

ADDENDUM TWO QUESTIONS and ANSWERS

Date: July 3, 2019

To: All Bidders

From: Julie Schiltz, Teresa Fleming Buyer's
AS Materiel State Purchasing Bureau

RE: Addendum for Invitation to Bid Number 6102 Z1 to be opened August 8, 2019 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.

<u>Question Number</u>	<u>RFP Section Reference</u>	<u>RFP Page Number</u>	<u>Question</u>	<u>State Response</u>
1.	Attachment A- Bidders Questionnaire Data Analytics Tools Part 1 Question 1.42	Pg. 10	Can you give us examples of what kind of proof of variables you are requesting and what kind of proof of calculations you are requesting?	Provide information on how the data analytics tool provides the information in 1 and 2.
2.	Attachment A- Bidders Questionnaire Data Analytics Tools Part 2 Question 1.42	Pg. 10	On letter K and letter L can you please provide a definition for net payment and explain the difference between Health Reimbursement account and net payment?	"Net Payment Amount" is the claim amount with out of pocket costs removed. Healthcare Reimbursement amount is the claim amount paid to the provider after discounts or the Allowed Amount.
3.	Attachment A- Bidders Questionnaire Question 1.102	Pg. 19	Can you clarify what you are requesting here, and provide an example? Describe the average in-network participation by provider and by claims paid for 2017 and 2018 for clients located in Nebraska	Of the providers that submitted eligible charges in 2017 and 2018, what % of them were in-network providers for each year? For the claim dollars that were paid by the plan in 2017 and 2018, what percent were paid to in-network providers for each year?

4.	Attachment A- Bidders Questionnaire Question 1.148	Pg. 26	Please verify that the current charge claim activity Report which is a daily updated report that provides a line by line breakdown of each claim that has processed/ cleared through the benefits bank account. This report will provide the member/dependent name, the Date of Services, Issue Date of the payment, the transaction date and also transaction amount of the claim. This report will also tie directly back to the Funding Notification that the State of NE receives each day, which is advising of the total payment needed to replenish the benefits bank account that [REDACTED] owns on behalf of the state. This is the standard financial report we provide for all customers to support daily claims reporting.	Yes, the minimum requirements are listed on 1.148.
5.	Attachment A- Bidders Questionnaire Question 1.148	Pg. 26	Please provide a sample report that will help clarify what is needed on the member contested claims separated by denial reason report.	The State is requesting the bidder to provide samples of reports listed in 1.148 which will show the bidders reporting capabilities.
6.	Attachment A- Bidders Questionnaire Question 1.148	Pg. 26	Due to runout requirements for year-end performance guarantees would it be acceptable to provide this report at 120 days.	No the requirement will remain as is.
7.	Attachment A- Bidders Questionnaire Question 1.152	Pg. 28	Can you please provide an excel file for the requested disruption, please include the NDC numbers and Tier or Formulary indicator?	Refer to the formulary indicator on the claims file.
8.	RFP Response	Pg. 8	There is no box to accept or reject should we note our answer below the provision?	This is a State Statute. The bidder cannot reject or provide an alternative. No additional box will be added.
9.	RFP Response	Pg. 11	Are you requiring the bond	The bond is required prior to

