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Non-Medicare Retiree Medical Health Plans

Please make the following changes to the above-referenced solicitation:

CHANGE(S)

1. SECTION II – PROFESSIONAL SERVICES CONSULTING AGREEMENT

A. Exhibit A – Scope of Work, 5F. Technology

5F.1 Employer support


Remove and Replace paragraphs 5F.1.1 and 5F.1.2 (page 41) which have been modified to include additional language. The revisions are displayed in BOLD TEXT.

- 5F.1.1 Contractor shall enable the City’s selected staff members, through a reasonably thorough, functional, and secure website, **preferably adhering to Open Web Application Security Project (OWASP) standards for website security or similar**, to perform standard operating procedures such as administrative communication, review of and interaction with banking activity, review and download of claim data, and so on. This site shall be subject to requirements as stated in Sections 13 (Reporting) and 14(Data and Security) of the scope of work.
- 5F.1.2 Access to the City’s data via any and all Contractor tools shall be determined by the City alone and may be granted or removed at anytime subject to the discretion of the designated City benefit liaison(s)or HCBTB. **Remote access to information and the tools used to access it are at the discretion of the Chief Information Security Officer (CISO) and Information Security and Privacy Office (ISPO) and their endorsement.** Contractor agrees to grant/rescind user access within one (1) day of receipt of notice to grand/rescind access from the designated City benefit liaison(s) or HCBTB.

5F.3 Member support

Remove and Replace paragraph 5F.3.2 (page 42) which has been modified to include additional language. The revisions are displayed in BOLD TEXT.

- 5F.3.2 Contractor agrees ‘to support a mobile application that is secure, provides relevant member history, allows members to look up network providers, verify coverage and cost, and access a digital IDcard. **Contractor agrees to adhere to and utilize the Application Security Verification Standard (ASVS) security guidelines. The Contractor also agrees to allow the City to review the Contractors Software Development Life Cycle (SDLC) governance and on an annual basis if requested.**

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5G. Audits

Remove and Replace paragraph 5G.2.20 (page 43) which has been modified to include additional language. The revisions are displayed in BOLD TEXT.

5G.2.20 Review of SSAE **18 or SOC2** external evaluations

Remove and Replace paragraph 5G.8 (page 44) which has been modified to include additional language. The revisions are displayed in BOLD TEXT.

5G.8 Contractor shall complete a Statement on Standards for Attestation Engagements (SSAE **18 or SOC2**) Audit annually and send a report to the City within thirty (30) calendar days of report's completion at no cost to the City. If the period covered is different from the City's fiscal year (July 1 – June 30), Contractor shall provide by December 15th of each year, a bridge letter to cover the portion of the City fiscal year not included in the SSAE 18 Audit. **The City accepts compliance to the audit requirements with either SSAE 18 or SOC2.**

12. Additional Data and Security

Remove and Replace paragraph 12.2.4 (page 70) which removes the reference to FTP. The revised paragraph is displayed below.

12.2.4 Use secure and encrypted SFTP, HTTPS, and VPN methods of 12.2.1 data transmission as a means of sending and receiving files between City approved parties.

Remove and Replace paragraph 12.2.5 (page 71) which has been modified to include additional language. The revisions are displayed in BOLD TEXT.

12.2.5 Use secure site **using industry standard security protocols and controls** to send and receive emails from administrative staff.

2. SECTION III - EVALUATION REQUIREMENTS


REMOVE AND REPLACE the following page:

- Page 93 with the **Revised Page 93**

A. Exhibit A: Scope of Work, Part 5 – Method of Approach

Technology Compliance (addition)

The revised page includes an addition: TECHNOLOGY COMPLIANCE. This section identifies the information required to demonstrate compliance.

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ADDITIONS

1. **Attachment K – Security and Privacy Maturity Questionnaire**, has been incorporated as part of this solicitation (it is attached for informational purpose only during this solicitation phase).

Applicability: If an Offeror’s data host does not have an acceptable SOC2 or SSAE 18, the Offeror will be required to participate in a Security Assessment with the City’s IT department. Only Offerors who are in the Competitive Range will need to complete Attachment K – Security and Privacy Maturity Questionnaire. This requirement does not have to be submitted with the Offer. This requirement shall be completed by the deadline provided by the Procurement Officer.

