

REQUEST FOR PROPOSALS  
FOR  
SCOTT COUNTY  
MEDICAL AND RX PLAN

RFP #2017-17

ISSUE DATE: April 17, 2017

PROPOSAL RETURN DATE AND TIME: May 5, 2017 @ 1:00 p.m.

REQUEST FOR PROPOSALS (RFP #2017-17)

FOR

SCOTT COUNTY

GENERAL INFORMATION

I. NATURE OF PROGRAMS AND SERVICES: Scott County will consider proposals for the employee Medical and Rx program for employees of Scott County.

II. PROPOSALS:

A. Written Proposals: All proposals must be submitted in writing. Proposals must be delivered in a sealed envelope or package conspicuously labeled "SEALED PROPOSAL - SCOTT COUNTY' Employee Medical and Rx Program." In addition, the envelope or package should contain the following information:

Name of Offeror \_\_\_\_\_

Proposal Number \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

B. Submission of Proposals: All proposals must be delivered to:  
Amy Vicars  
190 Beech Street, Suite 201,  
Gate City, VA 24251  
276-386-6521.

With a copy to:  
Matthew J. Smith - President/Actuary  
Corporate Benefit Consultants, Inc.  
135 Clearcreek Ct.  
Moneta, Va. 24121

C. An original and two (2) copies of each proposal should be submitted.

- D. Noting Proprietary Information: If the offeror wishes to protect trade secrets or proprietary information contained in the proposal, a note must be attached to the first page of the proposal specifically stating which data or other materials should not be subject to disclosure and noting the page(s) on which the information appears. The offeror must state the reason why protection is necessary.
- E. Submission Deadline: All proposals must be submitted by May 5, 2017 at 1:00 p.m.

III. RATES:

Offerors may submit first year rates and a two-year rate structure. Premiums can be adjusted at the annual renewal, but Scott County reserve the right to cancel the contract at a renewal date upon notification of premium adjustments deemed unacceptable.

IV. PURPOSE OF RFP:

Scott County will consider proposals for the administration of the Medical and Rx Care Plan. Pursuant to the Virginia Procurement Act.

V. CONTRACT DATES:

The contract will begin July 1, 2017, and continue through June 30, 2018, with the option to renew annually pending acceptable renewal rates.

VI. RFP REQUIREMENT:

No proposals will be considered that combine a life insurance quotation or any other type of quotation with the Medical and Rx plan quotation.

The specific requirements for the contents of proposals are contained in the RFP. Offerors are encouraged to provide additional information not specifically identified as a requirement if that additional information enables the proposal to better suit the needs of Scott County.

In order to procure the program, that best suits the needs of Scott County, the review process and evaluation criteria consider factors in addition to cost.

No proposal shall be handled so as to permit disclosure of the identity of any offeror or the contents of any proposal to competing offerors during the process of negotiation.

VII. MULTIPLE PROPOSALS:

Each offeror shall respond to the pricing sheet for each of the following insurance and funding methods.

1. Current Benefit Plan

Multiple proposals may be submitted provided the alternative proposals contain significant and cost-effective variations from the offeror's other proposals. Each alternative proposal should be submitted as a separate individual proposal.

VIII. MODIFICATION OF PROPOSALS:

Any changes, amendments, or modifications of proposals prior to the deadline for receipt of proposals must be in writing and submitted in the same manner as the original proposal, but conspicuously labeled as a change, amendment, or modification of the previously submitted proposal. Changes, amendments, or modifications of proposals will not be considered after the deadline for receipt of proposals.

IX. RIGHT TO SUBMITTED MATERIAL:

All responses, inquiries, or correspondence relating to or in reference to the RFP, and all other reports, charts, displays, schedules, exhibits, and other documentation submitted by the offerors will become the property of Scott County when received.

X. INQUIRIES CONCERNING RFP:

Any communication or comments of a technical nature concerning the RFP must be addressed to:

Matthew J. Smith - President/Actuary  
Corporate Benefit Consultants, Inc.  
135 Clearcreek Ct.  
Moneta Va. 24121  
(540) 312-5933  
E-Mail: Corbencon@gmail.com

XI. ADDENDA TO RFP:

Scott County may issue addenda to this Request for Proposals. Any such addenda officially amends this Request for Proposals and may be used to modify, correct or add to the information contained herein. It is the responsibility of each offeror to ensure that Scott County have the name and address of the person to whom such addenda should be sent.

