

REQUEST FOR PROPOSALS
ADDENDUM # 3

ISSUED: February 1, 2010

RFP NUMBER: CSP905210
INDEX NUMBER: DAS065
UNSPSC CODE: 85101700

The state of Ohio, through the Department of Administrative Services, Office of Procurement Services, for the Benefits Administration Services Office, is requesting proposals for:

BENEFITS CONSULTING SERVICES

Reason for Addendum: This Addendum is issued to notify of an extension to the Proposal Due Date, and modify the reporting period for the Annual Audits and/or Health Plan Assessments requirements. Remove pages 1, 3, 19, and 57 of the RFP and replace with the attached pages.

PROPOSAL DUE DATE: February 12, 2010 at 1:00 p.m.

OPENING LOCATION: Department of Administrative Services
Office of Procurement Services
4200 Surface Rd.
Columbus, OH 43228-1395

REQUEST FOR PROPOSALS

RFP NUMBER: CSP905210
INDEX NUMBER: DAS065
UNSPSC NUMBER: 85000000 (Healthcare Services)
85101700 (Health Administration Services)

The state of Ohio, through the Department of Administrative Services, Office of Procurement Services, for the Benefits Administration Services Office, is requesting proposals for:

BENEFITS CONSULTING SERVICES

RFP ISSUED: January 08, 2010
INQUIRY PERIOD BEGINS: January 08, 2010
INQUIRY PERIOD ENDS: January 25, 2010
PROPOSAL DUE DATE: February 12, 2010

*

Proposals received after the due date and time will not be evaluated.

OPENING LOCATION: Department of Administrative Services
Office of Procurement Services
4200 Surface Road
Columbus, OH 43228-1395

Offerors must note that all Proposals and other material submitted will become the property of the State and may be returned only at the State's option. Proprietary information should not be included in a Proposal or supporting materials because the State will have the right to use any materials or ideas submitted in any proposal without compensation to the Offeror. Additionally, all Proposals will be open to the public after the award of the Contract has been posted on the State Procurement Web site. Refer to the Ohio Administrative Code, Section 123:5-1-08 (E).

This RFP consists of five (5) parts and ten (10) attachments totaling 60 consecutively numbered pages. Please verify that you have a complete copy.

* Indicates an extension of the Proposal Due Date.

DATES.

Firm Dates.

RFP Issued:	January 08 2010
Inquiry Period Begins:	January 08, 2010
Inquiry Period Ends:	January 25, 2010
* Proposal Due Date:	February 12, 2010

Estimated Dates.

Contract Award:	March, 2010
Purchase Order:	March, 2010
Contract Start Date:	April, 2010

NOTE: These dates are subject to change.

There are references in this RFP to the Proposal due date. Prospective Offerors must assume, unless it is clearly stated to the contrary, that any such reference means the date and time (Columbus, Ohio local time) that the Proposals are due. Proposals received after 1:00 p.m. on the due date will not be evaluated.

* Indicates an extension of the Proposal Due Date.

