



**State of Oklahoma
Office of Management and Enterprise Services
Central Purchasing Division**

Amendment of Solicitation

Date of Issuance: 7/22/2014

Solicitation No. 0900000148

Requisition No. 0900003925

Amendment No. 1

Hour and date specified for receipt of offers is changed: No Yes, to: _____ 3:00 PM CST/CDT

Pursuant to OAC 580:16-7-30(d), this document shall serve as official notice of amendment to the Solicitation identified above. Such notice is being provided to all suppliers to which the original solicitation was sent.

Suppliers submitting bids or quotations shall acknowledge receipt of this solicitation amendment prior to the hour and date specified in the solicitation as follows:

- (1) Sign and return a copy of this amendment with the solicitation response being submitted; or,
- (2) If the supplier has already submitted a response, this acknowledgement must be signed and returned prior to the solicitation deadline. All amendment acknowledgements submitted separately shall have the solicitation number and bid opening date printed clearly on the front of the envelope.

ISSUED BY and RETURN TO:

U.S. Postal Delivery or Personal or Common Carrier Delivery:

Office of Management and Enterprise Services,
Central Purchasing Division
Will Rogers Building
2401 N. Lincoln Blvd., Suite 116
Oklahoma City, OK 73105

Jacob M. Charries
Contracting Officer

(405) - 522 - 1040
Phone Number

Jacob.Charries@omes.ok.gov
E-Mail Address

Description of Amendment:

a. This is to incorporate the following:

Please see below answers to vendor questions. No further questions will be accepted

OUT-OF-STATE/NON-NETWORK

1. The HealthChoice Handbook states out of network benefits are paid to out of network providers using "allowed charges". How are allowed charges calculated? % of Medicare % of RBRVS? % of R&C? % of the State's current fee schedule? Please explain.

HealthChoice utilizes different reimbursement methodologies but are typically based upon Medicare. The "allowable fee" for non-Network providers is the same as the "allowable fee" for Network providers unless an exception has been made in accordance with 74 O.S. § 1304.1(M)(18) and 360 O.A.C. § 10-5-17(10).

360 O.A.C. § 10-5-17(10)
Approval of exceptional claims

a. The Health Care Management Unit may recommend exceptions to the benefits provided by the plan for situations which would otherwise be denied or subject to limited coverage.

b. Each request for exception must first be reviewed by the Health Care Management Unit on an individual basis. All responsibility for providing the documentation necessary to complete the review falls to the member. Recommendations will then be given to the Medical Director and Administrator both of whom must review all requested exceptions. Exceptions that have been reviewed but not approved in writing by the Medical Director and Administrator are deemed

Description of Amendment - continuing

not approved. Approval of exceptions shall not establish precedent for other requests. All requests shall confirm that the requested exception is:

- (i) Medically necessary, and
- (ii) Within the standards of the community , and
- (iii) Cost effective, and/or
- (iv) In compliance with all criteria as established by the Medical Director or designee.

2. Does the HealthChoice network extend outside the boundaries of the State of Oklahoma?

a. If so, please comment.

b. If not, does HealthChoice use a vendor for network access for member care received outside of Oklahoma? If so, which vendor is used? What is their scope of work?

Yes, the HealthChoice Network does extend outside the boundaries of the state of Oklahoma, particularly in the surrounding states of Texas, Arkansas, Missouri, Kansas, Colorado and New Mexico.

3. Are HealthChoice participants residing in Oklahoma allowed to receive care outside of Oklahoma for non-emergency services? Without a referral or required prior authorization? If not, please elaborate.

Members can receive services from any provider whether in state or out-of-state. Any services from non-Network providers that did not receive an exception are subject to a higher coinsurance and the amounts above the HealthChoice allowable fee.

4. Please explain the HealthChoice claim payment protocols for:

a. Services performed by non-network radiologist, anesthesiologist, pathologist, lab/imaging or emergency room physician when a member's care is performed in an in-network office/facility setting.

