

**ADDENDUM 1**  
(Issue date: 3/18/2025)

(please sign and return with the submittal)

**QUESTIONS AND ANSWERS:**

Note: Spelling, grammar, and punctuation of the questions are shown exactly as submitted by the potential respondents.

No.	Question	Answer
1.	<u>Pre-Offer Conference Question</u> Will there be bill itemization and records for the 10 test bills be made available for the pricing exercise in addition to the UBs that were provided?	No. Please refer to the instructions Tab, Attachment 6 for additional details. The City will not be providing additional documents.
2.	<u>Pre-Offer Conference Question</u> (a) Can you share who is the incumbent bill review vendor? (b) What is the claims system that interfaces will need to be built to? (c) On page 4, section 1.2 Description - Statement of Need, can you address what is meant by "on an as-needed basis"?	(a) Yes. The incumbent is CorVel (b) The system is a proprietary system from CCMSI. CCMSI has created eligibility, bill image and payment files for transmission between them and CorVel (Bill review vendor). (c) On an as-needed basis means the City does not guarantee a minimum or maximum number of service. Services are to be provided as-needed.
3.	<u>Pre-Offer Conference Question</u> If submissions are made earlier than the due date and there is an addendum added, do we have a chance to update and respond?	Yes. The City's preference is for Offerors to submit a second email with documents not already included with the original submission. Recommendation would be to title the email as "Email 1 of 2", etc. as an identifier for the City.  The City recommends that Offerors not submit offers until the Addendum with Questions and Answers is posted. Refer to RFP timeline Pg 4.
4.	What is the number of billed charges, bill review allowance, negotiated bill fees, hospital review fees, PPO savings for the past 3 years, and current fee structure?	For the past 3 years: Total charges reviewed: \$135,450,068.36 Total recommended payment: \$52,052,518.04 Fee structure: - \$4.00 per medical bill review - 9% PPO savings - 9% below Az Fee Schedule
5.	What network do you use for Medical Bill Review services?	This information is not available. The City uses the current vendor's network (CorVel).
6.	Who is your current provider for Medical Bill Review Services?	See response to Question 2a

No.	Question	Answer
7.	Does the City have an EDI with its PBM vendor for pharmacy bills, or is this handled manually?	Yes (it is not handled manually)
8.	Does the city currently operate their own MPN? If not, is the City looking to utilize the MPN of the successful vendor?	No, the City does not operate our own Medical Provider Network. No, the City is not looking to utilize the MPN network only the PPO network.
9.	What are the current PPOs being accessed?	See response to Question 5.
10.	Who does the City currently work with for Pharmacy Benefit Management Services, and what is the number of prescriptions filled from 1/1/20-1/1/2024?	Optum. This information is not available, but is not needed, as Optum's bills are not audited.
11.	Offer Form (Page 1 of 1) If we have an AZ Commission ID number, is it required to have a Use Tax number if we are only supplying services, not goods?	For the purpose of submitting an offer for this solicitation, indicate "TBD". This information can be researched further if this is not known at the time of contract award.
12.	(a) In terms of this RFP, I would seek clarification on the 7 calendar day time frame for bill completion.  Is this understood to be from bill receipt to completion (with recommended allowance)? Including: 1. ADJ review 2. PPO review 3. Specialty review (vendor partners) 4. Questions or delays on bills  (b) Plus, will this bill all bills completed or a % of bills?  (c) Are performance guarantees up for negotiations?	(a) Yes (b) All bills received (c) Refer to RFP section 1.8 Exception. Failure to follow all requirements outlined in this section, the exception(s) will be deemed waived by the Offeror.
13.	The RFP outlined 14,000 employees and about 33,000+ claims per year. (a) How many bills have been reviewed by year for the past three years?  (b) What has your Bill review spend been for the past three years?  (c) In order to accurately obtain our bond, we would need an estimated contract value.	(a) 99,620 bills (b) \$4,080,337.66 (c) The City estimates a budget of \$8 million.

The balance of the specifications and instructions remain the same. Bidder must acknowledge receipt and acceptance of this addendum by signing below and returning the entire addendum with the bid or proposal submittal.

Name of Company: \_\_\_\_\_

Address: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_