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Secretary

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Q & A #3
to
Request for Proposals (RFP)
BEHAVIORAL HEALTH & EMPLOYEE ASSISTANCE PROGRAM (EAP) BENEFIT
ADMINISTRATION SERVICES
SOLICITATION NUMBER F10B0400011
June 7, 2010

Ladies and Gentlemen:

The following Questions, which were received by e-mail for the above referenced RFP, are being answered and posted for all Offerors. The numerical sequencing begins with question #21 since questions #11 through #20 were answered in Q&A #2 on June 1, 2010:

21. Question: Attachment J-4: Administrative Requirements. In reference to AR-32, the contractor will produce and mail ID cards to the homes of each member—is this cost part of each vendor's shared cost of \$20,000 or is this cost in addition to the shared cost?

Answer: As described in Attachment J-4: Administrative Requirements, AR-10, the Contractor will share in the expenses for printing and mailing the State of Maryland Open Enrollment Material including but not limited to benefits guides and universal enrollment forms. For 2010 Open Enrollment, each State vendor's share was approximately \$20,000 per plan. The cost to produce and mail the member identification cards is not included in this shared cost and is the Vendor's responsibility.

22. Question: Is there a role for the Behavioral Health and EAP vendor in providing disease management services?

Answer: As described in Attachment J-4: Administrative Requirements, AR-69, if the State chooses to implement a Disease Management program at any point during the contract term, the Contractor is required to cooperate fully with any disease management vendor under contract by the State, including coordination of care management activities and transmission of data to and from the medical plan vendor in a mutually acceptable format, at no additional cost.

~Effective Resource Management~

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If the Offeror is proposing Optional Programs and Services, including but not limited to disease management, that will help the State provide quality services and better manage total costs, the Optional Programs and Services should be included and described in Attachment J-15: Optional Programs and Services.

23. Question: Please name the current MBE vendors that are being utilized by the current Behavioral Health and EAP vendor.

Answer: The MBE vendors under the current contract are: Brenneman Printing, Select Business, Software Consortium, Universal Counseling and ZeOmega.

24. Question: Section 1.33, Living Wage. Does the Tier 1 or Tier 2 designation have any bearing on the State's evaluation and scoring of the proposal? If so, please provide additional information. Please describe what factors the state considers when determining if the Contractor "provides more than 50% of the services from an out of state locations" for instance, does the state calculate staff man hours, or total salary and benefits paid?

Answer: No, the Living Wage tier designation has no bearing on the technical proposal evaluation and ranking. The actual location from which services are proposed to be provided by the Offeror is the only factor considered when determining if the contractor "provides more than 50% of the services from an out of state location". Please refer to the Living Wage FAQs on the DLLR website: <http://dllr.maryland.gov/labor/prev/livingwagefaqs.shtml>. As noted in FAQ #16, the wage tier is determined by the area where services valued at 50% or more of the total contract value is performed.

If an Offeror proposes to provide services from a location outside of the State of Maryland, the out-of-state location will be deemed to have a Tier 1 designation.

25. Question: Section 3.2.2. Beyond the monthly claims file described in Attachment R and the three accumulator exchanges required for the TPAs CareFirst, Aetna and United, are there other data exchanges that the State will require of the vendor?

Answer: Attachment J-4: Administrative Requirements outlines the requirements of the contract. Administrative Requirements specific to data exchange include, but are not limited to, Administrative Requirements 59 through 72, Data Processing and Interface Requirements.

26. Question: Section 3.2.2. Does the State anticipate that this procurement will result in any changes to the medical plans offered or will the current relationships with CareFirst, Aetna and United stay in place?

Answer: No, the State does not anticipate that this procurement will result in any changes to the vendors currently administering the medical plan options offered to the State of Maryland employees/retirees.

27. Question: Section 3.5.1. Behavioral Health and EAP Plan Administration. Please describe how claims payments will be processed due to the structure of the EAP model described in the RFP. Will the State or another source be paying EAP claims?

Answer: The State will not be paying the EAP claims. The BH/EAP vendor will be responsible for the administration of the EAP program including payment to EAP providers. See RFP Attachment K-2, item F-4.