Services are subject to the non-network benefits.

b. Services performed by a non-network provider when referred to by network contracted physician or provider.

Services are subject to the non-network benefits unless an exception has been made.

5. What provider network(s), if any, do out of state participants use to access care?

The HealthChoice USA plan is offered to current employees and pre-Medicare retirees who live and work outside of Oklahoma and Arkansas. This plan currently has just over 50 members and it utilizes the ChoiceCare network.

EXHIBITS A, B AND C

6. Regarding Exhibit A – is there a reason Family Practice wasn't included? Can we add a row for that primary specialty?

Family practice does not have a separate CMS designation. Providers with family practice as a primary specialty should be included in either 01 – General Practice or 11 – Internal Medicine. Do not add a row for this specialty.

7. Exhibit B includes participants by Oklahoma County and out of state participants. How are out of state participants defined? Are these non-Medicare retirees only? Or are they active employees of the state or other eligible government entity who live in another state?

Out of state participants are defined by members who reside outside of Oklahoma. These could be active or pre-Medicare members.

Description of Amendment - continuing

8.The census file received contains 3-digit zip codes. We cannot prepare a GeoAccess analysis and complete Exhibit B, as requested in C.6.1.2, without 5-digit zip codes. When can we expect a new file?

A census based upon the member 5-digit zip code will not be provided. The Vendor should use the county and the 3-digit zip provided in Exhibit B which is the basis for the evaluation.

9.Regarding Exhibit B – Can you provide a census with member 5-digit zip codes for the network accessibility? It can still be summarized per Exhibit B, but would provide a more accurate analysis than 3-digit or county radii counts.

A census based upon the member 5-digit zip code will not be provided. The Vendor should use the county and the 3-digit zip provided in Exhibit B which is the basis for the evaluation.

10.Will the State share the home addresses or cities/counties in which the current members in the high-deductible plan reside?

Currently, 243 members reside in Oklahoma County, 159 members reside in Tulsa County, 75 members reside in Cleveland County, 9 members reside out-of-state and the remaining 325 members reside throughout other counties in the state of Oklahoma.

11.Regarding C.9. and the repricing file - We need to confirm that we are correctly identifying the billed amount in the data for the analysis. For our analysis, we need the charge amount on the claim less any non-covered, denied, or ineligible amounts (i.e., the billed amount) and before any negotiated discount, member cost-sharing, or COB. The data contains the "CHARGEAMT" field and the "ELIGIBLE CHARGES" fields. We believe the "ELIGIBLE CHARGES" field represents the billed amount. Please have the current data administrator or incumbent carrier confirm for us that we are correctly identifying the billed amount as described above.

The "CHARGEAMT" is the amount billed by the provider. The "ELIGIBLE CHARGES" is the amount billed by the provider that is covered before any discounts, deductible or coinsurance. If the line is not covered due to denied or ineligible, then a zero will appear in the ELIGIBLE CHARGES field.

12.Regarding Exhibit C – Is the file named "ClaimsPricing.csv" Exhibit C?

Yes

STATUTORY REQUIREMENTS

13.Please offer additional insight on the State's intent of the requirements?

- C.5.1.1 - wherein out of state providers must be reimbursed at least at the same percentage level as the network percentage level. The HealthChoice plans may only contract outside this parameter when the out of state provider was referred out of state by a physician or it is an emergency and the out of state provider is the closest in proximity.
- C.5.1.2. wherein the contract for out of state network providers must be identical to in-state provider contracts.
- C.5.1.3. wherein out of state providers are paid at the same level as in state providers.

The HealthChoice Plans are regulated by the statutes cited. The historical interpretation allows any willing provider that is properly licensed and insured to join the HealthChoice Network. Reimbursements are the same for similar provider types. Out-of-State providers are offered the same contract as in-state providers. In emergency situations or when a member is referred to an out-of-state provider HealthChoice may offer a unique contract with that provider limited to the services offered to the qualifying member.

