

RFP 4203Z1 ATTACHMENT 3

		State of Nebraska	
		LTD Request for Proposal	
		Corporate & Technical Matrix	
		To Bidder: Use the Explanation column to provide a brief explanation. However, if the explanation is lengthy, attach a worksheet properly titled to provide your detailed explanation.	
		Requested	EXPLANATION
I.		PLAN IDENTIFICATION/CONTACTS	
	1.	Bidder Legal Name	
	2.	Bidder Marketing Name	
	3.	Street Address	
	4.	City	
	5.	State	
	6.	Zip	
	7.	Telephone #	
	8.	Fax Phone #	
	9.	Web Address	
		Contacts	
	10.	Indicate the bidder contact should there be any questions concerning submitted responses.	
		Primary Contact	
	a.	Name	
	b.	Title	
	c.	Address	
	d.	City	
	e.	State	
	f.	Zip	
	g.	Telephone #	
	h.	Fax Phone #	

		i. E-mail Address	
	11.	Secondary Contact	
		a. Name	
		b. Title	
		c. Address	
		d. City	
		e. State	
		f. Zip	
		g. Telephone #	
		h. Fax Phone #	
		i. E-mail Address	
	II.	GENERAL PLAN INFORMATION	
	1.	Bidder Operational Date	
	2.	Corporate Tax Status	
	3.	Bidder Ownership/Controlling Interest	
	4.	LTD covered lives (all funding types)	
	5.	Use the Explanation column and/or attach a properly titled worksheet to discuss any recent or planned merger, acquisition or divestiture activities that may impact the administration of this program. For each activity, indicate the timing, expected/potential impact and plans to mitigate any adverse effects.	
		Financial Ratings	
	6.	Bidder's most recent rating or filing (identify date) from each of the following agencies:	
		a. A.M. Best: Rating Status	
		Financial Rating (if rated)	
		Date (if rated; if not rated, leave response cell blank)	
		b. Standard & Poors: Rating Status	
		Financial Rating (if rated)	
		Date (if rated; if not rated, leave response cell blank)	

		c. Fitch: Rating Status	
		Financial Rating (if rated)	
		Date (if rated; if not rated, leave response cell blank)	
		d. Moody's: Rating Status	
		Financial Rating (if rated)	
		Date (if rated; if not rated, leave response cell blank)	
	7.	Bidder's rating change within the past 12 months:	
		a. A.M. Best	
		b. Standard & Poors	
		c. Fitch	
		d. Moody's	
III		ELIGIBILITY/MEMBERSHIP PROCESSING	
	1.	Those individuals eligible under the stated guidelines may be enrolled, at the State's discretion. The State will not allow an administrative error (on our part or the Contractor's) to prevent an eligible participant from obtaining coverage. All eligibility decisions made by the State are final. Do you agree?	
		Customer Service	
		Please fill in the names and titles of the persons who will be assigned to the following customer service tasks.	
	2.	Sales Representative	
		a. Name	
		b. Title	
		c. Phone #	
		d. Fax Phone #	
		e. E-mail Address	
	3.	Account Executive	
		a. Name	
		b. Title	

		c. Phone #	
		d. Fax Phone #	
		e. E-mail Address	
	4.	Service Representative	
		a. Name	
		b. Title	
		c. Phone #	
		d. Fax Phone #	
		e. E-mail Address	
	5.	Claims Contact	
		a. Name	
		b. Title	
		c. Phone #	
		d. Fax Phone #	
		e. E-mail Address	
	6.	Billing Contact	
		a. Name	
		b. Title	
		c. Phone #	
		d. Fax Phone #	
		e. E-mail Address	
		References	
	7.	Bidder shall provide three references of Clients similar in employee size and industry to the State currently using services requested in this RFP.	
		a. Reference #1	
		Company Name	
		Contact Person	
		Title	
		Phone #	

		Fax Phone #	
		E-mail Address	
		Number of covered employees by coverage type	
		List coverages in place similar those this RFP.	
		b. Reference #2	
		Company Name	
		Contact Person	
		Title	
		Phone #	
		Fax Phone #	
		E-mail Address	
		Number of covered employees by coverage type	
		List coverages in place similar those this RFP.	
		c. Reference #3	
		Company Name	
		Contact Person	
		Title	
		Phone #	
		Fax Phone #	
		E-mail Address	
		Number of covered employees by coverage type	
		List coverages in place similar those this RFP.	
8.		Bidder shall provide three references of companies of similar size to this Client who have <i>terminated</i> your services.	
		a. Reference #1	
		Company Name	
		Contact Person	
		Title	
		Phone #	
		# Employees covered under your contract	
		Nature of Business	

		b. Reference #2	
		Company Name	
		Contact Person	
		Title	
		Phone #	
		# Employees covered under your contract	
		Nature of Business	
		c. Reference #3	
		Company Name	
		Contact Person	
		Title	
		Phone #	
		# Employees covered under your contract	
		Nature of Business	
IV		PLAN DESIGN/FINANCIAL INFORMATION	
		The proposal is to be based on Attachement 4 Census and claim data shown in Attachment 5a and 5b Claims Paid. Adhere to the proposed Plan Options/Cost Proposals shown in Attachment 2 Cost Options.	
	1.	The proposal is issued in accordance with the specifications and information included in this Request for Proposal, and the accompanying worksheets. If "No", indicate deviations.	
		Other Financial	
	2.	Provide a worksheet which gives examples of reserves that would be established for several hypothetical disableds.	
		Financial - Renewal Services	
	3.	For the funding arrangement requested in this RFP, bidder shall indicate the following renewal requirements and services:	
	a.	Full description of the methodology used to calculate renewals.	