	Letter L		with the RFP submission or once the contract is awarded?	contract execution.
10.	RFP Response Letter K	Pg. 12	Please confirm that the attorney fee's noted in K are related solely to indemnification of the state.	Section K is not related solely to indemnification of the State. Section K applies to any litigation to "enforce any provision of the contract", so it applies to essentially any litigation, including any disputes about indemnification.
11.	RFP Response Letter R	Pg. 15	Please confirm Item 1 and 2 would not apply for a claims administration contract. For item 3, please confirm if it is acceptable that we retain data post termination to support [REDACTED] work product as required to do so by law.	Confirmed.
12.	RFP Response Letter G	Pg. 19	Please confirm this excludes data that contains proprietary and confidential information.	The bidder/contractor should disclose what is proprietary and confidential before the contract is finalized so that it is clear that the information that they develop or create for the State will be State property.
13.	RFP Response Letter N	Pg. 22	There is no box to accept or reject should we note our answer below the provision?	This is a State Statute. The bidder cannot reject or provide an alternative. No additional box will be added.
14.	RFP Response Letter O Question 4	Pg. 42	Please provide an example and a detailed explanation of what the State is looking for in relation to COB reconciliation	COB does not require reconciliation however the Contractor is required to perform coordination of benefits, in compliance with the States COB requirements.
15.	Cost proposal	Tab 2B	Are HIV, Transplant, PCSK9 and Hep B drugs classified as specialty or non-specialty drugs for discount and rebate guarantees?	See Attachment A, Specialty Pharmacy. Bidder should describe which drug classes are classified as specialty or non-specialty.
16.	Cost proposal	Tab 2B	Are following categories considered rebatable – OTCs, Vaccines, Repackaged, MSBs, LDD and other Brand drugs that are considered House Generics?	Minimum rebates should be based on all Brand claims.
17.	Cost proposal	Tab 3B	In the Cost Proposal, Pricing tab is asking for 7	See Cost Proposal REVISION ONE.

			years of Pharmacy ASO Fees however the format only allows for entering fee's for the first three years. Please clarify how you would like us to show the additional 4 years in the excel format?	
18.	Cost Proposal	Tab 2A	Since the cost for Dependent Verification varies by month, can this service be billed to the State separately, or is it required to be included as an average cost in the PEPM ASO fee.	The Dependent Verification is required to be included in the PEPM ASO fee. The current average Dependent Verification is 116 per month.
19.	Cost Proposal	Tab 2B	The RFP is asking rebates on per brand basis but the Cost Proposal excel file states Guaranteed Minimum Rebate per Paid Claim. How do you want the rebates quoted?	See Cost Proposal REVISION ONE. Minimum rebates should be quoted on a per brand claim basis.
20.	Performance Guarantees Attachment D		<p>Contractor shall submit monthly reports of PA activity to the State and results will be based on PA request and appeals meeting the turnaround standard 100% of the time each month. Standard measured monthly.</p> <p>100% of initial requests must be completed within 24 calendar hours of time of receipt and 100% of first level appeals within 3 business days of receipt of all necessary information.</p> <p>Measured Monthly and Assessed Quarterly</p> <p>\$2,500 for each percentage point below the threshold for a month.</p> <p>RX PG</p> <p>Please confirm or clarify if this request is related to the medical or pharmacy products?</p>	Pharmacy
21.	Performance Guarantees Attachment		Annually the Contractor will improve the State's	See Attachment D – REVISED Performance Guarantees.

	D		<p>generic fill rate by a rate that is mutually agreed to by Contractor and the State.</p> <p>Measured Annually and Assessed Annually</p> <p>\$5,000 for each percentage point below the threshold for a month.</p> <p>RX PG</p> <p>Need clarification-if the target is annually but the Assessment looks to be monthly. Please clarify intent and measurement.</p>	
22.	Attachment A Questionnaire NETWORK/PROVIDER ARRANGEMENTS	Page 19	<p>1.102 - Describe the average in-network participation by provider and by claims paid for 2017 and 2018 for clients located in Nebraska.</p> <p>Can the State further explain what it's requiring with the reference to "average in-network participation by provider" in this context?</p>	Refer to the answer in Question 3.
23.	Attachment A Questionnaire NETWORK/PROVIDER ARRANGEMENTS	Page 15	<p>1.71 - Describe which specialty providers are included in the network, i.e. Medication assisted treatment, ABA, eating disorder, etc.</p> <p>Can the State clarify that by "ABA," it means "Applied Behavioral Analysis" providers, or behavioral health providers?</p>	Applied Behavioral Analysis providers.
24.	Attachment A Questionnaire NETWORK/PROVIDER ARRANGEMENTS	Page 6	<p>1.18 - Define the relationship of the DPC model to traditional insurance options. Describe how services between entities will be coordinated.</p> <p>Can the State clarify if, by</p>	Meant to be a relationship between the Contractor and the DPC provider.