Description of Amendment - continuing

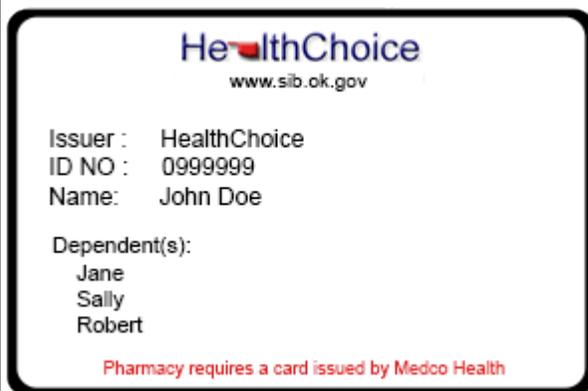
14. Section C.5.1.4. Could you please elaborate on "...wherein notice and public hearings must occur before adopting changes in reimbursement rates or methodologies..."; what constitutes a public hearing?

When HealthChoice contemplates a change in reimbursement methodology, the law requires HealthChoice to notify network healthcare providers at least fifteen (15) days prior to the hearing and offer a public forum wherein providers can comment on the proposed changes prior to those changes being adopted. EGID will provide assistance to the selected vendor in meeting all of the requirements for this statute. These meetings are typically held in EGID's 5th floor Board Room in Oklahoma City.

ID CARDS

15. Please share a sample of a current HealthChoice ID card

HealthChoice's ID card is below



16. Regarding C.5.4 – what are the State's co-branding requirements for ID cards. As a rule we provide ID cards? Can you provide a sample ID card?

HealthChoice does not have any co-branding requirements. If the Vendor wishes to produce the ID cards, then they may propose an alternative method in the Statement of Compliance in Section F.

BID FORMAT REQUIRMENTS

17. We would like to secure the RFP in an editable format (Word), if available.

We are unable to provide an editable version of the RFP document (e.g. – Word) in order to maintain the security of the general provisions. Documents that would need to be in writable format are included as attachments to the solicitation on the solicitation website.

Description of Amendment - continuing

18. We have received the RFP in a PDF file, but according to E.3.3., an official copy is obtainable through Central Purchasing. To ensure our proposal meets the formatting requirements outlined, we would like to receive an editable file. Can we receive the RFP in a Word file?

We are unable to provide an editable version of the RFP document (e.g. – Word) in order to maintain the security of the general provisions. Documents that would need to be in writable format are included as attachments to the solicitation on the solicitation website.

19. Regarding proposal submission, will you accept an electronic signature in any place a signature is required?

Yes

20. There appears to be a discrepancy between A.2.4 and E.2.1 on acceptable electronic file formats in which to submit RFP responses. A.2.4 reads: "...Electronic responses must be submitted in the identical format contained in the solicitation (for example Microsoft Word, Microsoft Excel, but not Adobe PDF)." E.2.1 reads: "...and one (2) electronic copies on CD or DVD in a searchable PDF format allowing full text searches of the Vendor's response...". Please clarify.

The requirement is for two (2) electronic copies of the solicitation response. If your solicitation response requires use of multiple CD/DVDs the requirement is two (2) full sets of the response. Please provide the following CDs at a minimum.

CD-1 - The responses to the entire proposal (except Exhibits A-C) must be in a searchable pdf format.

CD-2 - Exhibits A and B must be submitted in Excel, and Exhibit C must be in a zipped text-delimited format.

21. A.2.4. states that "Electronic responses must be submitted in the identical format contained in the solicitation (for example Microsoft Word, Microsoft Excel, but not Adobe PDF)." However, the solicitation was provided as a PDF. Can you provide Sections A-H in Microsoft Word? In addition E.2.1. states that the electronic submission should be in a searchable PDF format. Do you want the main electronic proposal file in Word and/or PDF format – or the same file in both formats?

The requirement is for two (2) electronic copies of the solicitation response. If your solicitation response requires use of multiple CD/DVDs the requirement is two (2) full sets of the response. Please provide the following CDs at a minimum.