	b.	Full description of the methodology used to calculate reserves.	
	c.	A definition of all terms and an itemization of all assumptions used including projected claims and the formula involved.	
	d.	Estimated or actual identification of expenses, including IBNR, claim administration expense and other expenses.	
	e.	Allocation of your administrative cost projections.	
	f.	Premium rate justification.	
	g.	Comparison of old and new rates and factors.	
V.		CASE MANAGEMENT	
		What is the current caseload by claim type and covered lives staffing ratio for the following staff members who would service the State:	
	1.	Intake Specialist	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
	2.	LTD Claim Analyst/Examiner	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
	3.	Customer Service Representative	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
	4.	RN Nurse Case Manager	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
	5.	LPN Nurse Case Manager	
	a.	Average Case Load	

	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
6.		Medical Director/Program Physician	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
7.		Vocational Rehabilitation Specialists	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
8.		Social Security Advocates	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
9.		Statutory Specialists	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
10.		Auditor	
	a.	Average Case Load	
	b.	Case Mix:	
		Active LTD (requires active management)	
		LTD - Inactive or stable (cases with permanent total disabilities that do not require active management)	
	c.	Ratio of staff to covered lives	
VI.		REPORTING (Management Reports)	

		Indicate how bidder will comply with the following reporting requirements: Agency and Divisional Breakdowns and Categories of Coverage for Employees.	
	1.	Attach sample management report(s) that would be prepared for the State. Label Attachment: Management Reporting Package.	
		Monthly and Quarterly	
	2.	Monthly and quarterly reports will be available no later than the end of the month following the close of the period in question. Reports will reflect the following, in addition to your Standard Management Reporting Package, experience by:	
	a.	Plan Options	
	b.	Agency	
	c.	Employees lives exposed by month	
	d.	Disabled employees	
	e.	Social Security status	
	f.	Reserves by claimant	
	g.	Nature of disability (number and value of claims)	
	h.	Primary diagnosis code report	
	i.	Diagnosis by DSM-IV	
	j.	Demographics of claimants in each disability category	
	k.	Duration of disability compared to norms	
	l.	Identification of physician certifying excessive disability durations.	
		Annual Reports	
		Contractors shall provide:	
	3.	Employee contested claims that were denied or partially denied, separated by denial reason.	
	4.	A year-end financial accounting for the program within 90 days of the contract anniversary date.	
VII.		ADMINISTRATIVE AND OPERATIONAL ISSUES	
		Implementation and On-Going Services	
		Bidder shall explain how they will comply with the following services/statements.	

1.	LTD Claims will be transitioned on an incurred basis starting with claims incurred on or after July 01, 2013. Claims incurred on or after this date will be the responsibility of the new Contractor. Claims incurred on or prior to June 30, 2012, will continue to be the responsibility of the incumbent contractor.	
2.	Process benefit payments to LTD beneficiaries on a monthly basis.	
3.	Review all plans, draft plan abstracts, and confirm plan provisions with the State.	
4.	Draft, revise, and finalize the policy and benefit summaries (booklets) for review by the State.	
5.	Describe how the bidder will communicate to state employees. Bidder must submit with proposal sample communication materials such as certificate of coverage booklets.	
6.	Provide all reasonable assistance as may be requested during the transition period, including participation at a minimum of five (5) employee open enrollment meetings to be determined by the State.	
7.	Deliver an Administration Manual containing all usual guidelines on such matters as eligibility, reports, plan summaries and procedures.	
8.	The State's time for implementing the State's LTD plan is to be effective July 01, 2013. Please indicate your ability to meet this timeframe.	
9.	When customized printing is requested by the State, present a complete draft and subsequent proof to the State for sign-off. The contractor cannot include the Nebraska State Seal or any other State logo on any of the customized printing for the State.	
10.	Be responsible for costs of printing booklets, certificates, or SPD's as required.	
11.	Provide SPDs in an electronic format for access via internet or intranet.	
12.	Refrain from issuing any external communications material that mentions the State's benefit plans without written approval from the State. This includes newsletters and publications to agents, brokers and consultants.	
13.	Permit the State to decline the Account Manager designated for its programs both initially and in future years.	
14.	Sign contract within 30 days of publishing intent to award.	