XII. PUBLIC INSPECTION OF PROCUREMENT RECORDS:

Proposals submitted will be subject to public inspection only in accordance with the Virginia Procurement Act.

Trade secrets or proprietary information submitted by a bidder, offeror, or contractor in connection with a procurement transaction shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the bidder, offeror, or contractor must invoke the protection of this section prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary. (1082,c.647).

- XIII. The prospective bidder must affirm and shall certify by signing the proposal document that the company fully complies with the Virginia Procurement Act and all provisions herein:

**Contractor's Authorization to Transact Business:** Please see the attached form titled "Proof of Authority to Transact Business in Virginia."

**Discrimination Prohibited; Participation of Small, Women-, Minority- and Service Disabled Veteran-Owned Business:** (*Code of Virginia* § 2.2-4310) In the solicitation or awarding of contracts, the County of Scott shall not discriminate because of the race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law relating to discrimination in employment.

The County welcomes and encourages the participation of small businesses and businesses owned by women, minorities, and service disabled veterans in procurement transactions made by the County

**Employment Discrimination:** (*Code of Virginia* § 2.2-4311) This provision only applies to contracts valued in excess of \$10,000.

1. During the performance of this contract, the contractor agrees as follows:
  - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2. The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

**Drug-Free Workplace:** (*Code of Virginia* § 2.2-4312) This provision only applies to contracts valued in excess of \$10,000.

During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

**Faith-Based Organizations:** (*Code of Virginia* § 2.2-4343.1) Scott County does not discriminate against faith-based organizations.

**Illegal Aliens:** (*Code of Virginia* § 2.2-4311.1) The Contractor agrees that he or she does not, and shall not during the performance of this contract, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

**Indemnification:** The Contractor shall hold harmless and indemnify Scott County and its officers, officials, employees and agents against any and all injury, loss or damage arising out of the Contractor's negligent or intentionally wrongful acts or omissions. The County will not agree to indemnify the offeror or bidder.

**Proprietary Information:** § 2.2-4342(F) of the *Code of Virginia* states: "Trade secrets or proprietary information submitted by a bidder, offeror, or contractor in connection with a procurement transaction or prequalification application submitted pursuant to subsection B of § 2.2-4317 of the *Code of Virginia* (1950), as amended, shall not be subject to the *Virginia Freedom of Information Act* (§ 2.2-3700 et seq. of the *Code of Virginia* (1950), as amended); however, the bidder, offeror, or contractor shall (i) invoke the protections of this section prior to or upon submission of the data or other materials, (ii) identify the data or other materials to be protected, and (iii) state the reasons why protection is necessary." If the exemption from disclosure provided by § 2.2-4342(F) of the *Code of Virginia* is not properly invoked, then the proposals will be subject to disclosure pursuant to applicable law.

#### XIV. EVALUATION OF PROPOSALS:

- A. **Criteria**  
Proposals will be evaluated on the basis of the offeror's ability to provide a Medical and Rx Care Plan and related services for Scott County. Proposal information relating to: claims processing capabilities, ability to serve, subscribers, ability to contain Medical and Rx care costs, ability to administer other aspects of the program as outlined in the RFP, and financial stability of the company will be considered. Program costs and fee schedules will be considered, but shall not be the sole factor determining the contract award.
- B. **Clarification of Proposal Information**  
Scott County reserve the right to request verification, validation, or clarification of any information contained in proposals submitted.
- C. **Reference to Other Data**  
Only information, which is received in response to this RFP, will be evaluated; reference to information previously submitted will not be considered.

#### XV. METHOD OF AWARD:

The award of a contract shall be determined in the sole discretion of Scott County based upon evaluation of all information as Scott County may request. Scott County reserve the right to waive any informality in proposals submitted in response to this RFP when such waiver is in the best interest of Scott County.

