



Solicitation Information

September 18, 2015

Addendum #1

**RFP #7549849**

**TITLE: Consultant Services – Rhode Island State Employees Workers Compensation Study**

**SUBMISSION DEADLINE: September 28, 2015 AT 2:00 PM (ET)**

**ATTACHED ARE VENDOR QUESTIONS WITH STATE RESPONSES.**

**NO FURTHER QUESTIONS WILL BE ANSWERED.**

**Gail Walsh  
Chief Buyer**

Vendor A

1. What is the state's desired start date for this study?

11/19/2015

2. What is the state's desired completion date or required due date (if any) for the study deliverables?

The State would like the study completed within 60 days of the actual start date.

3. What is the anticipated award date for this solicitation?

10/5/2015

4. Will all bidders be notified of an award/no award for this solicitation?

Notice of award will be posted to the Rhode Island Division of Purchases website.

Vendor B

1. Can you please provide open claim inventory numbers? (any claim with any type of payment, indemnity and/or medical, within the last 120 days)

- A. Total

1368

- B. Lost Time

1173

- C. Medical Only

195

2. Please confirm the number of new claims arising annually. (FY15)

- A. Lost Time

Approximately 580

- B. Medical Only (this included Incident Only claims)

Approximately 1160

3. Total annual paid: (FY14)

- A. Lost Time

\$16.4 Million

B. Medical Only

\$8.6 Million

C. Adjustment Expense

\$1.8 Million

4. Size of the SEWC?

A. Number of adjusters?

7

B. Supervisors?

1

5. Average years of WC claims experience by handler?

A. Length of time working within the SEWC?

20 years

6. What are the average caseloads per claims handler?

A. Lost time?

75

B. Medical Only? (this includes incident only claims)

170

7. Please describe the computer claim system utilized to administer WC claims.

The system is a claim management/payroll/payment system developed in the early 80's in Informix with most of its transaction process developed in R4GL.

Overtime and to comply with multiple requirements from third party organizations we have added satellite systems to handle different datasets, these systems feed the Informix backend and process data for different purposes:

1. MS-Access interphase to handle Claim investigation and court documentation
2. MS Access interphase to produce different types of reports and statistics
3. .NET interphase to initiate the records in the system and to capture information from the 40 different agencies across the state and with no direct connectivity to the central data repository
4. Direct MS Excel connections to the database to produce statistical ad-hoc reports.
5. Flat file exports and automatic FTP transactions to feed the RIFANS (State General Ledger System) which ultimately generated payments to employees and providers.

6. Automatic flat file outputs to ultimately report claims to MEDICAID, RI Department of Labor and Training, and other governmental entities.

The system currently handles a total of over 77,000 claims, an average of 1770 claims (yearly) in the past 10 years and an average of 530 claims (yearly) for weekly payments.

8. Does the SEWC utilize a Nurse case Manager program as part of the WC claims administration?

No

9. Can you briefly describe the SEWC's Return To Work program for WC claims?

State Employee's Workers Compensation encourages state agencies to provide light duty and other return to work alternatives to employees. State agencies are responsible for developing and monitoring their individual programs.

10. What other departments and/or individuals outside of the SEWC are stakeholders to the process?

All State departments and agencies are stakeholders in this process.

11. The RFP requests, among other items, a qualitative and quantitative assessment of the current SEWC claims administration. Is it anticipated that the quantitative assessment include a "leakage" study?

Yes, a leakage study would be a valuable tool to include in the assessment of current claims.

12. What is the annual budget and overhead allocation for the claims function?

Administration Expenses – Approximately \$2 million in FY2016

13. Does the SEWC utilize any outside vendors (other than law firms) in the WC claims administration process?

No (clarification - We do not utilize outside law firms)

14. Since Task 4 in the RFP is dependent upon the work performed and information developed in Tasks 1-3, do you want a Statement of Work or outline/abstract in our response?

Yes, the response should include a statement of work.

#### Vendor C

1. Does the Division have a budget for this project?

No, the budget will be determined as part of the RFP response evaluation process.

2. Does the Division have a timeframe in mind for the completion of the Tasks described in the RFP?

Yes, please see the response to questions 1-3 of vendor A

3. Are all of the Division’s resources handling the SEWC program located in the same physical location?

Yes.

4. What is the size of the staff that handles SEWC claims?

Sixteen budgeted positions

5. For the last 3 years, can you provide the open and closed claim counts for both med only and lost time claims?

	2012	2013	2014
Lost time Claims Opened	535	544	510
Lost time Claims Closed	506	645	765
Medical Claims Opened	443	402	366
Medical Claims Closed	430	455	429

6. How many different State agencies does the Division serve?

The Division Services all state agencies except the uniformed State Police approximately 14,000 employees.

7. For Task 2, how many peer organizations does the Division like to include in the analysis?

The comparison should include at least 1 peer organization with a preference of 2 or more.

8. What format of flat file output is available from the Division’s computer system (e.g., text-comma delimited, etc.)?

Any flat file is available, we will create delimited file separators as requested, we can also add text delimiters if needed.

9. For the purposes of Task 4, will the Division be able to share their current operating budget with the successful bidder?

Yes

10. Are there other State agencies that have been able to use a Third Party administrator for claim services? Property & Liability claims, Disability claims? Health claims? Etc...

Several types of state employee benefits are administered by third parties including medical, vision, life, short term disability and dental insurance.