This attachment can be found at the City’s solicitation website (<https://solicitations.phoenix.gov>) with all other attachments A through K.



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QUESTIONS AND ANSWERS

The following are questions submitted and are represented as they were received:

Item No.	Question	Answer
1	Would the City consider providing an extension to the "Exceptions" due date of November 16 th to November 29 th ?	Yes – see Addendum 1 for the revised Exceptions due date.
2	Is it allowable to submit a standalone vision plan proposal for the retirees?	No.
3	Regarding Attachment J, please confirm this document is not applicable to the services outlined in the proposal as we will not be providing Cloud services to the City.	See Section II, paragraph 5F.3.1 Secure Member Portal. Attachment J is applicable to all vendors that will propose a retiree portal that leverages cloud computing service providers, or cloud delivered solutions within the City of Phoenix network.
4	Please confirm the commission rate, if any.	No commission rate applicable.
5	Please provide 18-24 months of claims experience for this population.	Please refer to the following hyperlink to access a Sharefile folder in which Addendum #2 additional data files may be accessed: https://foster-foster.sharefile.com/d-s909a1343a1874424aefb1be0e55e2c76 The files relevant to this request are named: "Payments By Month by Plan_2019" "Payments By Month by Plan_2020" "Payments By Month by Plan_2021" "City of Phoenix Structure"
6	Please provide large claims.	See Response to Question 5. The files relevant to this request are named: "Large Loss Claim Payments_over \$100K_2019_no PHI" "Large Loss Claim Payments_over \$100K_2020_no PHI" "Large Loss Claim Payments_over \$100K_2021_no PHI" "City of Phoenix Structure"
7	What is the current MRC percentile?	With the exceptions of freestanding laboratory and freestanding DME, out of network reimbursement is based on 110% of Medicare published rates for that geographic area.
8	What is the Employer contribution?	N/A



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Item No.	Question	Answer
9	Are there any additional programs available to members that allows them to receive benefits at no cost to them that we need to be aware of (i.e. diabetic supplies, tobacco cessation, etc.)?	<p>City of Phoenix has a robust Wellness Program for its active employees (includes Medical & Mental Health Wellness). Retirees are allowed to attend virtual programs. The City also provides assistance for Elder Care Assessments and referrals to Retirees.</p> <p>Diabetic supplies and tobacco cessation support is provided with applicable copays.</p>
10	Please provide SBCs for each plan.	<p>See Response to Question 5.</p> <p>The files relevant to this request are named: “SBC – Choice_HSA_PLAN_2021” “SBC – Choice_Plus_PLAN_2021” “SBC – Navigate_Bal_PLAN_350_2021” “SBC – Navigate_Bal_PLAN_4000_2021”</p>
11	Is Foster & Foster and the City of Phoenix willing to sign an NDA if required for release of data? Specifically, the line-by-line claim repricing?	The process for protection of information the Offeror deems confidential is in Section 1, paragraph 21 of the Solicitation. An NDA is not required.
12	As the current vendor, we would adhere to the currently executed and mutually agreed upon services agreement in place; is it a requirement that we redline any items in Section II Professional Services Consulting Agreement?	<p>Yes. See Section I, paragraph 8 Exceptions.</p> <p>See Section II - Professional Services Consulting Agreement.</p>
13	Are vendors being seen as the Cloud Service Provider (CSP) or a business partner/contractor that is (or might in the future) using a CSP to fulfill duties under this contract? Are the vendors considered “City Staff” and/or “City Department” under these requirements?	<p>See Section II, paragraph 7 Independent Contractor Status; Employment Disclaimer.</p> <p>Yes. Vendors are seen as the CSP if their proposal includes hosting a portal themselves, or if it is outsourced/subcontracted to a third party.</p>



