MARYLAND
DEPARTMENT OF
BUDGET & MANAGEMENT

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Q & A #4
TO
REQUEST FOR PROPOSALS (RFP)
DENTAL PLAN ADMINISTRATION AND INSURANCE SERVICES
SOLICITATION NUMBER F10B3400005
OCTOBER 2, 2013

Ladies and Gentlemen:

This List of Questions and Responses #4, questions #90 through #101, is being issued to clarify certain information contained in the above named RFP. The numerical sequencing begins with question #72 as questions #1 through #46 were answered in Q&A #1, issued on September 13, 2013, questions #47 through #71 were answered in Q&A #2, issued on September 18, 2013 and questions #72 through #89 were answered in Q&A #3, issued on September 24, 2013.

In most instances the submitted questions and the Department's responses merely serve to clarify the existing requirements of the RFP. Sometimes, however, in submitting questions potential Offerors may make statements or express interpretations of contract requirements that may be inconsistent with the Department's intent. To the extent that the Department recognizes such an incorrect interpretation the provided answer will note that the interpretation is erroneous and either state that the question is moot once the correct interpretation is explained or provide the answer based upon the correct interpretation.

No provided answer to a question may in and of itself change any requirement of the RFP. If based upon a submitted question it is determined that any portion of the RFP should be changed, the actual change may only be implemented via a formal amendment to the RFP. In this situation the answer provided will reference the amendment which contains the RFP change.

The statements and interpretations of contract requirements which are stated in the following questions of 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.

90. ***Question:*** *On FA2 Attachment T DPPO FI Technical Proposal- Item CC-69 indicates the following:* ***Offeror agrees to provide claims adjudication at 90th R&C percentile for non-network DPPO services.***

    Question 28 of the Question and Responses #1 document asks if non network DPPO claims are adjudicated based on Usual and Customer or Maximum Allowable Charges (if Usual and Customer at what percentile). The response was: ***The current carrier (contractor) has their own proprietary fee schedule and network reimbursement policy.***

    Could we obtain clarification on which method is currently in place and / or requested for adjudication of non-network DPPO claims?

    Answer: The Department confirms that for out-of-network claims, allowed charges are based on a Maximum Allowable Charge schedule which is tied to reimbursement levels for in-network providers. See Amendment #6, Item 2. See also Amendment #6, Item 6, revising CC-69 of Attachment T-6: Compliance Checklist for both Functional Area 2-DPPO Fully-Insured and Functional Area 3-DPPO Self-Funded.

91. Question: *Please provide clarification on the 9/17 release of the 3 Disruption reports. Please state if it is acceptable to use the original versions that were provided with Attachment U on 9/4 or if there is any updated information provided with the new version.*

    Answer: Yes, it is acceptable to use the original versions that were provided by the Procurement Officer as Attachment U upon receipt of Attachment J. The new disruption files released as part of Q&A #2 / Amendment #3 are the same as the originals, except that they were modified to allow access to the data itself. Please use the original files for your response.

92. ***Question:*** *[A] There are numerous duplicates and old, non-accurate provider listings in the disruption file. To provide a more accurate and current disruption, could you please provide the last 12-18 months of utilization data?*

    [B] Provider TINs are extremely important in determining in or out of network status. Disruption results will be extremely understated without this critical piece of information. Can you please provide the disruption report with corresponding TINs?

    Answer:
    [A] No further information is available.
    [B] No further information is available.

93. ***Question:*** *Please provide clarification on exactly how out-of-network claims are being adjudicated for the current DPPO dental plan. We understand that in-network providers are reimbursed using the negotiated contract allowances. However, we are still unclear about how out-of-network claims are paid. Is the same contract allowance used to pay in-network and out-of-network claims? Or, is some other allowance applied to out-of-network claims?*

    Answer: Please see the response to Question #90. See Amendment #6, Items 2 and 6.

94. ***Question:*** *FA2 Attachment T-6. Please confirm that CC - 77 applies to Self Funded only as indicated in RFP 3.3.3 (d).*

    Answer: The Department confirms that CC - 77 applies to Self-Funded only; not Fully-Insured. See Amendment #6, Item 2. See also Amendment #6, Item 7, omitting CC-77 from Functional Area 2-DPPO Fully Insured.

