

Town of Leesburg



REQUEST FOR PROPOSAL Employee Health Benefits

ISSUE DATE: November 20, 2015

RFP NUMBER: 100161-FY16-15

QUESTIONS RECEIVED BY: December 7, 2015; 5:00 PM

PROPOSAL DUE DATE: December 18, 2015; 5:00 PM

ADDRESS: Town of Leesburg
Purchasing Division
25 W. Market Street
Leesburg, VA 20176

TECHNICAL CONTACT: Celeste Kane
Wells Fargo Insurance Services
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PROCUREMENT CONTACTS: Kathy S. Elgin, CPPO
Chief Procurement Officer
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Chief Procurement Officer
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E-mail: oandrew@leesburgva.gov

NOTICE OF ADDENDA: Any addenda to this RFP will be posted on the Town's bid board and will only be emailed to those firms who have downloaded the RFP from this site. It is the firm's responsibility to provide a correct email address, and to be aware of any addenda.

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I. PURPOSE

The Town of Leesburg, VA (the “Town”) is requesting proposals to provide Medical Benefits for its employees. The purpose of this RFP is to acquire health benefit plans for Town employees that are competitive with the marketplace in benefit design, network access and cost.

II. PROJECT BACKGROUND

Currently, the Town is self-funded with Anthem BlueCross BlueShield for the Medical. The Town currently offers a PPO and HMO. A full description of benefits is provided with the exhibits.

III. SCOPE OF WORK

The primary objectives of the Town’s medical program are to:

1. Provide eligible employees, eligible retirees, COBRA continuants, and their eligible dependents with a high quality, affordable health care program.
2. Ensure costs are managed effectively by accessing superior data management capabilities, understanding the cost drivers within the program, and taking advantage of enhanced cost and utilization management opportunities available in the marketplace while maintaining or enhancing quality.
3. Provide eligible employees, eligible retirees, COBRA continuants, and their eligible dependents with a program that gives them appropriate access to an adequate selection of in-network health care providers and pharmacies.
4. Work with an organization that will provide timely, responsive customer service to enrollees and staff responsible for plan administration.
5. Minimize disruption for current health care program members.
6. Responsibly manage taxpayer dollars.

Plan Designs – Offerors should provide proposals that:

7. Match, as closely as possible, the current benefit plan design;
8. Include the current medical plans with a third plan offering. The third plan would be a high deductible health plan with an HSA. It would have a \$1,200 deductible and then 20% coinsurance with a maximum out-of-pocket of \$5,000.

Offerors are also encouraged to provide a submittal for an alternative option, designed by the Offeror, for the Town to consider, that is a quality plan that will manage the Town’s costs effectively and encourage the utilization of preventive care benefits by the members of the plan. This option should meet the overall objectives of the Town as stated above,

but may represent an innovative approach to design and funding based upon the product/funding options of the Offeror.

The technical specifications are contained in the following exhibits:

- Exhibit A – Current Benefits
- Exhibit B – Plans to be Quoted
- Exhibit C – Claims
- Exhibit D – Census Data
- Exhibit E – Current Eligibility Requirements
- Exhibit F – Current Booklets & Policies

Contract Term – The Town intends to enter into an annual contract with a **July 1, 2016** plan effective date. Upon mutual agreement of both parties, this contract may be renewed for up to four consecutive additional like terms.

Fees for Services – Offerors proposed costs must include commissions. Commission scale for each line of coverage is outlined below:

Medical - \$9.10 per contract per month

This scope of services is intended to establish minimum services and specific conditions the Offeror should meet in order to fulfill the Town’s objectives as stated above. The Offeror must outline in writing how the requested scope of services and specific conditions will be met. If a requested service does not apply to your specific proposal, please state “not applicable” and state why. This outline must be included in TAB I of your proposal as instructed in Section IV.2.A herein. Offerors are encouraged to provide additional services which will enhance their ability to meet the Town’s objectives.

A. MINIMUM SERVICES TO BE PERFORMED - MEDICAL

1. Provide and/or make available necessary, appropriate and high quality health care to each member. Specific plan design and funding requests are outlined in the Exhibits.
2. Provide high quality, efficient program administration and services, including but not limited to:
 - a) Maintaining accurate central claims and membership files (including Social Security numbers or other identifying numbers, dates of coverage, type of coverage, etc.) for each covered member.
 - b) Maintaining accurate payment records.
 - c) Having the capability of: wire transfer of funds, paying providers directly, providing state-of-the-art data tracking and claims payment services.
 - d) Maintaining separate accounts or subgroups as required by the Town.

- e) Furnishing monthly account summaries by benefit plan including enrollment; premiums/revenues received; amount of claims paid by month for hospital, physician, and pharmacy; capitation expenses charged; detailed list of expenses charged; network discounts earned; claims exceeding the specific stop-loss limit; and an estimate of incurred but not reported claims.
 - f) Providing a detailed list of the hospitals and providers utilized by the Town's members indicating frequency of utilization and amount of claims paid.
 - g) Providing a detailed list of the top prescription drugs utilized by the Town's members indicating frequency of utilization and amount of claims paid.
 - h) Distributing ID cards directly to members throughout the contract period.
 - i) Providing identification cards directly to all covered members prior to the effective date of the program (7/1/2016). During the contract year, providing identification cards within 7 business days of receipt of request.
 - j) Use system-generated ID numbers instead of the enrollees' Social Security numbers.
 - k) Billing on a bi-weekly basis.
3. Notify employees three months before covered dependents reaching the age limitation are to be cancelled and advise them to contact human resources or benefits office for coverage changes.
 4. Provide specific performance guarantees that include financial penalties for non-performance. (See Attachment E of this RFP.)
 5. Provide responsive and effective customer service for members related to billing, eligibility, and claims issues. The Town's request that the Offeror's customer service representatives respond to questions and resolve issues/problems directly with members rather than referring the members back to the Town.
 6. Meet with the Town within fifteen (15) days after the contract award date to review the Offeror's health care program(s), to present the proposed communication material, and to jointly establish a preliminary implementation plan, open enrollment program, and schedule.
 7. Furnish to each enrolled employee or retiree (and dependent if not residing with the employee), a benefit booklet (certificate or evidence of coverage) outlining and defining all covered services, limitations and exclusions, procedures for receiving services, schedule of benefits, COBRA, HIPAA, and other plan information as required by Federal and State law. All expenses

associated with the printing or reprinting of these materials shall be the responsibility of the Offeror. In addition to printed copies, a PDF of the booklet must be made available. The initial booklet proof must be provided to the Town on a timely basis, but not later than June 1, 2016. The Town shall review and approve booklets prior to distribution. Booklets must be reprinted if changes are required.