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Item No.	Question	Answer
14	<p>Section V. Cloud Computing Policy states that vendor must undergo their Information Security Risk Assessment prior to contracting with a CSP. Due to our multi-tenant environment, vendor is unable to adhere to a specific customer's standard for CSP use approval. UnitedHealthcare has our own risk assessment process when contracting with a CSP. Additionally, as vendor are not a "City Department" we would not provide CSP agreements, contracts, architecture and network diagrams due to their proprietary and confidential nature. However, we can provide high level network documentation and controls surrounding the environment as part of the annual audit. Is this acceptable to the City?</p>	<p>If the Offeror's information and application hosting is not provided by Amazon Web Services (AWS) or Microsoft Azure, the City will need to receive a copy of the SOC2 or SSAE 18, with the submittal response.</p> <p>If an Offeror's data host does not have an acceptable SOC2 or SSAE 18, the Offeror will be required to participate in a Security Assessment with the City's IT department.</p> <p>Offerors who are in the Competitive Range will need to complete Attachment K – Security and Privacy Maturity Questionnaire, by the deadline provided by the Procurement Officer (attached for reference only). <i>This requirement does not have to be submitted with the Offer.</i></p> <p>Refer to the revised scope of work sections above and the revised evaluation criteria on Revised – Page 93 attached.</p>
15	<p>As the current vendor, is it a requirement for us to complete the network reporting files requested in the RFP?</p>	<p>Yes.</p>
16	<p>Will the City of Phoenix consider an extension on the submittal of "List of Exceptions" to align with intent to submit an offer (11/29)?</p>	<p>See response to Question 1.</p>
17	<p>On Attachment G- Retiree Medical Financial Exhibit, Admin Fees tab, can you please advise how Expanded Advocacy is defined?</p>	<p>Expanded Advocacy services can apply to any services in which your organization offers additional support to members in need. This can include examples such as additional resources for members with physical or mental impairments (such as deafness, debilitating illnesses, disabilities, etc). In your response, please elaborate on which additional advocacy services you extend to members.</p>



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Item No.	Question	Answer
18	Attachment G- Retiree Medical Financial Exhibit, Admin Fees tab, can you please advise what should be included in the Biometrics Screenings, are there specific screenings the City would like us to include?	<p>Historically biometric screenings were provided to Retirees by the City and included: height/weight, blood pressure, glucose, and cholesterol testing. Currently, the City is not offering these screenings.</p> <p>In your response, please elaborate on screening services you extend to members.</p>
19	Please confirm the RFP includes a request to replace the standalone vision plan to replace Davis Vision. Or is this a request to embed vision in the medical coverage? If a separate plan not tied to medical, please provide a census file specific to vision. The census file included does not indicate vision coverage.	<p>No. This is a <u>Retiree</u> non-Medicare Retiree Medical Plan bundled with a core vision benefit.</p> <p>Davis Vision provides stand-alone and buy-up vision services for City of Phoenix employees and eligible retirees. This RFP is not intended to cover stand-alone or buy-up vision services, instead only encompasses core vision benefits as defined in Section II, 5O Vision, paragraph 5O.1.</p>
20	If separate standalone vision plan, is it currently fully insured or fee for service?	See Response to Question 19
21	If separate standalone vision plan, can claims data and rates be provided for the vision?	See Response to Question 19
22	Can you please provide a census that includes all eligible non-Medicare retirees, rather than a census for those who are currently enrolled?	The City does not maintain complete records on eligible non-Medicare retirees who are not enrolled in retiree medical plans.



