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Secretary

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Deputy Secretary

## REVISED QUESTIONS AND RESPONSES # 1

### Project No. F10B4400011 SLEOLA Medical Plan Administration and Services (PPO, EPO, POS)

April 18, 2014

Ladies/Gentlemen:

This List of Questions and Responses #1, questions #1 through #11, is being issued to revise the answer to question #7. The statements and interpretations of contract requirements, which are stated in the following questions from potential Offerors, are not binding on the State, unless the State expressly amends the RFP. Nothing in the State's responses to these questions is to be construed as agreement to or acceptance by the State of any statement or interpretation on the part of the vendor asking the question as to what the contract does or does not require.

1. *Maximum Reimbursement Charge: What is the reimbursement level percentile for the out-of-network coverage on the PPO and POS plans for all carriers?*

**RESPONSE: The plan contractually negotiates allowed benefit amounts with network providers to accept as payment in full for services. Non-participating providers are not required to accept this allowed benefit as payment in full, and may charge more than the plan's negotiated amount. The member is responsible for any amount above the allowed benefit.**

2. *ERISA Status: Can you please advise if SLEOLA is ERISA or Non-ERISA?*

**RESPONSE: The SLEOLA plan is a governmental plan, and is not subject to ERISA.**

3. *Out to Bid Reason: Can you please elaborate and provide more details as to why SLEOLA is out to bid at this time?*

**RESPONSE: The current contracts under which SLEOLA members are covered have an end date of December 31, 2014. This RFP is submitted in order to acquire the necessary Medical Plan services for this population once the current contract ends.**

4. *Compliance Checklist FA1-CC-84-e, item 11, FA2-CC84-e, item 11, & FA3-CC-84-e, item 11: Please confirm that pharmacy is not a part of this RFP and if this requirement still applies to the medical RFP.*

~Effective Resource Management~

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**RESPONSE:** It is confirmed that pharmacy is not a part of this RFP. However, medical plans will receive data feeds from the pharmacy benefits manager to assist with disease management procedures and reporting.

5. *Medicare Eligible Employees: Can you please confirm that members who are eligible for Medicare are also eligible to enroll in FA1 (PPO), FA2 (EPO) and FA3 (POS)?*

**RESPONSE:** Yes, members who are eligible for Medicare are also eligible to enroll in FA1 (PPO), FA2 (EPO) and FA3 (POS).

6. *HIPAA Certificates: Will SLEOLA require HIPAA certificates to be provided, even though they become obsolete as of 1/1/2015? If HIPAA Certificates are requested do we need to include the costs for these in our pricing?*

**RESPONSE:** HIPAA Certificates will not need to be supplied under this contract because the Federal requirement to produce them ends December 31, 2014.

7. *Repricing: Is SLEOLA requesting that we return the line-by-line repricing analyses on Attachment U or just complete the summary requests contained in the three (3) pricing sheets? If requesting the line by line we will need the attached non-disclosure agreement signed and returned to us as soon as possible.*

**RESPONSE: Line-by-line repricing is not required for this procurement.**

8. *We have received and reviewed the newly issued SLEOLA Medical Plan Administration and Services RFP, F10B4400011, and understand that this SLEOLA population is currently covered [and has been covered] under the existing State of Maryland PPO, POS and EPO plans. Due to the membership threshold of this group, running two parallel Medical programs that include separate reporting, audits, and other duplicative administrative and implementation tasks will result in additional incurred expenses for the vendors resulting in a higher administrative fee for the State of Maryland. We suggest that the historic approach be followed so that the SLEOLA population can be integrated as a Satellite agency of the larger State of Maryland Program. This can be seamlessly accomplished by setting up separate lines of structure and separate plan designs—as is done today. The majority of this RFP, F10B4400011, mirrors the requirements of the previously issued Health Plan Administration and Services RFP, F10B3400022. Both groups can be administered in tandem with minimal modifications. Please confirm it is acceptable for us to submit a response on the SLEOLA RFP, F10B4400011, that will be contingent on the award of the larger RFP, F10B3400022, so we are able to consolidate the SLEOLA population into the State of Maryland administrative agreement. “Please confirm it is acceptable for us to submit a response on the SLEOLA RFP, F10B4400011, that will be contingent on the award of the larger RFP, F10B3400022”.*

- a. *If not, can we provide pricing for both a standalone SLEOLA and for SLEOLA as a Satellite agency?*

**RESPONSE:** No, it is not acceptable to submit a response on the SLEOLA RFP, F10B4400011 that will be contingent on the award of the larger RFP, F10B3400022. Alternate proposals will not be accepted per RFP § 1.12; so pricing for both a stand-alone SLEOLA and for a SLEOLA as a Satellite agency will not be accepted.

9. *In the event we are able to consolidate the groups as mentioned above, in comparing the SLEOLA RFP to the previously issued Health Plan Administration & Services RFP, we notice that all of the 'health activity and tracking' requirements that were included in the larger State of MD bid have been removed. We understand that SLEOLA does not want any financial incentives or disincentives tied to the completion of any healthy activities for their population. But, is it acceptable for these activities to remain available as resources for the SLEOLA population, for them to have access to on a voluntary/non-incented basis to support their wellness goals?*

**RESPONSE:** Offerors shall respond to each RFP separately as they are two distinct contracts.

10. *In accordance with 4.4.3.7. Experience and Qualifications of Proposed Staff: A Letter of Intent for proposed subcontractors is required. Are these Letters of Intent required to be submitted with the Proposal or can they be provided after award?*

**RESPONSE:** The Letters of Intent for proposed subcontractors are required to be submitted with the proposal.

11. *Regarding Section 3.3.1 Disease Management: Are we to include just Disease Management programs and not the other specific Healthy Activities and other programs requested in the prior State of Maryland RFP? Can we add additional wellness resources and services as we deem helpful?*

**RESPONSE:** Offerors shall respond to each RFP separately as they are two distinct contracts. Offerors may add programs they deem applicable, but should consider the impact on the pricing of their proposal.

**Please remember that proposals are due by April 28, 2014, no later than 2:00 p.m.** If there are additional questions concerning this solicitation, please contact me via e-mail at [joy.epstein@maryland.gov](mailto:joy.epstein@maryland.gov) or by phone at (410) 260-7570 as soon as possible.

Date Issued: 04/18/2014

By: Joy Epstein

<signed>

Procurement Officer