CD-1 - The responses to the entire proposal (except Exhibits A-C) must be in a searchable pdf format.

CD-2 - Exhibits A and B must be submitted in Excel, and Exhibit C must be in a zipped text-delimited format.

22. E.2.1. Do you want one or two CDs of the electronic copy of the proposal submission? One set of two CDs: one with the proposal response and one with Exhibits A-C or two copies of each?

The requirement is for two (2) electronic copies of the solicitation response. If your solicitation response requires use of multiple CD/DVDs the requirement is two (2) full sets of the response. Please provide the following CDs at a minimum.

CD-1 - The responses to the entire proposal (except Exhibits A-C) must be in a searchable pdf format.

CD-2 - Exhibits A and B must be submitted in Excel, and Exhibit C must be in a zipped text-delimited format.

Description of Amendment - continuing

23. Please specify what information is desired on each of the discs. In E.2.1 it states "...including Exhibits A, B and C on a separate CD or DVD" and C.9.1.1. states "Exhibits A, B and C are to be provided on a separate CD with the bid."

The requirement is for two (2) electronic copies of the solicitation response. If your solicitation response requires use of multiple CD/DVDs the requirement is two (2) full sets of the response. Please provide the following CDs at a minimum.

CD-1 - The responses to the entire proposal (except Exhibits A-C) must be in a searchable pdf format.

CD-2 - Exhibits A and B must be submitted in Excel, and Exhibit C must be in a zipped text-delimited format.

24. Do you want two identical disks with the both the electronic proposal copy AND all exhibits, or one disk with the electronic proposal only and one disk with the exhibits?

The requirement is for two (2) electronic copies of the solicitation response. If your solicitation response requires use of multiple CD/DVDs the requirement is two (2) full sets of the response. Please provide the following CDs at a minimum.

CD-1 - The responses to the entire proposal (except Exhibits A-C) must be in a searchable pdf format.

CD-2 - Exhibits A and B must be submitted in Excel, and Exhibit C must be in a zipped text-delimited format.

25. We understand that our submission must include an original and five (5) copies, but need clarification on how many CDs/DVDs are required as there is a discrepancy in E.2.1. It currently states "one (2) electronic copies on CD or DVD in a searchable PDF format..." How many CDs/DVDs are required?

The requirement is for two (2) electronic copies of the solicitation response. If your solicitation response requires use of multiple CD/DVDs the requirement is two (2) full sets of the response. Please provide the following CDs at a minimum.

CD-1 - The responses to the entire proposal (except Exhibits A-C) must be in a searchable pdf format.

CD-2 - Exhibits A and B must be submitted in Excel, and Exhibit C must be in a zipped text-delimited format.

26. The CD versions – can they be packaged within the original hard copy proposal binder or do they need to be packaged in a separate envelope from the original and binder copies?

CD/DVDs can be included in the same packaging as the original and binder copies.

27. Regarding Section E.4. – May we submit specific sections separately that contain vendor confidential information? If so, how would you like that presented/segmented? Should we include it on the CD with Exhibits A, B, and C; or in a separate envelope or CD marked as confidential within each proposal binder?

Please review section A.7 of the RFP and note that the State Purchasing Director makes decisions on whether information is confidential. Information believed by the Vendor to be confidential should be submitted separately and labeled accordingly. In that way, OMES can help ensure the confidential information is maintained as confidential. If the State Purchasing Director determines the information submitted as confidential is not confidential, that portion of the response will be returned to the Vendor and not considered by the evaluation committee.

28. E.3.1 doesn't mention including Section A in the proposal submission. Do you not want it included? If not and if we have comments regarding any of those items, where should we include those comments?

The Vendor should include Section A in its response if it has comments regarding Section A

Description of Amendment - continuing

PERFORMANCE GUARANTEES

29. Please clarify if projected estimates provided in C.8.2. are for our book of business, or are expected to be guaranteed as per discount guarantees included only in 13.1.1.