95. ***Question:*** *Based on the response for Question # 73 within Addendum 4 [Attachment T-4: Provider Network Access, for each Functional Area], can you confirm that Puerto Rico, Guam and Virgin Islands are still not to be included in the access results, per the instructions in T-4? They seem to be included in the updated numbers.*

    Answer: The Department confirms that all employees included in the census fill, including those in Puerto Rico, Guam and Virgin Islands are to be included in the access results. See Amendment #6, Item 2. See also Amendment #6, Item 5 omitting the last sentence in parentheses and italics in the instructions for each Functional Area.

96. ***Question:*** *The State's response to questions 76, 88 and 89, from the "Questions and Responses #3" document distributed on September 24, states that for the current carrier's "…out-of-network claims, allowed charges are based on a Maximum Allowable Charge schedule which is tied to reimbursement levels for in-network providers. No further information is available."*

    However, CC-69 of the Compliance Checklist in Attachment T-6 requires that the offeror "provide claims adjudication at the 90th R&C percentile for non-network DPPO services."

Please confirm that it is the State's intent to increase out-of-network processing from the current Maximum Allowable Charge schedule to the higher fee reimbursement of the 90th percentile.

Answer: The State shall continue to use the Maximum Allowable Charge schedule for out-of-network claims. See Amendment #6, Items 2 and 6.

97. ***Question:*** *The State's response to question 15, from the "Questions and Responses #1" document distributed on September 13, states that "the only plan change in the past 3 years has been an increase to the age of dependents to age 26. There have been no additional plan design changes."*

However, the State's 2008 RFP required that offerors provide out-of-network claims processing at the 90th percentile and the State's response to questions 76, 88 and 89, from the "Questions and Responses #3" document distributed on September 24, states that the current carrier processes out-of-network claims based on a Maximum Allowable Charge schedule.

Please confirm that the State changed its out-of-network processing from the higher 90th percentile to the lower reimbursement level of the Maximum Allowable Charge schedule.

Answer: The State shall continue to use the Maximum Allowable Charge schedule for out-of-network claims processing. See Amendment #6, Item 2. Also See Amendment #6, Item 6, revising CC-69 of Attachment T-6: Compliance Checklist for both Functional Area 2-DPPO Fully-Insured and Functional Area 3-DPPO Self-Funded.

See also Amendment #6, Item 8, revising Q-43 of Attachment T-7: Questionnaire for both Functional Area 2-DPPO Fully-Insured and Functional Area 3-DPPO Self-Funded.

98. ***Question:*** *Would the State entertain receiving two plan options: one with out-of-network processing at the 90th percentile, and the other with out-of-network processing at the Maximum Allowable Charge level?*

Answer: No. Please use only the Maximum Allowable Charge level. See Amendment #6, Items 2 and 6.

99. ***Question:*** *Question SQ-8 of Attachments T-8a through T-8f states that copies of any subcontractor's insurance summaries must be provided with the RFP response. Should the subcontractors' insurance summaries be included with the response to section 4.4.3.11 Certificate of Insurance, or with section 4.4.3.12 Subcontractors?*

Answer: Copies of any subcontractor's insurance summaries should be provided with the response to Section 4.4.3.12 Subcontractors.

100. ***Question:*** *Section 4.4.1 states: "responses in the Offeror's Technical Proposal should reference the organization and numbering of Sections in the RFP (ex. "Section 3.2.1 Response . . .; "Section 3.2.2 Response . . .," etc.)."*

Please clarify if we should also reference the name of the section in the title, for example, "Section 4.4.3.2 Response Claim of Confidentiality," or if we should simply label attachments as "Section 4.4.3.2 Response."

Answer: Yes, the Department would prefer if the name of the section is also referenced in the title when providing a response.

101. ***Question:*** *Attachment T-6: Compliance Checklist, CC-15 states that ID cards must be mailed within three days of receipt of an enrollment add/change event.*

Has timely ID card generation been an issue for the State during the current contract period?

Does the State's current dental carrier mail ID cards within three days of receipt of an enrollment add/change event? Please provide the average turnaround time for ID card generation after receipt of an enrollment add/change event under the current carrier.

Answer: This is a requirement of the current State contract. No additional information will be provided.

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

Date Issued: **October 2, 2013**

Authorized By: Andrea R. Lockett
<signed>
Procurement Officer