15.	Prepare SPD draft within 60 days of effective date of each plan year. Contractor will update the SPD as needed during the contract period or at a minimum annually.	
16.	Provide routine underwriting and actuarial services.	
17.	Bidder should explain how they will comply with the following web-based service:	
	a. Claim tracking	
	Service Centers	
18.	List the location of your service center(s) that would be servicing the State's employees and the corresponding geographic areas/regions covered by the respective location. If more than one service center will be assigned to service the State, provide additional information in the "Explanation" column and/or worksheet.	
	a. Name of service center	
	b. Geographic Region Covered	
19.	Indicate specifically for claims administration	
	a. Your normal business hours (The State would request the minimum hours for claims administration be from Monday through Friday, 8:00 a.m. to 5:00 p.m, Central Time.)	
20.	Indicate specifically for customer service	
	a. Your normal business hours (The State would request the minimum hours for customer service be from Monday through Friday, 8:00 a.m. to 5:00 p.m, Central Time.)	
	b. Dedicated Customer Service unit provided? If so, where located and hours of operation	
21.	Toll free number	
22.	What percentage of all member services inquiries during 2012 were closed (issue resolved) on first contact?	
23.	The member services phone system has voice messaging capabilities.	
24.	Focusing specifically on the claim office(s) that would be used for the State, indicate if performance from January 2011 through December 2012 met or did not meet the specified standards below.	
	a. LTD	
	Financial Dollar Accuracy was 99% or greater.	

		Procedural Accuracy was 98% or greater.	
		90% of claims were processed in 10 business days or less.	
		At least 90% of telephone calls to member services were answered within 20 seconds	
	25.	Bidder must submit statistics during the 2005-06 calendar years for the four itmes stated above for claims office that will handle the State account.	
IX		LEGAL/CONTRACTUAL CONSIDERATIONS	
		Bidder shall explain how they will coomply with the following:	
	1.	Contract will be issued in Nebraska.	
	2.	July 01, 2013 will be the contract effective date.	
	3.	July 01, 2014 will be the first contract anniversary date.	
	4.	Contractor agrees to a "no loss, no gain" provision and to unconditionally provide continuous coverage. There will be no restrictions or benefit limitations for pre-existing conditions applied to any employee who had coverage prior to July 01, 2013. For new enrollees in the LTD plan, pre-exisiting restrictions will apply according to Contract provisions.	
	5.	Contractor unconditionally agrees to provide coverage to all present participants enrolled on the program effective date. No active employees or disabled employees shall lose coverage as a result of a change in contractor.	
	6.	No statement of health or medical evidence will be imposed upon the initial group of covered employees.	
	7.	Any "actively at work" requirements will be waived for current covered employees.	
	8.	Any disabled employees or other leave-of-absence employees who are not disclosed in these specifications or who later are identified as eligible for benefits under the prior contractor will become the liability of the new contractor following termination of the prior contract.	
	9.	The State reserves the right to audit the program at least once annually at the State's expense.	
	10.	Contractor will provide on-site access to any and all claims information for audit; will permit access to such information by claims and disability management personnel necessary to complete the audit; and agrees to do so at no cost to the State.	
	11.	In the event of policy termination, the selected contractor will be responsible for incurred claims Prior to July 1, 2013 for fully-insured covered employees for the full term of their disability.	

12.	At the State's option, the contractor must agree to transfer to the State, within 30 days of notice of termination, all required data and records necessary to administer the plans subject to state and federal confidentiality considerations at no cost to the State. The transfer is to be made electronically, in a file format to be determined based on the mutual agreement between the State and the provider of services at no cost to the State.	
13.	Please note that the State will neither recognize the appointment of any agent, general agent, or broker by a respondent to these bid specifications, nor authorize any payment or remuneration of any kind by a contractor to a party not approved in writing by the State.	
14.	All financial and claimant information will be kept confidential and will not be disclosed to any other party without the State's express approval.	
15.	Effective for claims filed on or after July 1, 2013, Contractor certifies that it will comply with the U.S. Department of Labor's final claims procedure regulations, including the appropriate timeframes for (a) adjudicating claims, and (b) notice of appeal decisions.	
16.	Describe the appeals procedures for denied claims or authorizations and time frames that a member would follow.	
17.	Contractor agrees to provide necessary legal defense in the event of litigation, including all costs.	
18.	Contractor agrees to prepare and file all legal documents necessary to implement and maintain the plan, including policies, amendments, contracts, required state filings, and development of booklet/certificate formats at no cost to the State.	
19.	Contractor agrees to monitor federal and state legislation affecting the delivery of disability benefits under the plan and to report to the State on those issues in a timely fashion prior to the effective date of any mandated plan changes.	
20.	The State's current LTD plan is described in Attachment 1 Summary Plan Description. Except for provisions list above in this Attachment 3 Corporate and Technical Matrix, the Bidder must identify any and all deviations in the Bidder's proposed plan that includes different provisions, excludes provisions or has a difference in the provisions of the State's plan as seen in Attachment 1. List each provision and what the difference is in each case. Any provision not listed will be considered identical first to that as requested above or second to that as listed in Attachment 1.	