail Indicator ● Brand/Generic Indicator ● Unique Member Identifier (not Social Security #)
45	A		A pharmacy claim file, containing each of these data elements, was provided by secure email to all vendors on 4/11/23. They all confirmed receipt.