8. Furnish sufficient copies of a detailed summary of benefits, limitations and exclusions, and network directories for each eligible employee and retiree during open enrollment periods.
9. Provide the Town's insurance contracts, as well as any other contractual documents necessary to this coverage no later than October 1, 2016.
10. Provide a detailed renewal underwriting analysis each January 1 (or earlier if requested by the Town) for the upcoming July 1 renewal. Detailed utilization data comparing current and prior years (if applicable) must be provided separately and collectively for all accounts and sub-groups maintained on behalf of the Town for medical and prescription drug.
11. Provide quarterly and cumulative year-to-date utilization and savings reports specific to the benefits paid and services rendered to covered members separately and collectively for all plans, accounts and sub-groups maintained on behalf of the Town.
12. Provide detailed data required by consultant to support annual clinical strategies report. The data required is a detailed extraction of claims and eligibility information.
13. Provide a detailed annual accounting showing the expenditure of all funds. Enrollment, premium, claims and expenses must be tracked separately and collectively for all sub-groups or accounts maintained on behalf of the Town.
14. Provide internet access to claims to the Town's benefits personnel and to the Town's consultant.
15. Designate a point of contact responsible for resolving problems, answering claims questions and administrative or billing issues, and expediting services related to overall performance of the contract. Designate someone at the director level or above to be accountable.
16. Provide an organizational chart and list of contacts (with phone numbers, department and titles) in relevant functional areas. Provide updates as changes occur.
17. Provide an administrative procedures manual to the Town to be used to administer the program, including necessary forms and instructions.

18. Designate a transition of care manager or coordinator to work with the Town.
19. Maintain a local or toll-free customer service number for covered members.
20. Provide a systematic procedure for appeal of claims. The Offeror will process all standard appeals.

B. ADDITIONAL SPECIFIC CONDITIONS

1. **No Loss or Gain Provision:** No member (employee, COBRA continuant, retiree, dependent or surviving dependent) currently covered by the Town's current health care plans shall suffer a loss of coverage as a result of changing carriers. Members shall receive credit under the new medical plan for time served under the current plan toward any pre-existing conditions limitations, if applicable. Actively-at-work requirements will not apply to currently covered participants.
2. **Coordination of Benefits (COB):** The Offeror's health care program must provide coordination of benefits provisions. When the Town's health care program is secondary, COB shall be provided to the extent that the coordination of primary and secondary coverage does not exceed the value of covered charges that the Town's plan would have provided if it were the primary plan. The "birthday rule" shall be used to determine primary status for dependent children covered under the plan.
3. **Cost Containment Services:** The Offeror must provide cost containment services to the Town. Cost containment services may include, but need not be limited to: pre-certification of hospital admissions, utilization review services, large case management for hospital inpatient services, and review of high cost outpatient services. The Offeror must also be able to provide cost containment services for psychiatric, substance abuse, and prescription drug utilization. Reports that demonstrate participation levels and outcomes of these programs must be provided.
4. **Wellness and Disease Management Programs:** The Offeror must provide disease management programs to the Town. Disease management programs may include, but need not be limited to: asthma, diabetes, high cholesterol, hypertension, coronary artery disease, congestive heart failure, low back pain, and musculoskeletal conditions. Reports that demonstrate participation levels and return on investment from these programs must be provided annually.
5. **Transfer of Data and Records:** The Offeror must agree that at termination or expiration of the contract, all data and records necessary to administer the health care program shall be transferred to the new contractor within thirty (30) days of the Town's request. Such transfer may be accomplished either electronically or by paper based upon the mutual agreement between the

outgoing contractor and the Town. This data may include contract year deductible and out-of-pocket limit credits applicable to each member for services incurred prior to the termination date.

IV. SUBMITTAL INSTRUCTIONS AND EVALUATION/AWARD PROCESS

1. Submittal Instructions

The Purchasing Officer must receive one (1) original and two (2) copies of the proposal no later than the due date specified below. Submit proposals in a sealed envelope/container bearing the following information:

TITLE: Employee Health Benefits
DUE DATE: December 18, 2015; 5:00 PM
LOCATION: Town of Leesburg, Procurement Office
25 W. Market Street,
Leesburg, VA 20176

Offerors are to submit one additional copy and an electronic copy of the Proposal to:

Celeste Kane, Wells Fargo Insurance Services
9020 Stony Point Pkwy, Suite 200
Richmond, VA 23235
Celeste.kane@wellsfargo.com

Each firm assumes full responsibility for the delivery of the completed proposal to the Leesburg, VA address noted above on or before the deadline for submission. The Town is not responsible for any loss or delay with respect to the delivery of the proposals. **ANY PROPOSAL RECEIVED BY THE LEESBURG ADDRESS AFTER THE DEADLINE FOR SUBMISSION WILL NOT BE ACCEPTED.** Telephone, fax, electronic and verbal offers will not be accepted.

All proposals must be submitted on the RFP Submission Forms included herein. If more space is required to furnish a description of the program, coverage, and/or services, the Offeror may attach additional information. Such additional information will be made a part of the proposal.

Proposal Binding for One Hundred Twenty (120) Days - Offeror agrees that this proposal shall be valid and may not be withdrawn for a period of one hundred and twenty (120) calendar days after the due date.

2. Evaluation Process

A. Proposal Format

1. Proposals must include a cover letter, the completed RFP Submission Forms including the requested references and any other information that you deem appropriate.
2. Proposals must be submitted on 8-1/2" x 11" paper. Proposals are to be prepared simply and concisely. Elaborate artwork, expensive paper, visual, and other presentation aids are not required.
3. Each copy of the proposal must be bound or contained in binders organized in the sequence and format described and outlined below using TABS, as indicated:

| | |
|---------|--|
| TAB I | Table of Contents Executive Summary Outline of Offeror's ability to meet the Scope of Work as outlined in Section III. Summary of Deviations from the specifications |
| TAB II | Plan Design Summaries Description of Proposed Plan Designs List of all deviations from proposed plan List of limitations and exclusions Provider Disruption Analysis Pharmacy Listing GeoAccess |
| TAB III | Price Quotations Performance Guarantees |
| TAB IV | Questionnaire Responses |
| TAB V | Sample of Standard Management/Utilization Reports Sample of Standard Claims Data Reports Copy of your organization's annual report and financial statements for each quarter since the last annual report |
| TAB VI | Sample documents and communication materials Copy of your organization's privacy statement Sample of Business Associate Agreement if it will be required Sample of booklet/certificate of coverage/evidence of coverage |
| TAB VII | Sample contracts for each service proposed Sample of financial settlement |

B. Selection Criteria

Selection shall be made of two or more Offerors for each type of coverage deemed to be fully qualified and best suited among those submitting proposals based on the factors below:

Medical:

- 1) Provider Network
- 2) Plan Design
- 3) Plan Administration and Services
- 4) Wellness and Disease Management
- 5) Cost Factors and Funding
- 6) Credentials and Responsiveness

C. Selection Process

The Town's insurance consultant, Wells Fargo Insurance Services, and Town Staff will evaluate the proposals based on the criteria stated above, interview two or more firms and negotiate a contract in accordance with the selection process described in the VPPA for other than professional services.

The Town reserves the right however to make an award of a contract without further discussion of the proposals submitted provided it is determined in writing that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified and suitable than the others under considerations. Therefore, proposals should be submitted initially on the most favorable terms that the Offeror could propose with respect to both price and technical capability.

3. Contract Award

The joint recommendation of Wells Fargo Insurance and staff will be presented to the Town Manager, who upon approval will forward to the Town Council for award.

The award of a contract shall be at the sole discretion of the Town.

The contents of the proposal submitted by the successful firm and this RFP shall become a part of any contract awarded pursuant to this solicitation. The successful firm shall be expected to sign a contract with the Town similar to that attached herein. Upon mutual agreement of both parties, additional terms and provisions may be included in the contract.

