

Pete Ricketts, Governor

## ADDENDUM ONE QUESTIONS and ANSWERS

Date: May 10, 2016  
 To: All Bidders  
 From: Michelle Thompson/Teresa Fleming, Buyers  
 AS Materiel State Purchasing Bureau  
 RE: Addendum for Request for Proposal Number 5297Z1  
 to be opened May 25, 2016 at 2:00 p.m. Central Time

### Questions and Answers

Following are the questions submitted and answers provided for the above mentioned Request for Proposal. The questions and answers are to be considered as part of the Request for Proposal. It is the Bidder's responsibility to check the State Purchasing Bureau website for all addenda or amendments.

Question Number	RFP Section Reference	RFP Page Number	Question	State Response
1.	E(2)(c)	31	Is the State looking for the consulting firm to validate their wellness vendor's calculation of ROI/VOI or is the State requesting that an independent calculation be completed?	The State is requiring the contractor to validate the wellness vendor's prepared ROI/VOI and be able to calculate an independent ROI/VOI if requested by the State.
2.	Attachment D	3 Year Plan worksheet	The preparation for the Vision RFP begins on 6/1/2016 and will be published on 9/1/2016. The consulting contract will begin on 9/1/2016. Will the Vision RFP be handled by the current consulting contract with Aon?	No, the Vision RFP will be prepared by the State of Nebraska. Upon request, the contractor awarded this contract may be asked for input on the evaluation and implementation process.
3.	Attachment D	3 Year Plan worksheet	RFP's for LTD and Life Insurance will be issued within the initial three year consulting contract. Does the State want a separate fee for those RFP projects similar to the medical/pharmacy RFP or	The medical RFP is the only separate cost for this. The cost to support the State on the Life and LTD must be included in the annual rate.

			does the State want the cost of those projects included in the annual fee?	
4.	V.A(3)(d)	36	Under the Technical Approach requirements, is a subsection for "Technical Requirements – HIPAA". Can you be specific as to what is being requested for this subsection as there is no reference to any other section in the RFP.	See IV.C Business Requirements (4 and 5)
5.	III. Terms and Conditions, Letter RR	23	Regarding pricing, please provide compensation paid to the incumbent consultant from the contract award date (2008) to current, broken out by plan year. Please include any special projects that were outside the scope of the original contract.	<p>Contract 25698 O4:  7/2007 – 6/2008 \$235,305.53  7/2008 – 6/2009 \$300,861.00  7/2009 – 6/2010 \$312,716.03  7/2010 – 6/2011 \$171,142.81  7/2011 – 6/2012 \$293,558.00  7/2012 – 6/2013 \$31,857.25</p> <p>Contract 55000 O4:  2/2013 – 6/2014 \$266,833.37  7/2014 – 6/2015 \$188,875.00  7/2015 – 6/2016 \$214,458.23</p> <p>There weren't any special projects for either contract.</p> <p>Bidders should provide the best solution to the requirements of this RFP.</p>
6.	IV. Project Description and Scope of Work	30	Regarding item C., 2., years of business experience. How much weight will be using during the scoring of this RFP on this question? To the best of our knowledge, there are no consultants (if any) who have clients with more than 10,000 employees and retirees. Further, there are very few Nebraska based employers who have more than 10,000 employees. Does this question alienate Nebraska based Employee Benefit Consultants from being considered?	<p>In order to protect the integrity of the RFP process, the State will not comment on the evaluation criteria during the question and answer period.</p> <p>No, this does not alienate Nebraska based Employee Benefit Consultants from being considered.</p>
7.	IV. Project Description and Scope of Work	31	Number 2., C., Actuarial Services and Related Reporting, please provide a sample of a current Value on Investment (VOI or ROI) for the State's wellness program.	A return on investment analysis performed for the period of April 1, 2011 to March 31, 2013 and showed a \$1.30 return on every dollar spent towards wellness.

8.	IV. Project Description and Scope of Work	36	Letter i: Similar to question 2 above, how much weight will be using during the scoring of the RFP on this question. It is our understanding that there are few (if any) account managers with clients that have more than 10,000 employees enrolled.	See response to question 6.
9.	IV.C(5)	30	Can the State provide a copy of the Business Associate Agreement that it wants the consultant to sign for bidders to review?	Yes, the State will provide a Business Associate Agreement for the contractor to sign.  See Exhibit 1 to view the BAA.
10.	Attachment E	----	Please indicate the reason for the consultant RFP at this time. Per Attachment E, the current consultant contract runs through 8/31/19. What is prompting the State to conduct the RFP at this time? What areas of improvement or additional services are desired?	The current contract did not carry all services through 8/31/19; thus it did not meet the business needs of the State.
11.	Attachment E	----	The indicates the current consultant's compensation is \$194K. However, the contracts show compensation has exceeded \$250K in each of the last three years and is over \$269K in the current year. Please explain these differences.	The pricing for the current contract was structured on special projects including RFPs which caused the annual cost to fluctuate.
12.	----	----	The RFP details the extensive services required. How has the cost of providing these services compared to the current compensation being paid by the State.	This RFP is a new scope of work and resulting contract. Bidders should provide the best solution to the requirements of this RFP.
13.	----	----	In the past, the State has not allowed any limits on liability. Has that changed? If so, what is the State's position on such limits?	The State contract is silent on limitation of liability as they are a matter of State law and will be decided accordingly.  In the proposal response, provide the proposed alternative language in the box provided under UU. Indemnification for consideration by the State.
14.	---	----	Does the State have (or have access to) a datawarehouse tool, will the new consultant have to provide or will the State/consultant rely on the detailed reports provided by the	The State does not have access to a data warehouse. Currently the State relies on the carriers for all claim-related reports. The contractor is required to provide the reports listed in Section IV.E. Scope of Work, 3. Health Plan Analytics and Reporting.

			carriers?	
15.	IV. Project Description and Scope of Work E.1.b and c	31	The proposal speaks of “regular” and “vendor” meetings – please provide more definition of the expected frequency of these meetings (e.g., monthly, quarterly, etc.).	<p>The State meets quarterly with our health plan vendor. The State has separate annual meetings with our health plan vendor and our wellness vendor to review annual outcomes and conduct planning. The contractor is required to attend these meetings per the RFP.</p> <p>Other meetings are scheduled as needed.</p> <p>The State may provide a minimum of three (3) business days’ notice.</p>
16.	IV. Project Description and Scope of Work E.1.e	31	The RFP speaks of assisting labor negotiations? How many labor unions does the State work with? What is the timing of their contracts/negotiations?	The State has three bi-annual labor unions. Each of the contracts includes a component of employee benefits. All three contracts expire June 30, 2017.
17.	IV. Project Description and Scope of Work E.1.f	31	The RFP indicates “training” of the State’s staff by the consultant. Do you envision this training as ongoing, formalized training or ad hoc, on the job training?	Ad hoc training.
18.	Attachment E	----	Attachment E indicates the basis for your vendor contracts, each of which is for a base period and multiple one year contracts. Is it your plan to conduct RFPs at the end of these contracts? Or does the State plan to conduct RFPs earlier (during the one year extensions)? If that’s the case, can you indicate your expected timing of an RFP for each coverage?	<p>It is the State’s intent to conduct RFPs in the last year of the final renewal period for each contract as demonstrated on Attachment D, RFP 3 Year Plan, or as needed based upon State and or Federal requirements.</p> <p>See Attachment D, RFP 3 Year Plan.</p>

This addendum will become part of the proposal and should be acknowledged with the Request for Proposal.