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Item No.	Question	Answer
23	<p>Can you provide the following retiree claim information?</p> <p>Claims and enrollment for subscribers and members for the most recent 24-month period, and Large Claim Reports that match up to the 2, 12-month periods for medical only. Large claim report also to include the report time-period, claims by members over the set large claim threshold, diagnosis, status of claimant (active/term/COBRA) and each large claim amount.</p>	<p>See Response to Question 5.</p> <p>The files relevant to this request are named: "Large Loss Claim Payments_over \$100K_2019_no PHI" "Large Loss Claim Payments_over \$100K_2020_no PHI" "Large Loss Claim Payments_over \$100K_2021_no PHI" "Payments By Month by Plan_2019" "Payments By Month by Plan_2020" "Payments By Month by Plan_2021" "Membership By Month_2019 through 2021" "City of Phoenix Structure"</p> <p>Note that diagnosis information is not available for this request.</p>
24	<p>Can you please provide required allotments and funds being requested by the City?</p>	<p>Please refer to "Attachment G – Retiree Medical RFP Financial Template" for these requested allotments and funds.</p>
25	<p>What is the current administrative rate (per member per month [PEPM]) with UnitedHealthcare?</p>	<p>All City contracts are public records, the link is below: https://apps-secure.phoenix.gov/PublicRecordsSearch/Home/AdvancedSearchOut</p>
26	<p>Does that rate include a pharmacy rebate credit?</p> <p>If yes, what is the pharmacy rebate credit?</p>	<p>See response to Question 25.</p>
27	<p>Please confirm pharmacy benefits management (PBM) services are out of scope for this RFP.</p> <p>If PBM services are out of scope, who will your PBM vendor be in 2023?</p>	<p>Yes, the PBM services are out of scope. The PBM vendor in 2023 is not yet determined.</p>
28	<p>Is the RFP submission portal a simple file transfer portal or does it require us to enter answers for the RFP questions into a web-based form?</p>	<p>The data files will be deposited in "Serv-U".</p>



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Item No.	Question	Answer
29	Please provide a more detailed (e.g., plan information, benefit dates, etc.) eligibility file layout (Attachment I: Eligibility File Layout).	See Attachment I. Note: See Section 2, 5D.5, format is subject to change.
30	In Section II – Professional Services Consulting Agreement City of Phoenix, <u>Scope of Services / General Requirement, 5C. Claims Administration, 5C.11</u> , please provide examples of services that the City will deem as necessary for BCBSAZ to negotiate a single case rate agreement, so it understands the frequency and scope.	Single Case Agreement could stem from: a.) a provider/facility not contracted within the Carrier network; b.) no contracted facility/provider within reasonable distance of member; or c.) absence of a provider specialized enough to provide the appropriate care/treatment within reasonable distance of member. Frequency unknown.
31	We assume that confidential data such as the repricing results will be shared with your consultant Foster & Foster. Due to the very confidential nature of this information will the City sign a 3-way disclosure agreement with F&F and our entity in order for us to release this data?	See response to Question 11

The balance of the specifications and instructions remain the same. Offeror must acknowledge receipt and acceptance of this addendum by returning the entire addendum with the proposal submittal.

Name of Company: _____

Address: _____

Authorized Signature: _____

Print Name and Title: _____



SECTION III – EVALUATION REQUIREMENTS

CITY OF PHOENIX

- b. Define whether each provider within is “In Preferred/Tier 1 Network”, “In Non-Preferred/BROAD Network”, “Out of Network”, or “In Wrap Network”;
- c. Indicate whether or not each provider is in the NARROW network.

TECHNOLOGY COMPLIANCE

7. Are your applications and information hosted by Amazon Web Services (AWS) or Microsoft Azure?
 - a. If so, indicate which one.
 - b. If not, who hosts your information and applications?
8. If your host is not AWS or Microsoft Azure, does your host have a recent SSAE 18 or SOC2? If so, please provide a copy with your submittal.
9. Please note, if an Offeror’s data host does not have an acceptable SOC2 or SSAE 18, the Offerors in the competitive range will be required to participate in a Security Assessment with the City’s IT department. See Attachment K – Security and Privacy Maturity Questionnaire. This requirement will apply only if hosted services are not provided by AWS or Microsoft Azure.

PART 6 – EVALUATION PRICING

1. Please see Attachment D – Repricing Template file.
 - Use instructions and within the spreadsheet for additional information.
 - For each claim within, provide estimated allowed claim amounts (prior to member cost share) based on contracts with providers that are currently secured (and enforced in 2021), as well as contracts that are currently secured for 2023.
 - enrollment by ZIP code within provided reference file to develop a network access report (also known as a Geo Access Report). Attach resulting exhibits within your proposal response.
2. Please see Attachment G - Retiree Medical RFP Financial Template.
 - Complete each worksheet in full as applicable.