V. GENERAL TERMS AND CONDITIONS

- 1. Late Proposals** – Proposals received after the time specified in IV.1 will not be accepted and will be returned unopened, provided a return address is visible.
- 2. Acceptance or Rejection of Proposals** – The Town reserves the right to accept or reject any or all proposals in whole or in part and to waive minor informalities in the process of awarding this contract.

3. **Competition Intended** – It is the Town’s intent that this request for proposals permits competition. It shall be the Offeror’s responsibility to advise the Purchasing Officer in writing if any language, requirements, specifications, etc., or any combinations thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source. The Purchasing Officer must receive such notification at least ten (10) days before the due date.
4. **Understanding of Specifications** - Offerors shall thoroughly examine and be familiar with the Town specifications. The failure or omission of any Offeror to receive or examine this document shall in no way relieve any Offeror of obligations with respect to this proposal or the subsequent contract. The submission of a proposal shall be taken as prima facie evidence of compliance with this paragraph.
5. **Exceptions To Specifications** - Offerors taking exception to any part or section of these specifications shall indicate such exceptions in their proposal. Failure to indicate any exceptions shall be interpreted as the Offeror’s intent not to fully comply with the specifications as written. Conditional or qualified proposals are subject to rejection in whole or in part.
6. **Inquiries/Comments Concerning Specifications** - Questions concerning this RFP must be made in writing to both the Technical Contact and Procurement Contacts listed on the cover page of the RFP. **Questions must be received by 5:00 p.m. on Monday, December 7, 2015.**

A formal addendum responding to all questions received by the deadline will be made available no later than five days before the proposal due date. Additional clarifications to the specifications will also be in the form of a written addendum. All addenda will be posted on the Town’s website. **It is the Offerors responsibility to obtain all addenda from the Town’s website: www.leesburgva.gov** . Such addenda will become part of the contract documents. Verbal instructions are not binding and will not form a part of the proposal documents.

7. **ADA Reasonable Accommodation Clause** – If you need any reasonable accommodation for any type of disability in order to participate in this procurement, please contact the Purchasing Officer at least ten (10) days before the proposal due date.
8. **Costs Incurred in Responding** – This solicitation does not commit the Town to pay any costs incurred in the preparation and submission of proposals, or to procure or contract for services defined herein.
9. **Employment Discrimination Prohibited** - During the performance of this contract, the contractor agrees as follows:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, age, disability, or any other basis prohibited by state law relating to discrimination in

employment. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

- b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000 so that the provisions will be binding upon each subcontractor or vendor.

- 10. Disposition of Proposals** – All materials submitted in response to this RFP will become the property of the Town. One (1) copy of each proposal shall be retained for official files and will become a public record. These records will be available for public inspection after award of contract. It is understood that the proposal will become a part of the official file on this matter without obligation on the part of the Town except as to the disclosure restrictions contained in Section 11. “Disclosure: Trade Secrets and Proprietary Information”.
- 11. Disclosure: Trade Secrets and Proprietary Information** – In compliance with the Town’s Procurement Policies, all proposals will be available for public inspection. Trade secrets and proprietary information submitted by a vendor in connection with procurement shall not be subject to public disclosure under the Virginia Freedom of Information Act. However, the Offeror must invoke the protection of this section before or upon submission of the data or other materials, and must identify the specific area or scope of data or other materials to be protected and state the reasons why protection is necessary. An all-inclusive statement that the entire proposal is proprietary is unacceptable. A statement that the costs are to be protected is unacceptable.
- 12. Laws and Regulations** – The Offeror’s attention is directed to the fact that all applicable Commonwealth of Virginia laws, municipal ordinances and the rules and regulations of all authorities having jurisdiction over the contract shall apply to the contract throughout, and they will be considered to be included in the contract the same as though herein written out in full.
- 13. License Requirement** – All firms doing business for the Town are required to be licensed in accordance with the Town’s “Business, Professional, and Occupational Licensing (BPOL) Tax” Ordinance. Wholesale and retail merchants without a business location in Leesburg, VA are exempt from this requirement. Questions concerning the BPOL Tax should be directed to the Department of Finance, telephone **703-771-2717**. Indicate the BPOL license number on the proposal form.

14. **Ethics in Public Contracting** – The Offeror agrees that it will adhere to Article 6 – “Ethics in Public Contracting” requirements set forth in the Virginia Public Procurement Act.
15. **Safety** – All contractors and subcontractors performing services for the Town are required and shall comply with all Occupational Safety and Health Administration (OSHA), State and County Safety and Occupation Health Standards and any other applicable rules and regulations. Also, all contractors and subcontractors shall be held responsible for the safety of their employees and any unsafe acts or conditions that may cause injury or damage to any persons or property within and around the work site area under this contract.
16. **Termination** – Subject to the provisions below, the contract may be terminated by the Town upon thirty (30) days advance written notice to the other party. If any work or service hereunder is in progress, but not completed as of the date of termination, then this contract may be extended upon written approval of the Town until said work or services are completed and accepted.

Termination for Convenience – In the event that this contract is terminated or cancelled upon request and for the convenience of the Town, without the required thirty (30) days advance written notice, then the Town shall negotiate reasonable termination costs, if applicable.

Termination for Cause – Termination by the Town for cause, default or negligence on the part of the contractor shall be excluded from the foregoing provision; termination costs, if any, shall not apply. The thirty (30) days advance notice requirement is waived in the event of Termination for Cause. In the event of default by the Offeror, we reserve the right to procure the commodities and/or services from other sources, and hold the Offeror liable for any excess cost occasioned thereby. If, however, public necessity requires use of commodities and/or service not conforming to the specifications they may be accepted and payment therefore shall be made at a proper reduction in price.

Termination Due to Unavailability of Funds in Succeeding Fiscal Years – When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract shall be cancelled and the contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the contract.

17. **Non-Assignment of Contract** – The contractor shall not assign the contract, or any portion thereof, without the advanced written permission of the Purchasing Officer, such permission not to be unreasonably withheld.
18. **Use by other Localities** – Bidders or Offerors are advised that the resultant contract may be extended, with the authorization of the Bidder or Offeror, to other public bodies or public agencies or institutions of the United States to permit their use of the contract at the same prices and/or discounts and terms and conditions of the resulting contract. If

any other public body decides to use the final contract, the Contractor(s) must deal directly with that public body concerning the placement of orders, issuance of the purchase orders, contractual disputes, invoicing and payment. The Town of Leesburg acts only as the "Contracting Agent" for these public bodies. Failure to extend a contract to any public body will have no effect on consideration of your bid.

It is the Contractor's responsibility to notify the public body(s) of the availability of the contract.

Other public bodies desiring to use this contract must make their own legal determination as to whether the use of this contract is consistent with their laws, regulations, and other policies.

Each public body has the option of executing a separate contract with the Contractor(s). Public bodies may add terms and conditions required by statute, ordinances, and regulations, to the extent that they do not conflict with the contract's terms and conditions. If, when preparing such a contract, the general terms and conditions of the public body are unacceptable to the Contractor, the Contractor may withdrawal its extension of the award to that public body.

The Town of Leesburg shall not be held liable for any costs or damages incurred by another public body as a result of any award extended to that Public Body by the Contractor.

