



**State of Rhode Island
Department of Administration / Division of Purchases
One Capitol Hill, Providence, Rhode Island 02908-5855
Tel: (401) 574-8100 Fax: (401) 574-8387**

ADDENDUM # 1

Addendum Date: 02/26/2016

RFP # 7550291

TITLE: Dental Plan Administration for State Employees

ADDENDUM DESCRIPTION: Question Period Update: This addendum provides responses to the questions which were received and accepted up until February 22, 2016 at 3:00 PM ET.

**Thank you,
Meredith Skelly
Interdepartmental Project Manager**

Vendor Questions for RFP # 7550291

1. **Question:** How is the certification handled to determine whether dependents are unmarried?
Answer: The awarded vendor will be expected to obtain the unmarried dependent certification on an annual basis. This certification process can be developed once the vendor is selected.

2. **Question:** The list of types of owners/principals in the Disclosures and Certification section appears to be geared toward corporate entities, and less toward non-profit entities, like [VENDOR NAME OMITTED], that do not have owners per se. Would information about our officers and board of directors meet the intended requirements of these questions and certifications?
Answer: Yes. The intent is for the vendor to submit a list of individuals in their management structure, regardless of organization type.

3. **Question:** Direct pay- please provide clarification on this population (how many members, etc). Will the vendor be required to direct bill these members or does the State get billed for them?
Answer: 49 members are currently enrolled in direct pay. Direct pay participants pay 100% of the State's premium rate for dental coverage as though they were active State employees. Historically this population has been billed by the dental administrator and the State is interested in continuing this practice.

4. **Question:** Is the expectation that hard-copy provider directories would be available to all subscribers or would electronic copies suffice?
Answer: Distribution of hard-copy provider directories is expected upon request. Electronic copies are expected to be available.

5. **Question:** Please provide clarification regarding the language in blue text below. It's unclear what the State will be approving as the item notes that the "vendor's annual standard Patient Satisfaction Survey" will be utilized.
Member Satisfaction Survey
"The vendor agrees to conduct a Member Satisfaction Survey for each contract year and that the Satisfaction Rate will be 90% or greater. A yearly penalty may be assessed against the vendor for failure to meet this standard. "Member Satisfaction Rate" means (i) the number of Eligible Persons responding to vendor's annual standard Patient Satisfaction Survey as being satisfied with the overall performance under the Integrated Program divided by (ii) the number of Eligible Persons responding to such annual Patient Satisfaction Survey; **the State must provide timely approvals and responses**, and a minimum of 20% of surveys must be returned for the Performance standard to be applicable."
Also, please define 'Integrated Program'.
Answer: The State will be approving all member communications and the survey results.

“Integrated Program” here means the dental program.

6. **Question:** What performance guarantees are applicable to self-funded vs. fully insured? It appears that some of the Performance Guarantees (i.e. payments for individuals not eligible) would only apply to a self-funded arrangement.
Answer: All performance guarantees are applicable to both self-funded and fully insured arrangements. Under a fully insured arrangement, the Payments for Individuals Not Eligible performance guarantee ensures that eligibility reviews are performed and claim payment recoveries are completed on a monthly basis and that such individuals and their claims experience are not included in next policy year renewal underwriting.
7. **Question:** Regarding network changes, since the network changes infrequently, would the State agree to monthly notification versus weekly.
Answer: Weekly network change notifications are requested and preferred.
8. **Question:** Will the claims repricing analysis and the self-funded section (5.2) require that other supplemental provider payments (pay for performance etc) be separately identified and accounted for?
Answer: Yes. If applicable, please include other supplemental provider payments in a separate exhibit.
9. **Question:** Does the current fully insured arrangement contain any contingent/risk share component to it?
Answer: The current arrangement is a Prospective Premium fully insured arrangement with guaranteed monthly premium billing rates. The incumbent carrier assumes complete financial risk for all claims and expenses incurred during the contract period.
10. **Question:** Section 4.2: Vendor Accountability and Performance Guarantees -Payment Accuracy and Systems Performance - (Page 11) - Claims Eligibility Data. - Will the State be sending electronic enrollment files for open enrollment and ongoing change transactions in an industry standard 834 enrollment file format?
Answer: At the moment, the State does not plan to send enrollment data in this format. The initial plan eligibility data will be provided by the State’s current dental benefits administrator.
11. **Question:** Section 4.2: Vendor Accountability and Performance Guarantees - Payment Accuracy and Systems Performance - (Page 11) - Payments for Individuals Not Eligible.- Is this question in reference to retroactivity? If so, is the expectation [VENDOR NAME OMITTED] will recover claims payments from dentist in the event of retroactive terminations?
Answer: This question includes retroactivity. It is expected that the carrier will recover claims payments from dentists in the event of retroactive terminations.
12. **Question:** Section 4.2: Vendor Accountability and Performance Guarantees - Account Management - (Pages 11/12) – a general question related to member communications- Is the State amenable to paperless communications if the member

prefers this method of communication? What approvals would be required for electronic methods of communication?