28. Question: Section 4.3. Submission. The RFP requires that all pages of the proposal volumes be consecutively page numbered. Is the Offeror required to consecutively number the “Additional Response Attachments” (Response Attachment J-1 Behavioral Health Administration Experience through Response Attachment J-8d Geo Report for Psychiatrists) and other attachments submitted as part of the proposal response?

Answer: Please see response to question #11 on Q&A #2.

29. Question: Section 5.2. Technical Criteria. Please provide information on what the state will evaluate to determine Maryland Economic Impact when evaluating the proposal response.

Answer: The following includes, but does not limit, the information that will be evaluated to determine Maryland Economic Impact:

- Job creation (as a result of being recommended for contract award, an Offeror will be able to hire new in-state employees)
- Number of jobs created
- Job retention/preservation (as a result of being recommended for contract award, an Offeror will be able to retain existing in-state employees)
- Number of jobs retained

See also COMAR 21.05.03.03A(3)

(<http://www.dsd.state.md.us/comar/comarhtml/21/21.05.03.03.htm>)

and Board of Public Works Advisory No. 1996-4

(http://www.bpw.state.md.us/static_files/advisories/1996-4.pdf).

30. Question: Attachment N. Will Attachment N include the utilization information listed below? If not, can the State provide this information?

- Inpatient days per thousand
- Inpatient days admits per thousand
- Average length of stay
- Outpatient visits per thousand
- Alternative levels of care
- Days per thousand
- Admits per thousand
- Readmission rates:
 - Within 30days
 - Within 265 days
- Ambulatory follow up rates:
 - Within 7 days

- Within 30 days
- EAP utilization

Answer: The chart below provides additional utilization data for the behavioral health plan for the first nine months of the current fiscal year. The additional behavioral health utilization data requested above (i.e. alternative levels of care, readmission rates and ambulatory follow up rates) will not be provided. The EAP utilization requested above is provided in Attachment N: Confidential Data. Offerors will receive this data upon the State’s receipt of a signed Non-Disclosure Agreement.

7/1/2009 - 3/31/2010				
Utilization Metric	Inpatient Hospital	Partial Hospital	Intensive Outpatient	Outpatient
Days per 1,000	29.93	N/A	N/A	N/A
Admits per 1,000	4.78	N/A	N/A	N/A
Visits per 1,000	N/A	2.21	1.79	109.4
Units per 1,000	N/A	16.57	24.67	1,639.5
Average Length of Stay	9.78	11.36	22.03	27

Source: APS quarterly reports

31. Question: Have there been any opportunities for improvement identified with the current program that the State would like to see addressed?

Answer: The State of Maryland’s Request for Proposal for Behavioral Health and EAP Benefit Administration Services, Solicitation Number F10B0400011 includes the requirements for the provision of the requested services for the State of Maryland.

32. Question: Please provide the current rate for this program.

Answer: Please see response to question #5 on Q&A #1.

33. Question: Will deviations to the insurance requirements (e.g., E&O insurance of 5 million, rather than 10 million; commercial general liability insurance with a 5 million, rather than 10 million, general aggregate limit) be acceptable to the State, or will the vendor be disqualified on this basis alone?

Answer: Offerors who do not meet the Minimum Requirements as of the date of submission of the proposal as described in RFP § 2-Offerors Minimum Qualification and Attachment J: 1 Minimum Requirements will be disqualified as not reasonably susceptible of award. Insurance requirements as described in RFP § 3.5.7 will be required of the Contractor upon contract award. Current deviations to these requirements and commitment to meet the requirements upon contract award will be reviewed and taken into consideration by the Evaluation Committee. Offerors are strongly advised to comply with the minimum requirements described in the RFP, including the insurance requirements.

34. Question: Define bound versus unbound for a hardcopy proposal submission. Is a proposal submitted in a binder considered “bound” or “unbound”?

Answer: The pages of an unbound hardcopy proposal are free of holes and staples ensuring the ease and accessibility of the Procurement Officer to reproduce/copy a specific page or series of pages, as necessary, for evaluation purposes. Conversely, the pages of a bound hardcopy proposal [which are put together using holes (in a notebook), staples or binder combs] cannot be as easily removed for copying purposes.