19. **Modification of the Contract.** – This contract may be modified by approved change order signed by both parties in accordance with the VPPA.
20. **Discrimination Prohibited; Participation of Small and Minority-Owned Business.** The Town shall not discriminate against a bidder or Offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.
21. **Drug-free Workplace to be maintained by Contractor; Required Contract Provisions.** -- All public bodies shall include in every contract over \$10,000 the following provisions:

During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, “*drug-free workplace*” means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

22. **Collusion Among Offerors** - More than one proposal from an individual, firm, partnership, corporation or association under the same or different name will be rejected. Reasonable grounds for believing that an Offeror has an interest in more than one proposal for the work contemplated will cause rejection of all proposals in which the Offeror is interested. Any or all proposals will be rejected if there is any reason for believing that collusion exists among the Offerors. Participants in such collusion may not be considered in future proposals for the same work. Each Offeror, by submitting a proposal, certifies that it is not a party to any collusive action.
23. **Town Employees** - No employee of the Town shall be admitted to any share or part of this contract or to any benefit that may arise there from.
24. **Qualification of Offerors** - Each Offeror may be required, before the award of any contract, to show to the complete satisfaction of the Evaluation Team that it has the necessary facilities, abilities, and financial resources to furnish the service or material specified herein in a satisfactory manner, and the Offeror may also be required to show past history and reference which will enable the Evaluation Team to be satisfied as to the Offeror’s qualifications. Failure to qualify according to the foregoing requirements will justify proposal rejection.
25. **Liability** - The successful Offeror will not be held responsible for failure to perform the duties and responsibilities imposed by the contract due to legal strikes, fires, civil disobedience, riots, rebellions, acts of God and similar occurrences beyond the control of the successful Offeror that make performance impossible or illegal, unless otherwise specified in the agreement.
26. **Expenses Incurred In Preparing Proposal** - The Town accepts no responsibility for any expense incurred in the proposal preparation and presentation. Such expenses are to be borne exclusively by the Offeror.
27. **Protest Of Award Or Decision To Award** - An Offeror may protest an award or decision to award a contract under procedures as set forth in the VPPA.
28. **Ethics In Public Contracting** - This specification incorporates by reference, but is not limited to, the provisions of law contained in the Virginia Conflict of Interest Act, the Virginia Governmental Frauds Act, Articles 2 and 3 of Chapter 10 of title 18.2 of the Code of Virginia, as amended, and the Town Purchasing Policy. **ADDITIONAL INFORMATION** - Questions regarding these specifications must be in writing and submitted to the Recreation Facilities Manager. Should any questions or responses

require revisions to the specifications as originally published, such revisions will be by formal amendment only.

- 29. Faith-Based Organizations** – The Town of Leesburg does not discriminate against faith-based organizations.

VI. PROGRAM SPECIFICATIONS

Program Specifications (refer to separate files if necessary)

Exhibit A – Current Plan Specifications

Exhibit B – Plans to be Quoted

Exhibit C – Claims Experience

Exhibit D – Census Data (*request from Celeste.Kane@wellsfargo.com*)

Exhibit E – Current Eligibility Requirements

Exhibit F – Current Booklets & Policies (*Separate document - 2 Anthem medical booklets*)

VII. ATTACHMENTS

Attachments to be completed (refer to separate files if necessary)

Attachment A – Medical Questionnaire

Attachment B – Price Exhibits (*Separate document*)

Attachment C – Questionnaire Charts (*Separate document*)

Attachment D – Provider Checklists (*Separate document*)

Attachment E – Performance Guarantees

Attachment F – RFP Submission Form

VIII. SAMPLE CONTRACT

CONTRACT NO. 100161-FY16-15

Employee Health Benefits

This **CONTRACT** (the “**CONTRACT**”) is made this _____ day of _____, 20_____, by and between the **TOWN OF LEESBURG, VIRGINIA** (the “**TOWN**”), a municipal corporation, and _____, a _____ having a usual place of business at _____ (the “**CONTRACTOR**”).

The Contractor and the Town, in consideration of the mutual covenants, promises, and agreements herein contained, agree as follows:

1. **Provision of Services.** The **CONTRACTOR** hereby agrees to provide the following services to the **TOWN**:

2. **Contract Documents.** The Contract Documents consist of this Contract, the RFP, the Town Purchase Order and the _____ proposal, dated _____. Where the terms of this Contract and the **CONTRACTOR**’s proposal are at variance, the provisions of this Contract shall prevail.

3. **Contract Term.** The term of this Contract shall consist of the period _____.

4. **Contract Amount.** In return for the services identified above, the Town certifies that sufficient funds are budgeted and appropriated and shall compensate the Contractor within thirty (30) days after receipt of a proper invoice for the amount of payment due or thirty (30) days after receipt of services, whichever is later, and in accordance with paragraph numbered 5 of this Contract.

The total project cost shall not exceed \$_____.

5. **Method of Payment.** The Contractor shall submit invoices to the Town for work completed with all supporting documentation and shall be reimbursed in accordance with the progress payment schedule shown below.

[Progress Payment schedule]

Payment will be made upon receipt of an invoice, which details the services performed. The invoice must be mailed to the address specified below and must reference the purchase order number.

Accounts Payable, Town of Leesburg, 25 W. Market St., Leesburg, VA 20176

6. **Applicable Law and Courts.** This contract resulting from this solicitation shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the Circuit Court of Loudoun County. The Contractor shall comply with applicable federal, state and local laws and regulations.
7. **Assignment of Contract.** This Contract shall not be assignable by the Contractor in whole or in part without the prior written consent of the Town.
8. **Audit.** The Contractor shall retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Town, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
9. **Indemnification.** Contractor agrees to indemnify, defend and hold harmless the Town, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the Town.
10. The following persons shall be contact persons for the parties, and notice given them, by certified return receipt requested mail to the addresses shown, shall constitute valid notice under the requirements of this agreement:
 1. For TOWN:
 2. For CONTRACTOR:
- The parties may amend such addresses by written notice to the opposite party at the given address.
11. **Termination by Town without Cause.** The Town may terminate this Contract for any reason upon thirty (30) days notice and upon payment of any and all sums already earned under the terms of Paragraphs numbered 4 and 5 of this Contract and reasonable expenses incurred in reliance upon the Contract.
12. **Drug Free Workplace.** During the performance of this contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, “*drug-free workplace*” means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

13. **Integration Clause.** This contract shall constitute the whole agreement between the parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Contract shall supersede all previous communications, representations or agreements, written or verbal, between the parties hereto related to the subject of this Contract.

14. **Anti-Discrimination.**

- A. During the performance of a contract, the Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, age, disability or any other basis prohibited by federal or state law relating to discrimination in employment in the solicitation and award of public contracts except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor; that he will post in conspicuous places, available to employees and applicants for employment, notices setting forth nondiscrimination practices, and that he will state, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that he is an equal opportunity employer. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement.

- B. The Contractor will include the provisions of the foregoing paragraphs in every subcontract or purchase order in excess of \$10,000 so that the provisions will be binding upon each subcontractor or vendor.

In witness whereof, the parties below execute this Contract as of the date first above written.