Answer: All member communications, paper and electronic, shall be approved by the State.

13. **Question:** Section 4.3: Questionnaire -Member Service (i.e. Customer service, Internet access, etc.) – (Page 17) Question 12 - Does the State have an example or definition of Provider Profiles?

Answer: Use your standard definition of Provider Profiles.

14. **Question:** Section 4.3: Questionnaire - System Management, Data Reporting, and Interfaces – (Page 20) Question 33- Please clarify that when describing “12 group break-outs” that this references the various group divisions that are in place today.

Answer: Yes, there are currently seven group break-outs. The State requires approximately 12 group break-outs for purposes of reporting and reserves the right to add additional break-outs if necessary. Confirm that you can meet this requirement.

15. **Question:** Section 6: EVALUATION AND SELECTION- Please confirm that the evaluation criteria for "Cost" will be based on the total cost of claims and administrative fees for both the fully insured and self-insured proposals.

Answer: For self-funded proposals, the evaluation criteria for "Cost" will be based on the total cost of claims and administrative fees. For fully insured proposals, the evaluation criteria for "Cost" will be based on premium rates, as well as future projected claims and administrative fees.

16. **Question:** Please clarify if failing to meet the minimum 10% MBE participation requirement will negatively impact the evaluation of the vendor’s proposal or result in disqualification?

Answer: MBE qualification is handled during the tentative selection process. Evaluation of the vendor’s proposal is completed independent of and prior to the MBE qualification process.

17. **Question:** Please confirm that the MBE participation requirement applies to administrative expenses only (i.e., retention), not total premium, when applied to fully-insured proposals.

Answer: RIGL 37-14.1-6 requires that minority business enterprises are awarded a minimum of 10% of the dollar value of the entire procurement. The MBE Compliance Office will evaluate the vendor’s compliance with the statutory mandate using a good faith effort standard. In the context of a fully insured premium quote, the MBE Compliance Office recognizes that sufficient opportunities for compliance may not exist when utilizing the dollar value of the entire procurement, and as such, may use the administrative expenses only dollar value as the basis for the 10% MBE mandate.

18. **Question:** Please confirm that the MBE Utilization Plan Form found on the website <http://www.mbe.ri.gov/> is the only form required for MBE compliance.

Answer: The MBE Utilization Plan Form is the format for submitting plans for review and approval. Once a plan is approved, additional reporting requirements addressed in the approval letter.

19. **Question:** Can WBEs found in the RI Minority Business Enterprise and Disadvantaged Business Enterprise Directory also be considered to meet the MBE utilization goal?

Answer: Any firm certified by the State of Rhode Island as an MBE, WBE, or MBE/WBE as posted on the MBE website (www.mbe.ri.gov) may be utilized towards fulfilling the MBE participation requirement. Please note, however, that firms certified solely as a DBE are not eligible for MBE participation credit.

20. **Question:** Are we able to pull the Technical Proposal into our own template or should we respond within the RFP provided Word Doc?

Answer: Responses to Sections 4.1, 4.2, and 4.3 shall be submitted in Word using the attachment provided in the solicitation posting (do not PDF your response). Responses to Sections 4.4 and 4.5 should be provided on a separate electronic file in Microsoft Excel format (do not PDF your response).

21. **Question:** The provided Technical Proposal is in Times New Roman 11 point. If we are required to use the provided Technical Proposal, should that be changed to 12 point or should only our responses be in 12 point?

Answer: Copies of Technical Proposal shall be in Times New Roman 12 point, both questions and responses. See page 43 of the State Agency Solicitation document for a complete list of formatting of written documents and printed copies requirements.

22. **Question:** Are sections 5.1 and 5.2 to be included in both the Technical Proposal and the Cost Proposal?

Answer: Sections 5.1 and 5.2 shall be included only in the Cost Proposal, and not included in the Technical Proposal.

23. **Question:** Will you be providing a Cost Proposal template as referenced?