A hardcopy proposal submitted in a binder/notebook is considered a bound proposal.

35. Question: Attachment J-16: Deviations Page must be signed by an officer of the company. Is a facsimile signature acceptable?

Answer: No, a facsimile signature is not acceptable. A live/original signature in blue or black ink is required. *See also* RFP §1.36.5.

36. Question: Reference Section 1, General Information, page 6, Section 1.12, MBE, 3rd paragraph: Please confirm that the areas listed in this paragraph (marketing and outreach etc) are considered "Administrative Services." The previous paragraph in this section makes reference that "subcontracting opportunities are limited to administrative services ONLY."

Answer: The Section 1.12 reference to “marketing and outreach” refers specifically to the Contractor’s preparation and printing of State of Maryland BH-EAP enrollment and other State BH-EAP Plan materials (brochures, ID cards, etc.), and staffing of State of Maryland health or enrollment fairs. Such services are administrative services.

37. Question: Reference Attachment D, MBE Participation, page 1, 2nd paragraph, 3rd bullet: What are the bonding requirements?

Answer: No bonding requirements have been included in this RFP.

38. Question: Reference Attachment D-1, page 1, paragraph 1, bullet 2: Please provide a copy of the COMAR (Code of Maryland Regulations) 21.11.03.11 for waiver requirements.

Answer: The Code of Maryland Regulations is publicly available online at: <http://www.dsd.state.md.us/comar/comar.aspx>. The weblink for COMAR 21.11.03.11, as amended from time to time, is: <http://www.dsd.state.md.us/comar/comarhtml/21/21.11.03.11.htm>.

39. Question: Reference D-4, MBE Participation (Prime) and D-5, MBE Participation (MBE Subcontractor): Please confirm these two (2) forms are submitted after award is made.

Answer: Yes, on or before the 10th of each month, the MBE Participation D-4 and D-5 Forms are submitted by the Contractor (Prime) and each MBE subcontractor.

40. Question: Requirement: The dedicated toll-free customer service phone line will answer calls within the time specified. Measurement will be from the initial ring. Please elaborate on the current program and specify whether the first point of contact is to a live answer or IVR.

Answer Attachment J-4: Administrative Requirement #22 and Attachment J-4: Performance Guarantee 4 outlines the requirement and Performance Indicator for Average Speed of Answer for the upcoming contract.

41. Question: Requirement: The automated claims system will be available 24 hours a day, 7 days per week. Please define “automated claim system.” Does this simply refer to the lack of downtime a claims system may experience?

Answer: The “automated claims system” means the claim system used by providers to electronically submit claims to the vendor.

42. Question: Requirement: The Contractor will process all paper enrollment information within the time specified. What type of volume are we expecting to be submitted by paper?

Answer: Paper enrollments forms are not routinely utilized as eligibility data is electronically transmitted. However, instances may arise where a member needs to access services prior to receipt of the enrollment file. In these cases eligibility information is transmitted to the vendor manually. The vendor/vendor’s designee would contact the State of Maryland’s Customer Service Unit to confirm eligibility. The Customer Service Unit provides a verbal confirmation and may send a copy of the Benefits Summary Statement which includes the member’s enrollment information (i.e. name, address, ss. #, etc.) so the enrollment can be processed.

43. Question: Why is the State out to bid at this time? Is there any level of dissatisfaction with the current vendor?

Answer: The current contract expires on June 30, 2011 and the contract resulting from this RFP will allow services to continue after that point.

44. Question: What behavioral issues are of particular importance to the State at this time?

Answer: Please refer to RFP § 5.2 Technical Criteria for the criteria and sub-factors to be applied to each technical proposal listed in descending order of importance.

45. Question: Are there any current or upcoming management issues that the State has?

Answer: Please see response to question #10 on Q&A #1.

46. Question: Can you please provide the list of MBE vendors that your BH vendor, APS is currently subcontracting with on this contract? Does Women owned vendors qualify as a MBE vendor?

Answer: Please see response to question #23 above. Yes, Women owned vendors who become MDOT MBE certified on or before the due date for receipt of proposals may qualify as a MBE vendor.