TOWN OF LEESBURG

[ENTER NAME OF CONTRACTOR]

AUTHORIZED
SIGNATURE _____
NAME _____
TITLE _____
DATE _____

AUTHORIZED
SIGNATURE _____
NAME _____
TITLE _____
DATE _____

Exhibit A – Current Plan Specifications

Effective July 1, 2015

| | POS/HMO | PPO |
|--|--|--|
| | Anthem | Anthem |
| | Healthkeepers 10 POS (Open Access) | KeyCare 10 PPO (Open Access) |
| In-Network Benefits | | |
| Deductible | None | None |
| Out-of-Pocket Limit | \$3,000/\$6,000 | \$2,500/\$5,000 |
| Deductible and Out-of-Pocket Accumulation Period | Calendar Year (Jan 1 - Dec 31) | Calendar Year (Jan 1 - Dec 31) |
| Lifetime Maximum | Unlimited | Unlimited |
| Preventive Care | | |
| Adult Preventive & Well Baby | Covered at 100% | Covered at 100% |
| Mammography or PSA Test | Covered at 100% | Covered at 100% |
| Annual OB/GYN Visit/Pap Smear | Covered at 100% | Covered at 100% |
| Physicians | | |
| Primary Care/PCP | \$10 | \$20 |
| Specialist | \$20 | \$40 |
| Urgent Care Facility | \$20 | \$20/\$40 |
| Outpatient X-Ray and Lab Tests | office visit copayment 10% for adv diagnostic imaging services | 10% of AC |
| Facility Services | | |
| Hospital Emergency Room | \$150 | \$150 copay, then 10% of AC |
| Ambulance Transportation | \$100 | \$100 |
| Inpatient Care | \$250 per admission | \$200 copay, then 10% of AC |
| OP Facility MRI, CAT, PET, Nuclear Medicine/Radiology | 10% of AC | 10% of AC |
| Outpatient Surgery Facility | \$150 | \$100 copay, then 10% of AC |
| Other Medical Services | | |
| Routine Eye Exam | \$15 once per year | \$15 once per year |
| Chiropractic Care | \$20 (30 visit max) | \$40 (30 visit max) |
| Durable Medical Equipment | 20% of AC | 20% of AC |
| Home Health Care | 10% of AC (100 visit maximum) | 10% of AC (100 visit maximum) |
| Hospice | No charge | No charge |
| Outpatient Rehab./Physical, Speech & Occ. Therapy | \$20 (30 visit combined max for phys & occ / 30 visits for speech) | \$40 copay, then 10% of AC (30 visit combined max for phys & occ / 30 visits for speech) |
| Skilled Nursing Home Facility | 10% of AC (100 day max/adm) | 10% of AC (100 day max/adm) |
| Prescription Drugs | | |
| Retail Pharmacies: up to 30-day supply. Tier 1/Tier 2/ Tier 3/ Tier 4 | \$10/\$30/ \$50/20% to \$200 max | \$10/\$30/ \$50/20% to \$200 max |
| Mail Order Maintenance: Tier 1/ Tier 2/ Tier 3/ Tier 4 | \$25/\$75/\$125/\$20% to \$400 max | \$25/\$75/\$125/\$20% to \$400 max |
| Out-of-Network | | |
| Benefit Year Deductible | \$300 Ind / \$600 Fam | \$200 Ind/\$400 Fam |
| Coinsurance Level | 30% of AC after deductible | 30% of AC after deductible |
| Maximum Out of Pocket | \$4,000/\$8,000 | \$4,000/\$8,000 |

Exhibit B – Plans to be Quoted

1. Match, as closely as possible, the current benefit plan design;
2. Include the current medical plans with a third plan offering. The third plan would be a high deductible health plan with an HSA. It would have a \$1,200 deductible and then 20% coinsurance with a maximum out-of-pocket of \$5,000.

Offerors are also encouraged to provide a submittal for an alternative option, designed by the Offeror, for the Town to consider, that is a quality plan that will manage the Town's costs effectively and encourage the utilization of preventive care benefits by the members of the plan. This option should meet the overall objectives of the Town as stated above, but may represent an innovative approach to design and funding based upon the product/funding options of the Offeror.

Exhibit C – Claims Experience

Large claims have not been removed

| Month | Member Months | | | | Paid Amounts | | |
|----------|---------------------|-----------------|----------------------|------------------|---------------|----------------|-----------|
| | Medical Subscribers | Medical Members | Pharmacy Subscribers | Pharmacy Members | Total Medical | Total Pharmacy | Total |
| Oct 2012 | 341 | 753 | 341 | 753 | \$202,641 | \$60,454 | \$263,094 |
| Nov 2012 | 341 | 752 | 341 | 752 | \$138,657 | \$45,625 | \$184,282 |
| Dec 2012 | 341 | 755 | 341 | 755 | \$180,657 | \$54,290 | \$234,947 |
| Jan 2013 | 344 | 768 | 344 | 768 | \$200,456 | \$47,961 | \$248,417 |
| Feb 2013 | 346 | 770 | 346 | 770 | \$201,839 | \$68,332 | \$270,171 |
| Mar 2013 | 345 | 771 | 345 | 771 | \$271,046 | \$71,900 | \$342,947 |
| Apr 2013 | 345 | 771 | 345 | 771 | \$336,268 | \$45,059 | \$381,327 |
| May 2013 | 344 | 771 | 344 | 771 | \$257,291 | \$48,723 | \$306,014 |
| Jun 2013 | 345 | 772 | 345 | 772 | \$178,827 | \$84,216 | \$263,042 |
| Jul 2013 | 346 | 784 | 346 | 784 | \$241,434 | \$46,075 | \$287,509 |
| Aug 2013 | 347 | 786 | 347 | 786 | \$145,336 | \$55,180 | \$200,516 |
| Sep 2013 | 347 | 785 | 347 | 785 | \$212,605 | \$72,016 | \$284,621 |
| Oct 2013 | 348 | 791 | 348 | 791 | \$337,759 | \$76,117 | \$413,875 |
| Nov 2013 | 345 | 787 | 345 | 787 | \$202,091 | \$82,615 | \$284,706 |
| Dec 2013 | 347 | 792 | 347 | 792 | \$274,643 | \$91,489 | \$366,132 |
| Jan 2014 | 349 | 795 | 349 | 795 | \$200,241 | \$89,636 | \$289,877 |
| Feb 2014 | 348 | 791 | 348 | 791 | \$195,898 | \$63,652 | \$259,550 |
| Mar 2014 | 346 | 786 | 346 | 786 | \$280,039 | \$100,431 | \$380,470 |
| Apr 2014 | 346 | 789 | 346 | 789 | \$277,628 | \$61,305 | \$338,933 |
| May 2014 | 343 | 781 | 343 | 781 | \$236,506 | \$100,682 | \$337,188 |
| Jun 2014 | 342 | 775 | 342 | 775 | \$419,898 | \$79,256 | \$499,153 |
| Jul 2014 | 341 | 768 | 341 | 768 | \$297,391 | \$61,987 | \$359,378 |
| Aug 2014 | 335 | 748 | 335 | 748 | \$213,415 | \$121,517 | \$334,932 |
| Sep 2014 | 333 | 748 | 333 | 748 | \$229,409 | \$67,741 | \$297,150 |
| Oct 2014 | 337 | 763 | 337 | 763 | \$217,193 | \$70,870 | \$288,063 |
| Nov 2014 | 340 | 770 | 340 | 770 | \$159,317 | \$101,884 | \$261,201 |
| Dec 2014 | 338 | 763 | 338 | 763 | \$237,745 | \$66,233 | \$303,978 |
| Jan 2015 | 335 | 742 | 335 | 742 | \$177,710 | \$87,823 | \$265,533 |
| Feb 2015 | 337 | 739 | 337 | 739 | \$260,688 | \$109,352 | \$370,040 |
| Mar 2015 | 339 | 743 | 339 | 743 | \$231,907 | \$91,520 | \$323,427 |
| Apr 2015 | 341 | 755 | 341 | 755 | \$151,767 | \$81,394 | \$233,161 |
| May 2015 | 341 | 757 | 341 | 757 | \$182,822 | \$155,511 | \$338,333 |
| Jun 2015 | 340 | 757 | 340 | 757 | \$265,934 | \$109,918 | \$375,852 |
| Jul 2015 | 344 | 770 | 344 | 770 | \$291,149 | \$157,137 | \$448,286 |
| Aug 2015 | 339 | 760 | 339 | 760 | \$250,526 | \$77,061 | \$327,587 |
| Sep 2015 | 340 | 765 | 340 | 765 | \$236,715 | \$88,734 | \$325,449 |

