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Addendum No 4

April 27, 2017

**City of Longview RFP # 1617-23 Health and Welfare Employee Benefits**

**DUE DATE 5/10/2017 @ 2:00 p.m. CST.**

The City of Longview offers the following clarification for the above referenced Request for Proposal:

Q50. The RFP requests we provide a medical and pharmacy disruption/repricing but it doesn't mention running one for dental. It looks like we received a file that can be used to run the report, would you like us to complete a dental disruption and repricing as well?

**A50. Yes, please include Dental disruption/repricing.**

Q51. For the medical repricing, is the city looking for a summary of the results or line by line?

**A51. Please include both a summary overview and a line by line comparison.**

Q52. On page 22 of the RFP, it notes that Retiree Life coverage is paid by the City if the retiree elects health coverage. If a pre-65 Retiree does not elect health coverage, can they get a life insurance benefit if the Retiree pays for it? If so, how are premiums paid to the carrier?

**A52. The benefits are employer paid and there is not an option for a retiree to purchase stand alone coverage separately.**

Q53. On page 11 of the RFP, under Vendor Selection Criteria Overview, there are options for rate guarantee. All of the options include rate caps. Will a group be considered if they offer a two or three year rate guarantee without the additional (3 or 2) years under a rate cap?

**A53. All RFP responses will be reviewed and considered.**

Q54. All of the employees on the census are noted as being in Class 1. Please confirm they are referring to Medical. The Life coverage class description for Class 1 is the City Manager only.

A54. Class 1 and Class 2 were reflected backwards on the census. Class 1 is City Manager and Class 2 is all other employees. Please see attached census (Please contact Amanda Bowen at [abowen@ipsadvisors.com](mailto:abowen@ipsadvisors.com)).

Q55. Addendum 2 shows there is only one open claim. Are there any closed claims and if so, can a closed claim listing be provided including: Date of birth, gender, date of disability, net benefit and termination date?

A55. Please see attached (Please contact Amanda Bowen at [abowen@ipsadvisors.com](mailto:abowen@ipsadvisors.com)).

Q56. Can a Life premium waiver claims report for the experience periods be provided?

A56. There are no open Life waiver of premium claims for the City.

Q57. Regarding the dental, there is concern that the plan has no annual limit on pediatric maximums. Will the group be willing to move to a plan that isn't compliant with ACA?

A57. The Pediatric Dental benefits are not subject to the \$1,500 annual maximum. Please match the current plan design.

Q58. The Basic Life Invoice (420743) is showing a retiree life rate of .09, while the RFP (pdf page 28) says that the current rate for retirees is .721. Please confirm correct rate.

A58. The correct rate for the retiree life rate is \$.721. Please see attached amendment from 2015. (Please contact Amanda Bowen at [abowen@ipsadvisors.com](mailto:abowen@ipsadvisors.com)).

Q59. Please confirm that Lifestyle Life and Lifestyle Spouse Life are the Supplemental EE Life and Supplemental Dependent life plans.

A59. Yes, that is correct.

Q60. Is the Life/Disability renewal ready?

A60. The renewal will be received as part of the RFP responses.

Q61. Would the city be open to splitting the Life and DI with two different carriers?

A61. Typically it is recommended and preferred that these lines be packaged.

Q62. In reviewing the latest addendum for the City of Longview, there is a question about EGWP (see below). Please provide clarification to whether you are looking for an EGWP offer or just to have the retirees covered under the prescription benefit?

A62. The retirees are covered under the prescription benefit.

Q63. Can the city please outline the administration/benefit arrangement for the onsite clinic?

A63. All onsite clinics are administered internally with a nurse practitioner. There are no claims filed and no costs to the city participants. Prescriptions are not included and all procedures are covered at no cost. Any procedure that cannot be handled onsite will be referred to a specialist.

Q64. The current benefit summary does not appear to reflect a benefit level for the onsite clinic. Is the onsite clinic administered outside of the medical plan? If yes, what services are included?

A64. See response to question 63.

Q65. Are claims being submitted to the current administrator for data aggregation? If so, is the current administrator providing reporting for the onsite clinic activity?

A65. See response to question 63.