			"between entities", it's referring to providers in the DPC model and the bidder/administrator?	
25.	RFP – Section V. PROJECT DESCRIPTION AND SCOPE OF WORK; B. MEDICAL AND PHARMACY BENEFIT ADMINISTRATION FILES and COST PROPOSAL	Page 26 (RFP) Tabs 1A and 4A (Cost Proposal)	The RFP states all data files will be released upon submission of the signed Attachment C (confidentiality and non-disclosure agreement) to Segal, the State's consultant. In addition, the Cost Proposal states that a detailed medical claim repricing file will also be submitted upon which bidders are to complete the repricing exhibit on Tab 4A. Our Plan submitted our signed Att C to Segal in early June and, as of June 20th, have not yet received the data files. Can the State confirm when the files will be released, and depending upon when they're received, will the State be considering an extension to the proposal deadline?	Data was released on June 26, 2019 to all parties that submitted a NDA. At this time the schedule of events will remain as is.
26.	RFP – Section V. PROJECT DESCRIPTION AND SCOPE OF WORK; B. MEDICAL AND PHARMACY BENEFIT ADMINISTRATION FILES and COST PROPOSAL	Page 26 (RFP) Tabs 1A and 4A (Cost Proposal)	The RFP lists the data files that are to be released by Segal, and the Cost Proposal mentions a medical repricing file on Tabs 1A and 4A; however, there is no mention of a detailed pharmacy repricing file. In order to provide the State with guaranteed discounts and rebates, a detailed pharmacy repricing file must be available to evaluate. Will a pharmacy repricing file containing the following minimum required elements be provided? <ul style="list-style-type: none">• Full NDC	Refer to the answer in Question 25.

			<ul style="list-style-type: none"> • Retail/Mail Indicator • Full NABP (or NPI) • Quantity • Day Supply • Fill Date • Pharmacy U&C Charge • Compound Indicator • Formulary Indicator • Brand/Generic Indicator • Tier • Member ID (required for disruption analysis) 	
27.	RFP – Section I Submission of Proposals	Page 3	<p>RFP States “Bidders should submit one proposal marked on the first page: “ORIGINAL”. If multiple proposals are submitted, the State will retain one copy marked “ORIGINAL” and destroy the other copies. “</p> <p>The Technical, Cost, and Proprietary information are expected to be packaged separately. Will these three binders all need to be marked original? Or, will the State accept one binder marked ORIGINAL that contains clearly defined separate sections for the Technical, Cost and Proprietary proposals?</p>	<p>The Technical and Cost Proposals should be packaged separately (loose-leaf binders are preferred) on standard 8 ½” by 11” paper, except that charts, diagrams and the like may be on fold-outs which, when folded, fit into the 8 ½” by 11” format.</p> <p>Each binder should be marked original.</p> <p>The bidder must identify the proprietary information, mark the proprietary information according to state law, and submit the proprietary information in a separate container or envelope marked conspicuously in black ink with the words "PROPRIETARY INFORMATION".</p>
28.	General Question	n/a	Is the State currently in any advanced clinical programs?	The State is unable to respond to this due to not knowing what is meant by “advanced” clinical programs. Refer to Section V. Project Description And Scope Of Work, DD. Clinical Management Programs And Capabilities.

29.	General Question	n/a	Does the State offer performance guarantees for their current clinical programs?	No
30.	General Question	n/a	What are the State's top health conditions?	Diabetes and Musculoskeletal
31.	Attachment A – Bidder Questionnaire; DIRECT PRIMARY CARE	Page 6, Ques 1.18	<p>Define the relationship of the DPC model to traditional insurance options. Describe how services between entities will be coordinated.</p> <ul style="list-style-type: none"> • In regard to the Direct Primary Care (DPC) option, does the State currently carve out Primary Care health services so that the member's only access to primary care is through the DPC? Or, is it simply a high deductible plan option whereby it is to the member's advantage to use the DPD for primary care (since first dollar coverage) while still having access to any other "non-DPC" primary care providers if they so choose? • Along the same lines, going forward, is the State asking if bidders can carve out Primary Care services that are provided by the DPC providers from the regular health plan? • Or, is the State 	<p>The State offers a separate plan whereby members in the pilot plan areas can enroll and have access to Direct Primary Care with a wrap hospital plan.</p> <p>See RFP V. PROJECT DESCRIPTION AND SCOPE OF WORK A. PROJECT OVERVIEW regarding the passage of Legislative Bill 1119.</p>