C.8.2 is for your book of business. C.13.1.2 allows the Vendor to propose performance guarantees. If the Vendor wishes to guarantee a discount for the HealthChoice High Deductible Plan Leased Network, then the vendor may respond to C13.1.1.

30. Regarding C.13 – Performance Guarantees – What kind of service guarantees are you looking for?

EGID is open to any performance guarantees that a vendor proposes.

BUSINESS ASSOCIATE AGREEMENT/NON-DISCLOSURE

31. Please confirm Section G. of the RFP is the State's proposed Business Associate Agreement.

Yes, Section G. beginning at G.1 is the Business Associate Agreement.

32. We have a fully executed NDA in place. With regards to public disclosure, as stated in E.4.3, we need to be certain all pricing, data analytics, and other proprietary information submitted with, or in relation to our proposal, will remain confidential. Will the existing NDA be honored?

Current Nondisclosure Agreements a Vendor might have with the State are not pertinent to this bidding process. If the Vendor is submitting confidential information it must do so in compliance with the terms of the RFP, specifically A.7 and E.4.

Please review section A.7 of the RFP and note that the State Purchasing Director makes decisions on whether information is confidential. Information believed by the Vendor to be confidential should be submitted separately and labeled accordingly. In that way, OMES can help ensure the confidential information is maintained as confidential. If the State Purchasing Director determines the information submitted as confidential is not confidential, that portion of the response will be returned to the Vendor and not considered by the evaluation committee.

TPA QUESTIONS

33. What is the name of the software operating system used to support HP's claim system (Facets, Basys, ISSI etc.)?

MetaVance

34. Does the State or the administrator, HP produce 1099s?

The administrator produces the 1099s.

35. Does the State or the administrator, HP actually cut the benefit check to the provider? To the member?

State statute requires all payments to providers to be electronic payments. HP initiates the payment to providers on the State's treasury account. HP does issue checks to members on the State's check stock.

Description of Amendment - continuing

GENERAL QUESTIONS

36.B.5.1. Certificate of Insurance - How does the State's name need to appear as "named insured" on our General Liability policy?

Office of Management and Enterprise Services Employees Group Insurance Division

37. We understand from C.1.1. that the RFP was issued by "Central Purchasing on behalf of EGID" but the agency name is "OMES Employees Group insurance Division" and the header on pages 1-3 of the RFP has "State of Oklahoma Office of Management and Enterprise Services Central Purchasing Division". We prefer to reference the legal name of our prospective client throughout the proposal as well as in file/folder names for internal use and archival purposes. What is the name for the entity that would be on a contract with the awarded Vendor?

Office of Management and Enterprise Services Employees Group Insurance Division

38. Does HealthChoice contract with a "Centers of Excellence" network?

a. If not, how does HealthChoice contract for organ transplant, tissue transplant and other high cost/high intensity services (e.g. congenital heart surgery)?

b. If a "Centers of Excellence" vendor is contracted, who is the vendor? What specific services do they perform on behalf of HealthChoice?

HealthChoice does not contract with a "Centers of Excellence". High cost/high intensity services are subject to the standard HealthChoice reimbursement methodology for all providers.

39. Can we get an extension on the proposal deadline?

The response deadline cannot be extended. Option Period begins in September. HealthChoice must be able to notify members by that time of the High Deductible Health Plans provider network. EGID needs time to evaluate responses and award a contract.

40. Regarding B.9 – Would you accept a SOC-1 audit in place of audits?

It's possible a SOC-1 audit may alleviate the need for the type of audit contemplated at B.9. However, the State will not give up its right to audit, if it deems necessary.

41. Regarding C.12.1.3 – What are your expectations of us as far as reports on Fraud Waste and Abuse (FWA)? Is it a report of the number or percentage of employees trained on FWA?

The Vendor must document its compliance with HealthChoice's FWA Compliance program which includes at least one hour annually of training for applicable Vendor employees.