Q66. Regarding the non-Grandfathered plan request, please confirm that what is being requested is the same core benefits as the current Grandfathered plan, but applying ACA guidelines? Is a different benefit plan to be considered and if so please provide details?

A66. Yes, that is correct.

Q67. Please confirm the meaning of this statement in yellow as well as confirm that a proposal may be submitted with potential deviations with a full explanation and/or alternative response, if applicable?

“Bidder has examined the specifications and has fully informed themselves as to all terms and conditions. Any discrepancies or omissions from the specifications or other documents have been clarified with City representatives and noted on the bid submitted.”

A67. It is requested that any deviations from the requested current plan of benefits and/or pharmacy benefits in this section be specified.

Q68. Does the city participate in PERS or STRS? If so, do they also participate in SSDI?

A68. The City participates with TMRS.

Q69. Please provide a copy of the city-prepared contract referenced in the Mandatory Terms and Conditions section of the RFP.

A69. Included in the original RFP beginning on page 4.

Q70. Please confirm that the “mandatory contract terms” referenced under the Mandatory Terms and Conditions section of the RFP begin on the bottom of page 4 and end on page 5 with the Governing Law and Venue.

A70. Please see response to question 69.

Q71. Will the City of Longview accept a bid through a coalition with an existing master agreement with participating group addendum that forms the governing legal agreement for the City of Longview?

A71. Yes, the City of Longview will consider.

Q72. It is typical in the prescription benefit management (PBM) industry for clients to pay claims to the PBM more quickly than 30 days. How quickly would the City of Longview be able to pay on the prescription drug claims? Under the Health Action Council, CCOG and CVS Health coalition agreement, the existing terms are invoicing for claims 4 times a month with 5 day payment terms. Payment terms are a factor impacting pricing so if the City of Longview requires different payment terms, coalition pricing may be adjusted for the City of Longview.

A72. Please present the existing terms outlined above of 4 times a month with 5 day payment terms.

Q73. Would the city of Longview accept venue in the federal courts in the Eastern District of Texas?

A73. Yes.

Q74. How many pharmacies are in their Retail Network and are any currently excluded?

A74. At this time there is a specialty pharmacy exclusion in which members are to fill specialty medications through the US Specialty pharmacy. There are no retail fills allowed.

Q75. Why did City of Longview change pharmacy benefits providers starting 1/1/17?

A75. The plan advisor for the city released an RFP at that time and the contract was awarded to WellDyneRX.

Q76. Which claims files should bidders use for re-pricing, given that the City of Longview changed pharmacy benefits providers 1/1/17? Should we use the most recent 12 months of claims (4/1/16 – 3/31/17)?

A76. The 2 files sent out with the original RFP need to be repriced individually.

Q77. Why is City of Longview requesting proposals for pharmacy benefits starting 10/1/17, if it recently changed providers on 1/1/17?

A77. The plan benefits and fiscal budgeting are both done on a fiscal year basis in which their plan year is a 10/1 effective date.

Q78. Is January 1 the normal benefits start year or October 1?

A78. Please see response to question 77.

Q79. Can the NABP to the City of Longview Rx Claims 010117- 031717 file be added?

A79. Please see attached (Please contact Amanda Bowen at [abowen@ipsadvisors.com](mailto:abowen@ipsadvisors.com)).

Q80. Please confirm what the Dental out of network level of reimbursement is? For example, 80th, 90th or MAC plan?

A80. The R&C rates for network claims are updated every 6 months. Currently it is set at 60%.

Q81. Under the first data file named "03/01/2016-01/01/2016", the "Mail-Order Flag" only has the value "U". Can you please clarify what that is referring to?

A81. Here is the explanation received from Scott & White "there seems to be a mapping issue, claim was ran for #90. Also, there was very little mail-order for the City of Longview as there was 90 day at retail option available to members. To truly see mail-order claims you can look at claims filled at Wal-Mart Mail-Order NPI 1215956222. Also, for the claims pull and the Humira example, SWHP Pharmacy uses WAC pricing instead of AWP."

**If you have any further questions, please contact Amanda Bowen at IPS Advisors.**

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Posted – April 27, 2017

***This form shall be signed and returned with your proposal.***

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Company: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_