Scott County will select at least two offerors, which are deemed, in the sole opinion of Scott County, to be fully qualified and best suited among those submitting proposals. Negotiations will be conducted with the offerors so selected, at the conclusion of which Scott County may select the proposal(s), as negotiated, which in the sole opinion of Scott County is (are) deemed to be in the best interest of Scott County. In such negotiations, Scott County reserve the right to request proposal amendments or modifications, which it deems to be in the best interests of Scott County. If Scott County determine in writing, after evaluating all proposals submitted for the program, that only one offeror is fully qualified, or that one offeror is clearly more qualified than others, Scott County may negotiate and award a contract to such offeror.

XVI. CONDITIONS OF THIS CONTRACT: All proposals submitted shall be deemed to incorporate the following conditions and provisions:

- A. Contractor shall maintain professional liability insurance with a minimum limit of \$1,000,000.00 for the term of the contract and shall provide evidence of this insurance to Scott County.
- B. It is understood and agreed between the parties to any agreement resulting from this proposal that if first year premiums only are quoted, the premiums may be adjusted at renewal, but Scott County reserve the right to cancel the contract at renewal date upon notification of premium adjustments deemed unacceptable.

XVII. PERIOD OF PROPOSAL VALIDITY:

The terms, conditions, and rates in the proposal will be valid from the proposal return date to the implementation date. The implementation date will be July 1, 2017. By mutual agreement of Scott County and the offeror awarded the contract, the terms, conditions and rates in the proposal may be valid beyond July 1, 2017, if the beginning date is delayed due to unanticipated events.

XVIII. ANTICIPATED DATE OF AWARD:

Scott County anticipate that the award of the contract will be made around May 10, 2017.

XIX. REJECTION OF PROPOSALS:

Scott County reserve the right, at any time prior to award of the contract, to reject any or all proposals, or any part thereof, to make no award, and/or to issue a new Request for Proposals. Offerors are cautioned that this is a Request for Proposals, not a request to contract.

XX. COSTS FOR PROPOSAL PREPARATION:

Any costs incurred by offerors in preparing or submitting proposals are the offeror's sole responsibility; Scott County will not reimburse any offeror for any costs incurred prior to award.



**XXI. STATEMENTS NOT WARRANTIES AND REPRESENTATIONS:**

The statements contained herein, particularly in the experience and census data sections, are made for the purpose of informing and assisting prospective offerors in preparing bids. None of the statements contained herein shall be construed to be a warranty or representation and Scott County, its officials, employees, agents, and consultants shall not be liable to any persons for any statement contained herein.

**XXII. COMMISSIONS/SERVICE FEES**

No proposals will be considered that includes commissions and/or service fees for an agent or broker.

## **SCOTT COUNTY**

### **EXPERIENCE HISTORY**

Attached:

ScottCountyExperience12014-122016  
ScottCountyLargeClaimants2016  
ScottCountyLargeClaimants2014-2015

### **BENEFIT DESIGN**

Attached:

ScottCountyMedicalBenefits2014-2017  
ScottCountyRxBenefits2014-2017

### **CENSUS**

Attached :

ScottCountyCensus2017  
ScottCountyEnrollment

**SCOTT COUNTY**  
**PREMIUMS AND FUNDING**

## FUNDING

Please quote the following funding arrangements:

1. Fully-Insured Funding.
2. All quotes should be based on current rate structure of group.

### Current Contributions:

	<u>Employer</u>	<u>Employee</u>
Employee	\$ 417.98	\$ 104.50
Employee plus 1	\$ 626.98	\$ 417.99
Family	\$ 1,097.21	\$ 470.24

**NOTE: Please use the following enrollment for all exhibits.**

Employee	71
Employee plus 1	35
Family	39

**SCOTT COUNTY**  
**GENERAL INFORMATION**

## QUESTIONS TO BE ANSWERED

### A. Medical

1. Have you followed specifications and quoted these coverages as requested? If not, specifically outline your deviations.
2. What medical trend factors are being used in this proposal? Please provide your medical trends for the last five years.

### B. Prescription Drug Coverage

1. Please provide a complete description of your program.
2. Please provide a detail description of your pricing contracts. For 2016 & 2017 provide your average percentage of savings off of retail and mail by Tier prior to member copays.
3. What pharmacy trend factors are being used in this proposal? Please provide your Rx trends for the last five years.
4. Please provide details on retail maintenance and mail order options.
5. Please describe all reports available to the client.
6. Please provide a list of all participating pharmacies.

