

REQUEST FOR PROPOSALS

ADDENDUM #1

ISSUED: 07/08/14

**RFP NUMBER: CSP903415
INDEX NUMBER: DAS006**

The State of Ohio, through the Department of Administrative Services, Office of Procurement Services, for Ohio Department of Administrative Services, Human Resources Division is requesting proposals for a:

State Employee Benefit Health Fund Audit

MINORITY SET-ASIDE BID IN ACCORDANCE WITH ORC CH. 125.081

Attached is page 3 to this Request for Proposal (RFP). Remove the corresponding page from the existing RFP and replace with the attached.

Reason for Addendum: This addendum is issued to revise the number of renewals allowed for the contract.

**PROPOSAL DUE DATE:
OPENING LOCATION:**

**August 1, 2014
Department of Administrative Services
General Services Bid Desk
4200 Surface Road
Columbus, Ohio 43228-1395**

1.0 EXECUTIVE SUMMARY

1.1 INTRODUCTION This is a Request for Competitive Sealed Proposals (RFP) under Section 125.071 of the Ohio Revised Code (ORC) and Section 123:5-1-08 of the Ohio Administrative Code (OAC). The Department of Administrative Services (DAS), Office of Procurement Services, on behalf of the Ohio Department of Administrative Services (the Agency), is soliciting competitive sealed proposals (Proposals) for the State Employee Health Benefit Fund Audit. If a suitable offer is made in response to this RFP, the state of Ohio (State), through DAS, may enter into a contract (the Contract) to have the selected Offeror (the Contractor) perform all or part of the Project (the Work). This RFP provides details on what is required to submit a Proposal for the Work, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the Work.

This RFP also gives the estimated dates on page one, for the various events in the submission process. While these dates are subject to change, prospective Offerors must be prepared to meet them as they currently stand.

*1.2 CONTRACT PERIOD

Once awarded, the term of the Contract will be from the award date through July 31, 2016. The State may solely renew all or part of this Contract at the discretion of DAS for a period of one month and subject to the satisfactory performance of the Contractor and the needs of the Agency. Any other renewals will be by mutual agreement between the Contractor and DAS for any number of times and for any period of time. The cumulative time of all mutual renewals may not exceed three (3) years and are subject to and contingent upon the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium.

1.3 BACKGROUND The Ohio Administrative Code section 125-1-05 requires the Director of DAS to file annually, by the first day of March, a complete report on the State Employee Health Benefit Fund 8080. The report is filed with the Governor, the General Assembly and the Superintendent of Insurance. The report includes detailed financial statements of Fund 8080 and expenses incurred pursuant to Section 124.87 of the Ohio Revised Code (ORC). OAC 123-1-05 further requires that the financial information required for the report shall be certified by an independent certified public accountant or independent public accountant who, by reason of knowledge and experience, is especially qualified in insurance accounting.

1.4 OBJECTIVES. DAS has the following objectives that it wants this Work to fulfill, and it will be the Contractor's obligation to ensure that the personnel the Contractor provides are qualified to perform their portions of the Work.

Conduct onsite audit of the State of Ohio's Health Benefits Fund (8080) to Provide independent (certified public accountant) auditor's report for Fund 8080 by February 15, 2015, including (but not limited to) the scope below:

1. Assets and liabilities of the fund;
2. Income and expenditures of the fund;
3. Benefits paid and reserves established for losses incurred but not yet paid, including potential losses and unreported losses;
4. Medical claims audits to including TPA healthcare claims and administrative fees as reported in TPA Management reports to DAS for fiscal year 2014; Completion of HIPAA Business Associate Agreement (Supplement One, page 14).
5. Costs of any excess insurance or conversion coverage or of any other kind of insurance obtained to cover potential losses or provide supplemental benefits;
6. The actuarial report for the preceding fiscal year and any other studies or evaluations prepared in the preceding year pursuant to these rules;

1.5 SCOPE OF WORK An audit of the Financial Statements of the State Employee Health Benefit Fund 8080 will be conducted for the Fiscal Year 2014, ended June 30, 2014 and Fiscal Year 2015, ending on June 30, 2015. The financial statement audit shall be conducted in accordance with Generally Accepted Auditing Standards (GAAS) as set forth by the American Institute of Certified Public Accountants (AICPA), and *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, shall include such tests of the records and such other auditing procedures as would be considered necessary. An audit report will also be required for Fiscal Years 2015. In compliance with Ohio Administrative Code section 125-1-05, the financial information required by this rule shall be certified by an independent certified public accountant or independent public accountant, who by reason of knowledge and experience is especially qualified in insurance accounting. This financial information may include, but may not be limited to:

*Indicates revision of renewals allowed.