47. Question: Is it possible to receive the present rates in force for both the BH and EAP programs?

Answer: Please see response to question #62 below.

48. Question: Please describe how the State's current EAP and BH services are integrated.

Answer: Please refer to RFP § 3.1-Program Description.

49. Question: Does the State expect the contractor to provide home mailings to the State's participants? Please provide an outline of the materials and frequency of these mailings.

Answer: Please refer to Attachment J: 4-Administrative Requirements #s 10, 25, and 32 for Member Communication Requirements.

50. Question: Does the State anticipate holding the same number of benefit fairs as the previous year (100)?

Answer: As stated in the RFP § 3.1-Program Description "During the last enrollment period for which Benefit Fairs were held, the State conducted approximately 100 Benefit Fairs throughout the State." The State does not expect that the number of benefit fairs will vary greatly but it will vary. Please note that "100" is not a cap on the number of benefits fairs that may be held.

51. Question: Is the State considering a self-referral model for their EAP?

Answer: The State is not considering a self-referral model for the EAP at this time. If the Offeror is proposing Optional Programs and Services, which will help the State provide quality services and better, manage totals costs, the Optional Programs and Services should be included and described in Attachment J-15: Optional Programs and Services.

52. Question: Please provide detail about the Internet tools the State is looking for – (Internet provider directory with mapping?).

Answer: Attachment J-4: Administrative Requirement #20 outlines the State's requirements for an internet tool. In addition, the State will evaluate the Offerors internet tools based on responses to Attachment J-5: Questionnaire, Questions 108 through 110. If an Offeror wishes to propose internet-based tools that exceed the minimum requirement, please describe such services in response to RFP, Attachment J-5, Question 129.

53. Question: Does the RFP contain any substantive changes from the services now provided by the present vendor, and if so, can you please provide details of the changes?

Answer: There are no substantive changes from the services provided by the present vendor.

54. Question: Regarding BH_EAP_Attachment_P_Standard_Reporting_Formats_4-29-10 report:

- Define “Number of Approved EAP Sessions” - is this the number of sessions approved when the member is authorized for service, or is it the number of sessions actually provided?
- Do we need to report no-shows if they are not charged by the counselor to the vendor.

Answer: The number of Approved EAP Sessions is the number of sessions approved by the State. Attachment P Standard Reporting Format includes reporting templates to be used by the Contractor after contract award. In response to Attachment J:5 a Questionnaire Question # 98, please ”List the reports and provide examples of the standard reporting package you will be delivering to the State in addition to the required reports identified in Attachment M as well as AR-66. Label as "Response Attachment J-5: Sample Standard Reporting Package" The response to Q #98 should include any additional reporting being proposing to provide the State including for example, EAP No Shows,

55. Question: Regarding BH_EAP_Attachment_J_Technical_4-29-2010, part K-2 Financial Requirements question F-6, please confirm that “routine underwriting and actuarial-related contract services” mean those services that vendors need to meet the requirements of the contract, and not underwriting and actuarial services that the State may request outside the scope of the RFP.

Answer: Yes, routine underwriting and actuarial-related contract services include those services that the vendor needs to provide to meet the requirements of the contract and as stated in the RFP. The State may request the Contractor to perform underwriting and actuarial services as needed to comply with Attachment J: 4 Administrative Requirements, Administrative Requirement 127 “The Contractor agrees to monitor federal and state legislation affecting the delivery of behavioral health and EAP 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.” In addition adherence with Administrative Requirement AR-76 requires routine underwriting and actuarial-related services.

56. Question: Regarding BH_EAP_Attachment_J_Technical_4-29-2010, part J-3 Plan Design, please describe the preauthorization requirements for benefits, and provide assurance that these requirements meet the Mental Health Parity and Addiction Equity Act of 2008 and the corresponding DHHS Initial Final Regulations.

Answer: Attachment J-3: Plan Design being requested does not include preauthorization requirements for benefits and meets the Mental Health Parity and Addiction Equity Act of 2008 and the corresponding DHHS Initial Final Regulations.