RFP NO. 100161-FY16-15, EMPLOYEE HEALTH BENEFITS

Large Claims – October 2014 through September 2015

| | | | | | | Paid Amount By Setting | | |
|------|-------------------|-----------------------|------------|-------------------------------------|---|------------------------|-----------|-----------|
| Rank | Active (Yes / No) | Relationship | Age Range | Primary Health Condition Category | Primary Medical Diagnosis Contributing to High Cost | Medical | Pharmacy | Total |
| 1 | Yes | Spouse/Partner | Ages 35-39 | Nervous System | Migraine | \$330,086 | \$5,608 | \$335,694 |
| 2 | Yes | Employee/Self | Ages 65-74 | Digestive System | Acute Pancreatitis | \$15,935 | \$123,259 | \$139,194 |
| 3 | Yes | Employee/Self | Ages 60-64 | Neoplasms - Malignant | Malignant Neoplasm Of Ovary | \$138,960 | \$73 | \$139,033 |
| 4 | Yes | Employee/Self | Ages 55-59 | Musculoskeletal System | Dorsalgia | \$2,925 | \$101,676 | \$104,601 |
| 5 | Yes | Spouse/Partner | Ages 45-49 | Injury & Poisoning | Comp Follow Infus Transfus Tx Inj | \$97,678 | \$1,243 | \$98,921 |
| 6 | Yes | Child/Other Dependent | Ages 20-24 | Diseases of the Blood | Purpura & Oth Hemorrhagic Condition | \$88,215 | \$10,646 | \$98,861 |
| 7 | Yes | Employee/Self | Ages 65-74 | Nervous System | Parkinsons Disease | \$83,060 | \$5,459 | \$88,520 |
| 8 | Yes | Employee/Self | Ages 45-49 | Musculoskeletal System | Dorsalgia | \$2,617 | \$58,449 | \$61,066 |
| 9 | Yes | Spouse/Partner | Ages 40-44 | Nervous System | Other Disorders Of Brain | \$1,892 | \$58,710 | \$60,602 |
| 10 | Yes | Employee/Self | Ages 55-59 | Digestive System | Oth & Uns Noninfective Ge & Colitis | \$5,831 | \$49,252 | \$55,083 |
| 11 | Yes | Employee/Self | Ages 65-74 | Injury & Poisoning | Comp Intrl Ortho Pros Dev Impl Gft | \$21,851 | \$32,233 | \$54,085 |
| 12 | Yes | Employee/Self | Ages 65-74 | Neoplasms - Malignant | Malignant Neoplasm Of Prostate | \$11,082 | \$42,219 | \$53,300 |
| 13 | Yes | Employee/Self | Ages 55-59 | Nervous System | Multiple Sclerosis | \$8,665 | \$43,793 | \$52,457 |
| 14 | Yes | Employee/Self | Ages 35-39 | Diseases of the Blood | Purpura & Oth Hemorrhagic Condition | \$49,684 | \$872 | \$50,556 |
| 15 | No | Spouse/Partner | Ages 65-74 | Respiratory System | Respiratory Failure Nec | \$45,080 | \$4,619 | \$49,698 |
| 16 | Yes | Employee/Self | Ages 35-39 | Ill-Defined Conditions | Disturbances Of Skin Sensation | \$43,788 | \$669 | \$44,458 |
| 17 | Yes | Spouse/Partner | Ages 30-34 | Infectious/Parasitic | Oth Bacterial Intestinal Infections | \$36,831 | \$1,723 | \$38,554 |
| 18 | Yes | Employee/Self | Ages 55-59 | Circulatory System | Essential Primary Hypertension | \$1,584 | \$34,449 | \$36,033 |
| 19 | Yes | Employee/Self | Ages 60-64 | Ill-Defined Conditions | Pain In Throat And Chest | \$33,610 | \$1,912 | \$35,522 |
| 20 | Yes | Spouse/Partner | Ages 40-44 | Genitourinary System | Pain & Oth Cond Fe Gen Orgn & Menst | \$32,706 | \$109 | \$32,815 |
| 21 | Yes | Spouse/Partner | Ages 50-54 | Endocrine/Metabolic | Type 1 Diabetes Mellitus | \$26,016 | \$5,050 | \$31,066 |
| 22 | Yes | Spouse/Partner | Ages 55-59 | Musculoskeletal System | Spondylosis | \$30,376 | \$627 | \$31,003 |
| 23 | Yes | Employee/Self | Ages 30-34 | Maternal complicati on of pregnancy | Pre-Eclampsia | \$29,603 | \$349 | \$29,953 |
| 24 | No | Spouse/Partner | Ages 40-44 | Digestive System | Crohns Disease Regional Enteritis | \$26,185 | \$24 | \$26,209 |
| 25 | No | Spouse/Partner | Ages 40-44 | Neoplasms - Benign | Leiomyoma Of Uterus | \$22,088 | \$3,938 | \$26,026 |
| 26 | Yes | Employee/Self | Ages 60-64 | Injury & Poisoning | Certain Early Comp Trauma Nec | \$23,020 | \$2,517 | \$25,537 |

Exhibit D – Census Data

Please contact Celeste Kane for a copy of the census file.

Celeste.Kane@wellsfargo.com

Exhibit E – Current Eligibility Requirements

Medical Benefits

I. Waiting Period

Employees are enrolled First of the Month following employment.

II. Eligible Dependents

Spouse and;

Children (including stepchildren) less than 26 years of age.

III. Eligible Retirees

Retirees with 20 years of service or more pay 10% of the employee only premium.

Retirees with 15 to 19 years of service pay 50% of the employee only premium. If they retire due to disability then they will be responsible for 10% of the employee only premium.

IV. Incapacitated Children Coverage

A. Children who are unable to engage in self-sustaining employment due to mental or physical handicap and dependent upon employee for support and maintenance will be considered a dependent regardless of age.