6. Annual Audits and/or Health Plan Assessments. Perform annual hospital/provider discount audit of Aetna and UnitedHealthcare for the State's health plans for the fiscal year ending June 30, 2009 (FY 2009). Perform annual performance standards audits for Medical Mutual of Ohio (MMO), Aetna, and UnitedHealthcare for the State's health plans for fiscal years ending June 30, 2009 (FY 2009). Perform annual hospital/provider discount and claims administration performance standards audits for Medical Mutual of Ohio (MMO), Aetna, and UnitedHealthcare for the State's health plans for fiscal years ending June 30, 2010 (FY 2010) and June 30, 2011 (FY 2011). Audit to be performed when the results of the fiscal years become available.
 - a. Evaluate plans' administration of hospital and provider discounts and the level of discounts.
 - b. Review and assessment of plans' medical claims adjudication process to determine its administrative and financial accuracy in administering the State's benefit plan.
 - c. Assessment of the timeliness of claim payments.
 - d. Evaluate plans' telephone abandonment rate and speed to answer.
 - e. Compare plans' performance for each item to its contractual performance goals.
 - f. Calculate penalties owed to the State based upon performance level.
 - g. Assessment of the adequacy of plans' internal administrative procedures and controls to support the above performance standards.
 - h. At the conclusion of the reviews, summarize the findings in a written report to the State. Meet with the State to discuss the findings of the report, recommendations for improvement, any additional recommended performance measurements, and opportunities for recoveries.
 - i. The proposed amount for this item shall be on a per-plan charge.
7. Annual Audits and/or Provider Assessments. Perform annual hospital/provider discount and claims administration performance standards audits for any plans selected for the FY 2012 plan year and beyond. Audit to be performed when the results of the fiscal years become available.
 - a. Evaluate plans' administration of hospital and provider discounts and the level of discounts.
 - b. Review and assessment of plans' medical claims adjudication process to determine its administrative and financial accuracy in administering the State's benefit plan.
 - c. Assessment of the timeliness of claim payments.
 - d. Evaluate plans' telephone abandonment rate and speed to answer.
 - e. Compare plans' performance for each item to its contractual performance goals.
 - f. Calculate penalties owed to the State based upon performance level.
 - g. Assessment of the adequacy of plans' internal administrative procedures and controls to support the above performance standards.
 - h. At the conclusion of the reviews, summarize the findings in a written report to the State. Meet with the State to discuss the findings of the report, recommendations for improvement, any additional recommended performance measurements, and opportunities for recoveries.
 - i. The proposed amount for this item shall be on a per-plan charge.
8. Sample Based Claims Audit (FY 2009 through 2011). Conduct a sample-based claims audit of Aetna, United Healthcare and Medical Mutual for fiscal years ending June 30, 2009 (FY 2009), June 30, 2010 (FY 2010), June 30, 2011 (FY 2011) when data becomes available.
 - a. Evaluate sample population.
 - b. Present findings to the plan and then to the State. Revise report as necessary. Findings shall be presented to the State within one-month of completion of the audit.
 - c. Calculate penalties, if any.

* Indicates modifications to the reporting period for the Annual Audits and/or Health Plan Assessments.

ATTACHMENT TEN
COST SUMMARY FORM
(Page 2 of 5)

DESCRIPTION (Per Attachment One, Section D., Program Requirements – Scope of Work)	FY 2010	FY 2011	FY 2012	FY 2013
Item 5 - Annual Rate Setting – Health Plans. Estimated hours to perform the Work: _____ hrs Staff expenses: General and administrative expenses: Other (identify specifics): SUBTOTAL - Cost to perform the Work:		_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____
Item 6 - Audits/Assessments of Health Plans. * Estimated hours to perform the Work: _____ hrs Staff expenses: General and administrative expenses: Other (identify specifics): SUBTOTAL - Cost to perform the Work:	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	
Item 7 - Audits/Assessments of Providers. Estimated hours to perform the Work: _____ hrs Staff expenses: General and administrative expenses: Other (identify specifics): SUBTOTAL - Cost to perform the Work:				_____ hrs \$ _____ \$ _____ \$ _____ \$ _____
Item 8 – Sample Based Claims Audit (FY 2009 - 2011) Estimated hours to perform the Work: _____ hrs Staff expenses: General and administrative expenses: Other (identify specifics): SUBTOTAL - Cost to perform the Work:	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	_____ hrs \$ _____ \$ _____ \$ _____ \$ _____	
Item 9 – Sample Based Claims Audit (Post FY 2011). Estimated hours to perform the Work: _____ hrs Staff expenses: General and administrative expenses: Other (identify specifics): SUBTOTAL - Cost to perform the Work:				_____ hrs \$ _____ \$ _____ \$ _____ \$ _____

* Indicates modifications to the reporting period for the Annual Audits and/or Health Plan Assessments.