			asking about a type of expanded coordination effort between the DPC providers and a bidder's Care Management Team or Concierge program (or vice versa) for such tasks as referrals, support or general guidance?	
32.	Attachment A – Bidder Questionnaire; DIRECT PRIMARY CARE	Page 6, Ques 1.19	<p>Describe the processes to exchange data with the DPC provider. Describe how confidentiality will be assured, and how patient data will be secured and protected.</p> <ul style="list-style-type: none"> • It's our understanding that the State is working with Strada Healthcare on its DPC pilot. Since DPC programs are membership-based and offer a defined list of primary care services that are not filed as insurance claims, please provide more insight into what data exchange processes • you are referring to within this question 1.19. • Does the State's current administrator and Strada Healthcare currently exchange data, or is this something new that the State 	<p>The State of Nebraska current medical provider has contracted with Strada Healthcare for the DPC services. The contracted medical carrier will provide DPC which fulfills the state statute for the DPC Pilot Program.</p> <p>The DPC plan is a pilot program. There is no current history of the plan as it started 7/1/19.</p> <p>As of 7/1/19 the current Medical Administrator and Strada Healthcare will exchange data.</p>

			is requesting for 7/1/2020?	
33.	Attachment A – Bidder Questionnaire; DIRECT PRIMARY CARE	Page 6, Ques 1.20	<p>Describe integration data from the DPC provider to gain a holistic picture of each member’s health profile? Include a plan for documentation of patient visits, telehealth and securing medical records as well as how complete comprehensive healthcare records will be obtained.</p> <ul style="list-style-type: none"> Please provide clarity on what the State is referring to in terms of data integration from the DPC provider. Are these items (patient visits, telehealth, medical records, etc.) currently being integrated between Strada Healthcare and the State’s administrator, or is this a new request for 7/1/2020? 	<p>The State of Nebraska current medical provider has contracted with Strada Healthcare for the DPC services. The contracted medical carrier will provide DPC which fulfills the state statute for the DPC Pilot Program.</p> <p>The DPC plan is a pilot program. There is no current history of the plan as it starts 7/1/19. State of Nebraska is required to report annually to the state legislature. See state statute for laws.</p>
34.	Attachment A – Bidder Questionnaire; DIRECT PRIMARY CARE	Page 6, Ques 1.21	<p>Describe how to administer the wrap plan for the DPC model.</p> <ul style="list-style-type: none"> Similar to our question on 1.18 above, are Primary Care services carved out of their health plans offered with the DPC option so that members can <i>only</i> receive primary care from DPC providers, or do you still cover primary care services under the regular health plans through 	<p>Yes, the DPC services are their own separate plan for members to receive care <i>only</i> from DPC providers.</p> <p>The DPC Pilot was effective with the 7/1/19 plan year</p> <p>See current Description Plan Current coverage summaries for the medical plans in conjunction with DPC are available at http://das.nebraska.gov/Benefits/Active/healthplan-about.html</p>

			<p>Non-DPC providers?</p> <ul style="list-style-type: none"> If the State does not currently carve primary care services out of the regular health plan options if DPC is elected, is it the State's intent to do so effective 7/1/2019 when the DPC pilot is implemented? 	
35.	Attachment A – Bidder Questionnaire; DIRECT PRIMARY CARE	Page 6, Ques 1.22	<p>Describe the mechanisms in place to work with the DPC provider to ensure the member is referred to the medical plan for benefits, if treatment outside the DPC model is needed. Describe the process for specialist referral to ensure the maximum use of the primary care model.</p> <ul style="list-style-type: none"> Please further explain what is meant by this question in terms of what the State is expecting of the bidder/administrator. If the DPC does not file claims or work with directly with an administrator, what mechanisms is the State referring to that are expected to be initiated by the administrator so that the DPC providers refer care elsewhere? This seems it might be more of a question directed toward the DPC providers 	<p>The administrator and DPC provider must work together to ensure maximum benefit coverage for members who require coverage outside the DPC model</p> <p>The DPC plan is a pilot program. There is no current history of the plan as it starts 7/1/19. See state statute for laws.</p> <p>See current Description Plan Summaries available on our website for current coverages for the medical plans in conjunction with DPC.</p> <p>http://das.nebraska.gov/Benefits/Active/healthplan-about.html</p>