B. Proof of incapacity will be furnished to the carrier within 31 days after the person would cease to be eligible.

V. Coordination of benefits does apply to the entire contract.

Exhibit F – Current Booklets & Policies

Please refer to the attached PDF document.

Attachment A – Medical Questionnaire

Please contact Celeste Kane for a copy of the Price Exhibits document in its original Microsoft Word format.

Celeste.Kane@wellsfargo.com

The following questionnaire will assist the Town of Leesburg in evaluating the quality of care and benefits being offered to employees/retirees and dependents as well as assist in the evaluation of the financial and contractual information requested of the offeror. An offeror's evaluation score will not be adversely impacted if a specific question does not apply.

INSTRUCTIONS

1. Each question and response must be provided in Tab IV as instructed in Section IV – Submittal Instructions and Evaluation/Award Process. An electronic copy of your responses is also requested.
2. Answer all questions fully, clearly and concisely unless a specific question is inapplicable to the service you are proposing to provide.
3. Each response must immediately follow the respective question. The question as well as the answer shall be typed. All questions and responses shall be numbered/labeled exactly as in this Questionnaire.
4. If the offeror is unable to answer a question or the question does not apply, the offeror shall indicate why.
5. If the offeror is unwilling to disclose particular information asked in a question, the offeror shall indicate why.
6. Samples of documents requested in the Questionnaire should be labeled with the corresponding question number and submitted in Tab IV in the RFP.

GENERAL INFORMATION

1. Type in the following information:

Point of Contact: _____
Title: _____
Company: _____
Address: _____
Telephone/Fax: _____
E-Mail: _____

2. Have the proposal requirements been fully met as requested in this RFP?
 Yes No

If not, please summarize all deviations and include the summary in Tab I.

- Please provide pertinent financial data that demonstrates your organization’s ability to successfully perform this contract. Include a copy of the most recent annual report and the financial statements for each quarter since the last annual report to date. (Include in Tab V of your proposal.) Please provide your most recent ratings (include the date of the rating) by each of the following:

| Company | Rating | Date of Rating | Legal Name of Company to Which Rating Applies |
|-------------------|--------|----------------|---|
| Fitch | | | |
| Standard & Poor’s | | | |
| Moody’s | | | |
| A.M. Best | | | |

- Please identify all subcontractors (including consultants, advisors, network managers and suppliers) to be used and describe specific responsibilities, qualifications, and background experience of all key personnel. Include financial ratings for each major subcontractor, consultant, or advisor.

ENROLLMENT/ELIGIBILITY AND ADMINISTRATION

- Please list those administrative services that are provided as part of your “standard fees.”
- Please provide your performance standards and quarterly results for the last five quarters in the chart below. The results should include the performance of the service team, which would be responsible for Town of Leesburg. If different units would be responsible for the different plans, provide standards and results separately for each unit. **Input your standard on each measure.**

| Product(s): | Results | | | | |
|---|---------|----|----|------|----|
| | 2015 | | | 2014 | |
| | Q1 | Q2 | Q3 | Q1 | Q2 |
| Timeliness of claims processing: Standard: | | | | | |
| Results: | | | | | |
| Claims processing accuracy: Standard: | | | | | |
| Results: | | | | | |
| Telephone inquiry/wait time: Standard: | | | | | |
| Results: | | | | | |
| Telephone inquiry/ abandonment rate: Standard: | | | | | |
| Results: | | | | | |

7. Will there be any additional cost to the Town for you to prepare and print certificates of coverage or other enrollment materials?

NETWORKS

8. Are you willing to offer an annual clinical analysis of group specific utilization information delivered by a Medical Director? Please provide sample report.
9. For each network/product, please list your laboratory providers for lab services not provided in a physician's office (Leesburg service area only).
10. Please provide a geographic access report for each network using the zip code listing provided in the census file. Access is defined as: **2 PCPs within 10 miles, 2 specialists within 15 miles and 1 hospital within 20 miles**. Please include reports for detailing zip codes that do not meet access criteria. (Include in Tab II of your proposal.)
11. Please complete the Provider Disruption Analysis Checklists (Attachment D) as instructed and include both a hard copy and an electronic copy (in Excel file format) of the completed exhibits in Tab II of your proposal.
12. Please complete the most prevalent reimbursement amounts for the indicated CPT-4 Codes for zip codes indicated in Attachment C – Questionnaire Charts (Excel spreadsheet). All Offerors must submit this data. You may mark this proprietary.
13. Please answer the questions below, which reference the CPT-4 information completed in the previous question:
 - a. Is the data representative of all provider contracting or simply a sample fee schedule?
 - b. If the data is based on a sample fee schedule, how many actual fee schedules do you have in each of the zip codes listed?
 - c. Provide all active fee schedule allowances currently offered to providers in each of the zip codes listed and the percentage of providers under contract with each schedule. Indicate the fee schedule used in your proposal to develop your rates and projections. Will this be the fee schedule implemented, should your company be awarded the contract?
 - d. In the zip codes listed, what percentage of providers is paid under a “non-standard” fee schedule? What percentage of your paid dollars is paid on a non-standard basis? What percentage above your standard allowances do the “enhanced” fee schedules represent?

PRESCRIPTION DRUG PROGRAM

14. Address any subcontracting involved in your prescription drug program.
15. Please provide a listing of the national chain & local pharmacies located in the Leesburg service area that participate with your drug program. Are there any anticipated changes? (Include in Tab II of your proposal.)

16. Complete the following chart on your negotiated fee structure with participating pharmacies:

| | Ingredient Fee | Dispensing Fee |
|--|-----------------------|-----------------------|
| Retail | | |
| Brand | | |
| Generic | | |
| Overall Estimated Savings (%) | | |
| Mail Order | | |
| Brand | | |
| Generic | | |
| Overall Estimated Savings (%) | | |
| Retail Maintenance (ability to get 3 month supply at retail pharmacy) | | |
| Brand | | |
| Generic | | |
| Overall Estimated Savings (%) | | |

17. Explain how rebates would be credited to the Town under a shared-risk (or self-funded) funding arrangement. What is the frequency and schedule of rebate credits? What percentage of the rebates is credited to Leesburg? If less than 100%, explain how the difference is reported and allocated.
18. Please complete the Prescription Drug Checklist (in Provider Checklist - Attachment D) as instructed and include your completed exhibit in Tab II of your proposal in both hard copy and electronic format (in Excel file format).

MANAGED MENTAL HEALTH PROGRAM

19. Do you administer the program included in your quote or do you sub-contract the services? If services are subcontracted, specify the vendor.

