

Vermont Retired Teachers Health Insurance Benefits and Administration

RFP Questions & Answers February 9, 2007

Q. *Is a vision plan in the scope of this RFP? If so, are Stand Alone vision plans currently being considered at this point in time?*

A. Yes – there is currently a vision benefit for the under 65 only group that is provided by VSP as a BCBS partner. The State will consider all options presented that provide value for the participants and the Vermont taxpayers.

Q. *Currently, the benefit plans are the same for the pre-and-post 65s. You explicitly ask for "same similar or enhanced coverage" ("Objectives"). Would you be willing to receive a quote for the post 65's that offers enhanced coverage, while maintaining a different (i.e. current and lower level of coverage) for the pre 65's? The nature of our proposal may allow us to offer more flexibility at reduced pricing for the over 65 population only – would you consider this or must the coverages for the pre and post 65 retirees for the nature of this proposal be identical?*

A. The State will consider all options presented that provide value for the participants and the Vermont taxpayers. We want to have a quote duplicating the current programs for comparison purposes. Include a quote for the current program along with your proposed option.

Q. *Regarding the benefit Plans, Attachment H is only high-level. Can you provide copies of the detailed plan documents (in order to us to best review for CMS required coverages)?*

A. We are requesting the benefit plan information from the current provider and will make it available as soon as it is received.

Q. *Can you define their contribution strategy? Based on the 2006 premium rates (Attachment J), you fund approximately 60% of the overall required premium (early + post-65 retiree). Would this % change if we provided different options for the pre and post 65's?*

A. The Vermont State Teachers' Retirement Board has the ability to change the contribution strategy annually. If different options are selected they might consider a change in contributions.

Q. *Census data – (Attachment E) what date is this as of? Also listed are a group of people with no coverage. Are they eligible for coverage? Does VRTHI believe that with a more competitive offering additional people may enroll?*

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A. The census is as of January 22, 2007. This group with no coverage is eligible for benefits and is currently not participating and can opt-in during any future open enrollment period. Retirees elect coverage based upon their individual situation and we believe a more competitive offering might be appealing to retirees who are covered under other options available to them.

Q. Claims data – (Attachment F)

- ***Where does this data come from? Is it BCBS?***

A. Yes, it comes from BCBS.

- ***Is "Plan Paid" the FULL amount of claims paid by the plan?***

A. Plan Paid” is the amount of claims paid by the plan after member deductibles, copays, coinsurance, etc.

- ***Is "Total Charges" total amount BILLED by the provider? Or Medicare Allowed?***

A. The charges listed for the Medicare Eligible group are provider charges, not Medicare allowable charges

- ***We would like to get a better understanding of the following components of experience - Medicare Allowed, Medicare Paid, Member Paid, and Plan Paid (We believe that we already have this). Are these data points available? The more information that we have, the more aggressive we can be on our quote.***

A. These data points are unavailable

- ***Can we get claim-level information (including diagnosis codes) for the last 12 months worth of experience?***

A. This data has been requested and will be shared with the finalists.

- ***Can you provide the current level of paid network discounts (allowable charges vs. paid) or the pre 65 retirees.***

A. Not available

- ***In the pre 65 high claims tab, there is no reference to diagnosis or prognosis. Can you provide this information?***

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- A.** We are requesting this information and will forward under separate cover once received.
- ***In the pre 65 member lives tab, can you provide monthly subscriber counts by product to coincide with the time period reflected?***
- A.** We expect to have these counts by February 9th and will post them by Monday February 12, 2007.
- Q.** ***Is it acceptable to submit one response to the RFP from an entity that is partnering with another organization? Both entities would be mentioned and participate in the completion of the RFP. The submission would be clear that it represents an entity partnering with another.***
- A.** Yes – the relationship between the entities needs to be clearly spelled out including providing all contracts between the parties outlining the partnership details, liability provisions, termination or dissolution of the partnership and transition plans.