			and how they refer patients to Non-DPC specialists.	
36.	General Question	n/a	Are we to quote as an entire population or will the data file (once available) break out separate populations that will need to be quoted separately? Are we to include retirees, and if so, is the retiree eligibility only up to age 65, or will it be all retirees of any age?	Actives only. Retiree's age 55 up to age 65 can access the plans. Currently there are 236 retiree's on our plan.
37.	RFP – V. PROJECT DESCRIPTION AND SCOPE OF WORK; DD. CLINICAL MANAGEMENT PROGRAMS AND CAPABILITIES	Page 43, Ques 1.a.	Contractor must offer the following clinical programs: 1.a. Timely Refill Discounts – Discount provided for members who refill a prescription within 30 days of date it is expected to run out. <ul style="list-style-type: none"> We would like additional information on how this discount is currently provided to members. Is it applied at point of sale? Is it a copay waiver? 	Currently the State of NE pharmacy plan includes a 'Refill and Save' and is an incentive program that is available to all members at no cost. Members who refill their prescription for a qualifying medication as prescribed are given a \$20 savings off the usual copayment or coinsurance. Members who refill their prescriptions by mail order will receive an average reduction of \$50 on the copayment based on a 90-day supply.
38.	Procurement Procedure, I. Submission of Proposal	17 of 62	Please confirm whether the RFP number should be on all pages of the RFP response, including attachments.	The RFP number should be referenced on the outside package of the proposal response and not on all pages of the RFP and attachments.
39.	V. PROJECT DESCRIPTION AND SCOPE OF WORK F. Medical Plan Designs	28	Please provide medical plan designs referenced.	Plans can be viewed at http://das.nebraska.gov/Benefits/Active/healthplan-about.html
40.	Cost Proposal Workbook	Tab 3B: Pharmacy ASO Fees	Lines 6 through 30 are greyed out and the worksheet is password protected, we are unable to complete this worksheet. Please provide an unprotected worksheet	Per the instructions, these lines are greyed out because the PEPM are to include these items, not to be separated out. The bidder should enter the Total Monthly ASO Fee in the line provided.

			so that we can complete this section.	
41.	General Question, unrelated to a specific section	N/A	<p>The signed Non-Disclosure Agreement Attachment C has been submitted. Upon submission the files listed below were to be released. Please provide the following files:</p> <p>Medical Administration files are:</p> <ol style="list-style-type: none"> 1. Census data for active employees, COBRA participants and pre-65 retirees; 2. Claims data for the most recent 12 month period; 3. Enrollment data for the most recent 36 month period; 4. Large loss information for the most recent 36 month period; <p>Pharmacy Benefit Administration files are:</p> <ol style="list-style-type: none"> 1. Census data for active employees, COBRA participants and pre-65 retirees; 2. Claims data for the most recent 12-month period. 	Refer to the answer in Question 25.
42.	General Question, unrelated to a specific section	N/A	Please advise whether the schedule of events will be revised once the data has been released.	Refer to the answer in Question 25
43.	General Question, unrelated to a specific section	N/A	Please confirm the number of HSA participants, vendor and the current fee.	As of 6/1/19 there are 554 HSA participants, Optum Bank charges the member \$1/month until the participants balance reaches \$500
44.	General Question, unrelated to a specific section	N/A	Please provide utilization information by provider for both Hospital and Physician claims for the top 25 providers for each	Refer to the answer in Question 25.