Answer: Templates for Sections 5.1, 5.2, and 5.4 are included within the RFP document (see pages 33-35, 36, and 38-39, respectively). A template for Section 5.3 is included on the USB Drive provided (see Appendix B).

24. **Question:** You request that the RFP be hand-delivered. Is Fed-Ex delivery acceptable?

Answer: Your proposal must be hand-delivered. Fed-Ex delivery is not acceptable.

25. **Question:** Does the State plan to request bid surety and/or performance bonds? See the State's General Conditions of Purchase (sections 32. Bid Surety and 33. Performance and Labor and Payment Bonds, referenced in the concluding statements (page 45) of the RFP).

Answer: As indicated on the RFP cover sheet, the State will not be requesting bid surety and/or performance bonds.

26. **Question:** Please provide paid claim dollars split by In- and Out-of-Network.
Answer: During calendar year 2015, in-network claims represented approximately 92% of the total claims paid by the State.
27. **Question:** Are discounts in the Delta Dental PPO network extended to non-covered services?
Answer: The discounts are applied in accordance with R.I. Gen. Laws Sec.23-17.13-6, which prohibits a dental plan from holding dentists to an allowance except for services that are “covered services”. “Covered services” are defined as “services reimbursable under the applicable subscriber agreement, subject to such contractual limitations on subscriber benefits as may apply, including for example, deductibles, waiting period, or frequency limitations”.
28. **Question:** Did employer-paid contribution vary in the past? If so, provide historical percentages.
Answer: There have been no significant changes in the employer-paid contribution percentages in the past few years.
29. **Question:** Please provide the PDP in-network utilization (percent of claims paid in-network).
Answer: During calendar year 2015, in-network claims represented approximately 92% of the total claims paid by the State.
30. **Question:** Is COBRA administration expected to be provided by the carrier?
Answer: No. Currently, the State’s medical benefits administrator provides its COBRA administrative services for medical and dental benefits and provides an election file to the incumbent dental administrator for eligibility maintenance and claim payment.
31. **Question:** Are any of the coverages part of a Section 125 plan? Are there regularly scheduled enrollment periods?
Answer: Dental benefits are part of the State’s Cafeteria Plan under Section 125. There is annual open enrollment held in November.
32. **Question:** Other than the closed group of retirees, are retired employees eligible? Is direct billing to retiree homes requested to be included in the rates? The RFP mentions another group of EEs that pay directly. Who are these employees and how many are there?
Answer: The following populations are eligible for dental coverage:
- All classified, non-classified and unclassified active employees, excluding specific part-time personnel, seasonal and limited period personnel, as set forth in Rhode Island General Laws 36-12-1
 - Employees on a medical leave of absence
 - COBRA terminations
 - Judge and legislator retirees
 - State police retirees (pre-65 only)

- Office of Higher Education
- Disabled retirees (closed group)
- Members of the general assembly (excluding clerks, pages and doorkeepers)
- Spouses and unmarried dependent children through the end of the calendar year following their nineteenth birthday. Full-time unmarried students are covered to the end of the calendar year in which they turn 25
- Unmarried dependent children who are mentally or physically disabled and cannot earn a living.

49 members are currently enrolled in direct pay. Direct pay participants pay 100% of the State's premium rate for dental coverage as though they were active State employees. Historically this population has been billed by the dental administrator and the State is interested in continuing this practice.

33. **Question:** We are quoting net of commissions; however, please provide the current commission level included in the rates.

Answer: The current dental rates do not include commissions.

34. **Question:** Are there are any pass-through or explicit administrative charges included in the current and historical rates?

Answer: There are no additional services or administrative charges included in the State's rates, other than those described under the current contract.

35. **Question:** Does the State of RI expect to pay premiums within a 30-day grace period?

Answer: The State expects to pay premiums within a thirty-one (31) day grace period.

36. **Question:** Billing – there is a Performance Guarantee request for invoice billing. We typically have our client self-bill premiums, so would you please provide the current process that would require a guarantee?

Answer: This guarantee would be for errors made by the carrier.

37. **Question:** By signing the Data Request Form, it appears that vendors must proactively agree to provide the benefits and services as requested in the RFP and the proposal will meet the requirements identified in the RFP. Should vendors determine they are not able to meet certain requires, benefits, and services, are we able to state within our proposal response any deviations?

Answer: You are able and must state any deviations within your proposal response. Deviations will be considered but only granted when in the best interests of the State.