Please refer to Attachment J: Administrative Requirement # 101 as it relates to Mental Health Parity and Addiction Equity Act of 2008 and the corresponding DHHS Initial Final Regulations “The Contractor will comply with all information disclosure requirements under the Mental Health Parity Act of 1996 and the Mental Health Parity and Addiction Equity Act of 2008, including the DHHS interim final rule published in the Federal Register on February 2, 2010.” Also in response to Attachment J-5a: Questionnaire, Questions 23 and 24 respectively, the Offeror should describe their experience in addressing mental health parity requirements and address what systems are in place to address mental health parity requirements and information exchange with medical/surgical TPAs for accumulating financial and treatment limitations e.g. deductibles, in-patient day limits, etc).

57. Question: Please provide the number of EAP referrals provided by the State EAP Coordinator for the last two years, and the last two years BH utilization information in the format required of vendors in BH_EAP_Attachment_P_Standard_Reporting_Formats_4-29-10 part P-12_EAP Service Summary.

Answer: Please see response to question #7 on Q&A #1.

58. Question: Please provide the last two years BH utilization information in the format required of vendors in BH_EAP_Attachment_P_Standard_Reporting_Formats_4-29-10 section part P-1_Utilization Data.

Answer: Please see response to question #7 on Q&A #1.

59. Question: We understand that EAP counseling is generally provided by management referral, and it takes approximately two weeks for the employee to get an appointment. However, if a State employee needs emergency counseling, can the member call MHN’s call center for immediate assistance?

Answer: If the Offeror is proposing any changes to the existing BH and EAP Program as described in the RFP and Attachments including Attachment J:3 Plan Design, all changes should be included on Attachment J:-3: Plan Design, Deviations From Proposed” Attachment J:16 Deviations Page and/or Attachment J-15: Optional Programs and Services, as appropriate. Also, please note that employees who are covered members of the health plan are always free to seek covered benefits under the group health plan.

60. Question: Does the State want to provide employees with Work & Life Services (dependent care assistance, legal and financial)? Will employees call the toll-free EAP line to access these services?

Answer: Please see response to question # 59 above.

61. Question: J-5, Questionnaire includes: Q-126: Provide a complete listing of all administrative services which are subcontracted and the subcontractor used. (Please complete one “Attachment J-6: Subcontractor Questionnaire” for each of the subcontractors listed here.). How is the State defining subcontractor for “administrative

services”? Would this include our vendor-partners for Work & Life Services and/or provider of website content?

Answer: Please see RFP § 1.2 Abbreviations and Definitions (hh) for the definition of subcontractor. “Subcontractor means an organization or entity that the Offeror plans to utilize for the purposes of services covered under this Contract.” This includes any organization the Offeror will utilize to support the administrative requirements of the contract.

62. The following is an additional response to Question #5 on Q&A #1:

Question: What is the current rate (PEPM, PEPY, fee-for-service, etc) being paid for the EAP benefit? Has there been a rate guarantee? For how long? Indicate any rate increases throughout the contract term.

Answer: The unit fees under the current contract are not being produced. The Maryland Public Information Act (Md. Ann. Code, State Gov’t Art., Title 10, subtitle 6, Part III) governs the production of records and information by the Department. The disclosure of confidential information is prohibited and willful violation of that prohibition is punishable by criminal penalty. State Gov’t §§10-617(d) and 10-627. This level of detailed pricing information is confidential commercial information which, if disclosed, would damage the competitive position in the marketplace of the current contractor.

The Board of Public Works agenda Item 2-S for the current contract is available on-line here:

http://dbm.maryland.gov/contractors/contractlibrary/Documents/EmpBenBehavioralHealth/behavioralhealth2_s_bpwagendaitem.pdf

The BPW agenda item includes the contract value and the financial ranking of offerors from the prior contract. You may wish to review those documents in conjunction with RFP No. F10R6200070 (issued 9/20/2005) which resulted in the award of the current contract; such review will provide you with the necessary information to understand what fees and costs were part of the financial ranking as reflected in the BPW agenda item for the current contract.

Should you require clarification of the information provided, please contact me at (410) 260-7374 as soon as possible.

Date Issued: June 7, 2010

By: Andrea R. Lockett
<signed>
Procurement Officer