			category. If possible, we would like the hospital claims broken out by Inpatient, Outpatient, and ER.	
45.	General Question, unrelated to a specific section	N/A	Please confirm in detail the costs the State of Nebraska pays via the claim wire. Are there any administrative fees billed via the claim wire for network access or care management?	Cleared Claims are reimbursed via ACH to the dedicated bank account that the contractor pre-funds. ASO fees are billed separately and paid separately to a different bank account.
46.	General Question, unrelated to a specific section	N/A	Please provide a detail sample of your claim wire (report).	Claim wire report includes: 1. CUSTOMER ID; 2. CONTRACT NUMBER; 3. PLAN ID; 4. BANK ACCOUNT NUMBER; 5. TRANSACTION DATE; 6. TRANSACTION ID; 7. TRANSACTION AMOUNT; 8. SERVICE DESCRIPTION; 9. CHECK/ITEM NUMBER; 10. CLAIM SEQUENCE NUMBER; 11. EMPLOYEE NAME; 12. DEPENDENT NAME; 13. EMPLOYEE SOCIAL SECURITY NUMBER; 14. SUFFIX; 15. CLAIM ACCOUNT NUMBER; 16. ISSUE DATE; 17. DATE OF SERVICE; 18. WORK DATE; 19. SOURCE CODE; 20. SOURCE DATE; and 21. BOOK MONTH.
47.	General Question, unrelated to a specific section	N/A	Please provide the Pharmacy Plan Designs including current formulary description and tiers, clinical programs in place, any mandatory or exclusive networks in place today.	A link to the PDL list with tiering information was published within the RFP. Clinical Programs were listed V. PROJECT DESCRIPTION AND SCOPE OF WORK, DD. CLINICAL MANAGEMENT PROGRAMS AND CAPABILITIES. Additionally, there is a formulary indicator on the claims file released 6/26.

48.	General Question, unrelated to a specific section	N/A	<p>Please provide the Pharmacy Claim Data File for pricing and formulary/network disruption analysis including the following fields:</p> <p>Please provide a full pharmacy claim file with a minimum of 4 months of data and the following data elements:</p> <ul style="list-style-type: none"> • Drug NDC-11 • Drug Name • Pharmacy NABP or NPI number • Retail/MOD Indicator • Dispense Date • Quantity Dispensed • Days Supply • Brand/Generic Indicator • Formulary Status (Preferred/Not Preferred) Indicator • Tier (1,2,3) Indicator • Member ID 	Refer to the answer in Question 25.
49.	D. Project Objectives, #21	29	Does the state have the following dedicated staff in place today through UHC; Account Executive, clinical pharmacist, operations director, network manager and member services manager?	Currently the State of NE has designated staff for the account executive, clinical pharmacist, service account manager and client services manager.
50.	D. Project Objectives, #23	30	Please identify all data feeds in place today.	<p>Current data files sent to Medical:</p> <ol style="list-style-type: none"> 1. From the State of Nebraska; and 2. From ASI COBRA <p>Current data files from Medical:</p> <ol style="list-style-type: none"> 1. To Dependent Auditor;

				2. To DPC Provider (per their contract); 3. To Pharmacy Provider (per their contract); 4. To Flexible Spending; and 5. To HSA Provider (per their contract).
51.	D. Project Objectives, #28	30	Which eligibility system does the State use today?	Workday
52.	H. Requested Pharmacy Benefit Contractual Terms, #4	31	Who are transmissions sent to today and frequency?	Currently there are no regularly scheduled or ongoing transmissions sent in the National Council for Prescription Drug Programs format for the State of NE.
53.	K. Member Services, #12	33	Please provide details on how the States website has been customized and URL.	. The current provider has a website for members at www.myuhc.com This website will be linked to the State's home page at: http://das.nebraska.gov/Benefits/Active/healthplan-about.html
54.	K. Member Services, #12	33	Provide details on what age the State follows for parental access to dependents (i.e. age 12) on the portal.	Parental access on portal is available for dependents up to age 12.
55.	P. Web Access, #1	35	Please confirm requirements for interactive website that is to be operational by 2/1/2020.	The interactive website will need to be functional for testing and training for the Wellness and Benefit staff only by 2/1/2020. State of Nebraska teammates will not have access to the site until the effective date of 7/1/20.
56.	CC. Performance Guarantees	42	Confirm if all of these guarantees are in place today.	Performance guarantees listed in the RFP are for the resulting contract and not necessarily for the current contract.
57.	FF. Implementation and Communications, #11		Please confirm the hours that a live representative is required to be available during open enrollment.	At a minimum, one (1) full day (8a-5p) to meet with HR partners in April, in addition to traveling the state at various locations and meetings on business days from approximately April 13 through May 1. (approx. 20-25 meetings)

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