HEALTH MANAGEMENT SERVICES

20. Indicate what health management services you provide as part of your coverage by placing a “✓” in the appropriate box if the service is provided.
- Disease Management (*defined as proactive telephonic/home based contact to reduce risk, improve adherence to prescribed therapies, improve outcomes and health status, and reduce inappropriate utilization*) and specify A for adult and P for pediatric services for each service provided.

| Adult | Pediatric | Disease Management Programs | Services included in rate (Y/N) |
|-------|-----------|-----------------------------|---------------------------------|
| | | Asthma | |
| | | High Cholesterol | |
| | | Diabetes | |
| | | Hypertension | |
| | | Coronary Artery Disease | |
| | | Congestive Heart Failure | |
| | | HIV/AIDS | |
| | | Low back/musculoskeletal | |
| | | Other (Specify) | |

- Maternity Management (*defined as proactive, telephonic/home based contact to reduce risk, per-term birth rate, low and very low birth weight rates, and infant mortality to increase VBAC rates and improve outcomes, and health status*)
- Pediatric Health Management (defined as proactive contact to increase immunizations, improve health status and safety of children, and parenting skills of parents)
- Telemedicine (electronic communications with healthcare professionals)
- Demand Management (*24-hour nurse triage line*)
- Preventive Health Services (*defined as early detection and preventive services; such as, immunizations, pap smears, etc., with reminders to get service if failure to do so in a benefit year*)
- Member health risk and/or health status assessment
- Welcome calls to new members
- Satisfaction survey
- Health promotion/wellness programs (define)
- Lifestyle management (*defined as smoking cessation, weight management, fitness activities, stress, injury prevention*)
- Newsletter
- Other (define)

21. Please describe health promotion or wellness programs that you can offer the Town at no cost. (Attach program descriptions or other literature to illustrate your program offerings.) Do you have the ability to conduct on site wellness seminars, clinical screenings or health risk assessments? Are there additional programs that could be purchased by the Town?
22. Will you provide wellness dollars to the Town?
23. What services do you offer that are not covered in the rates, but that the client is able to purchase?

FINANCIAL

24. Indicate your trend factors both rating and actual observed. Label accordingly for your indemnity, PPO, POS and HMO plans for the last three years for medical and drug. Specify the location/region on which these trend factors are based. If available, provide trends for the Town’s region.

| | PPO | POS | HMO | Drug |
|---------------------|------------|------------|------------|-------------|
| Observed Trend 2013 | | | | |
| Observed Trend 2014 | | | | |
| Rating Trend 2015 | | | | |
| Rating Trend 2016 | | | | |

25. Outline the claims/expenses NOT included in your specific reinsurance (pooling) limit.
26. Please describe your proposed funding arrangement, specific stop loss with aggregate stop loss reinsurance arrangement. Indicate how fees are charged, monthly cash flow arrangements, terminal liability, etc.
27. On what basis will you price your specific stop loss and aggregate stop loss arrangements (i.e., 12/12, 12/15, etc.)? Please describe how this arrangement is administered. Address first year as well as subsequent renewal years. Will you provide an 18/12 (specific and aggregate) for the 2007 policy year?
28. Is terminal liability available? Must terminal liability be purchased at the award of the business? Can the decision to purchase terminal liability be made at each renewal?
29. Is specific stop loss reinsurance offered at termination of the contract?
30. How do the specific stop loss and aggregate stop loss arrangements change in the event of termination off of the renewal date?
31. Discuss the timing of reimbursements for claims that exceed your specific and aggregate stop loss reinsurance limits.
32. Outline any maximum limits or minimum requirements included in your reinsurance contracts. How are these limits developed? List any covered service limitations and/or exclusions.
33. Confirm you do not and will not laser individuals under your specific or aggregate stop loss insurance. Confirm you do not have aggregate risk assumption thresholds (i.e., if funding is 115% ASL, carrier must assume any and all excess risk, and not cap the financial liability at a pre-determined amount).

34. What is your enrollment fluctuation threshold for changing reinsurance fees, trigger rates, etc.?
35. Outline the claims/expenses NOT included in your specific and/or aggregate reinsurance.
36. Outline your renewal methodology for specific and aggregate stop loss charge calculations.
37. Outline any financial guarantees offered to Town of Leesburg.
38. Are you willing to guarantee a maximum percent or dollar increase in administrative fees, network access fees, and/or reinsurance fees for the second, third, fourth, or fifth year?
39. What guarantees will you offer for overall program performance (i.e., guaranteed trend factors within a certain range, guaranteed utilization targets, network performance and managed care performance)? Identify and describe any conditions and potential cost implications.
40. Provide a sample underwriting analysis for fully-insured and self-funded arrangement in your proposal.

Attachment B – Price Exhibits

See separate Excel document. Note that there are five tabs in the document.

Medical and Prescription Drug Proposals - Complete the following exhibits

- B(1) - Underwriting Analysis Exhibit
- B(2) – Fee Exhibit
- B(3) – Proposed Liability Rates
- B(4) – PPO Guarantees
- B(5) – Deviations

Attachment C – Questionnaire Charts

See separate Excel document.

Attachment D – Provider Checklists

See separate Excel document.

Attachment E – Performance Guarantees

SUMMARY OF PERFORMANCE GUARANTEES (EFFECTIVE DATE: 7/1/2016)

Name of offeror: _____ **Performance guarantees for the following plans:** _____

| CATEGORY | BASIS OF MEASUREMENT | MINIMUM STANDARD | FREQUENCY OF MEASUREMENT | FINANCIAL PENALTY |
|---|----------------------|------------------|--------------------------|-------------------|
| Claims processing: time to process | | | | |
| Claims processing: accuracy | | | | |
| Telephone inquiry: wait time | | | | |
| Telephone inquiry: abandonment rate | | | | |
| Telephone inquiry: response time for problem resolution | | | | |
| Written inquiry: response time for problem resolution | | | | |
| Implementation support | | | | |
| ID card generation: upon takeover (if applicable) | | | | |
| ID card generation: initial (new member) | | | | |
| ID card generation: ongoing | | | | |
| Other: | | | | |
| | | | | |
| | | | | |

Attachment F - RFP SUBMISSION FORM

SECTION I – COMPANY IDENTIFICATION AND OWNERSHIP DISCLOSURE

Company _____
Address _____
Contact Person _____ Title _____
Telephone No. _____ Fax No. _____ Email _____
Organized under the laws of the State of _____
Principal place of business at _____
Federal Id Number _____ Registered Agent _____

Following are the names and addresses of all persons having ownership of 3% or more in the company (attach more sheets if necessary):

| Name | Address |
|-------|---------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

The Town of Leesburg requests, as a matter of policy, that any consultant or firm receiving a contract of award resulting from a formal solicitation issued by the Town shall make certification as specified below. Receipt of such certification, shall be a prerequisite to the award of contract and payment thereof.

SECTION II – EMPLOYEES NOT TO BENEFIT - I (we) hereby certify that if the contract is awarded to our firm, partnership, or corporation, that no employee of the Town of Leesburg, or members of his/her immediate family, including spouse, parents or children has received or been promised, directly or indirectly, any financial benefit, by way of fee, commission, finder's fee, political contribution or any similar form of remuneration on account of the act of awarding and/or executing this contract.

SECTION III – CONFLICTS OF INTEREST - This solicitation is subject to the provisions of VA Code Ann. Section 2.1-639.2 et seq., the State and Local Government Conflict of Interests Act. The Offeror is is not aware of any information bearing on the existence of any potential organizational conflict of interest.

SECTION IV – COLLUSION - I certify that this offer is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting an offer for the same services, materials, supplies, or equipment and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of the State and federal law and can result in fines, prison sentences, and civil damage awards. I hereby certify that the responses to the above representations, certifications, and other statements are accurate and complete. I agree to abide by all conditions of this RFP and certify that I am authorized to sign for my company.

Signature _____ Date _____
Name (Printed) _____ Title _____

OFFEROR MUST RETURN THIS FORM WITH PROPOSAL