### C. Claims Administration/Customer Service

1. What office will be responsible for claims payment?
2. What local assistance is available for employees regarding their coverage? Will you provide a dedicated customer service contact?
3. Outline the key elements of your "direct" claims system. (Include specimen copies of claim forms, EOB, etc.)
4. What percentage of claims require no additional information?
5. Please indicate your average claim turnaround on time on:
  - a) "Clean Claims"
  - b) Claims that required additional information
6. Please describe in detail all Web based apps available to members.
7. Please provide details on your average call response time.

8. Please provide details on your average call response time. Please provide details on how out-of-area claims are adjudicated (emergency vs. non-emergency; in vs. out of country; deductible/coinsurance applicable; average discounts(provider & facility)).

D. Policy Administration

1. Where is your servicing office that will be responsible for this account?
2. Please describe in detail the initial and ongoing enrollment process.
3. Please describe in detail the assistance that you will provide installing the case. Include a proposed timeline with tasks and responsibilities.
4. Please include specimen copies of all your standard reports.
5. What other management reports do you have available and recommend? Briefly outline each of these reports and indicate what additional charge, if any, would be made (include specimen copies of your standard reports).
6. What employee education (wellness) programs will you make available. Specify goals of each program and its cost, if any. Specify how the program would be implemented and by who.
7. Will a service representative be available at the various work sites on a regular basis if needed?
8. Please provide details on how out-of-area claims are adjudicated (emergency vs. non-emergency; in vs. out of country; deductible/coinsurance applicable; average discounts(provider & facility)).

E. Networks/Discounts

- 1.) For the following counties: **Virginia:** Lee; Wise; Scott; Washington  
**Tennessee:** Sullivan; Johnson

- a.) Please provide number of general practitioners and specialists by type.
- b.) Please provide number of board certified/eligible specialists by type.
- b.) Please provide the percent of total general practitioners and specialists by type.
- d.) Please provide the percent of total board certified/eligible specialists by type.

2. Please provide a list of all hospitals in network in Virginia, Tennessee, and North Carolina.
3. Provide a complete description of your credentialing of providers under contract and ongoing quality assurance procedures.
4. Please explain in detail your hospital discount arrangement and average network percentage savings off of total allowable billed charges (net of COB) for all proposed networks, separately, if different, for the last three years. When is the next anticipated change in your fee schedule?
5. Please explain in detail your provider discount arrangement and average network percentage savings off of total allowable billed charges (net of COB) for all proposed networks, separately, if different, for the last three years. Please note Primary care and specialist separately. When is the next anticipated change in your fee schedule?

F. Guarantees

1. Please provide a set of performance standards that you will be willing to offer.

G. Financials

1. Please provide your current financial ratings from the following:
  - a. S&P
  - b. Moodys
  - c. Duff & Phelps
  - d. AM Best



TO BE RETURNED WITH PROPOSALS

SCOTT COUNTY

MEDICAL & Rx PLAN PROPOSALS

The undersigned is familiar with the specifications and other information as supplied in this invitation to present proposals and understands that Scott County will not be responsible for any errors or omissions on the part of the undersigned in making up the proposal. Any deviations or exceptions must be fully explained in writing by the undersigned.

It is understood that Scott County reserves the right to reject any or all proposals or any part thereof, or to accept any proposal or any part thereof, and to waive any informalities in any proposal deemed to be for the best interest of Scott County. The undersigned agrees that the proposal submitted shall remain open and available to contract by Scott County for 90 days after the opening.

The undersigned also agrees and understands that his request is for "proposals" and is to be willing to discuss all proposals with Scott County's Insurance Consultant and be willing to negotiate with the Consultant as so required.

BY

\_\_\_\_\_  
Signed Authorized Representative

\_\_\_\_\_  
Authorized Representative (Typed)

\_\_\_\_\_  
Name of Firm

\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone Number - Include Area Code

**PROOF OF AUTHORITY TO TRANSACT BUSINESS IN VIRGINIA**

THIS FORM MUST BE SUBMITTED WITH YOUR PROPOSAL/BID. FAILURE TO INCLUDED THIS FORM MAY RESULT IN REJECTION OF YOUR PROPOSAL/BID

The attention of each offeror or bidder is directed to § 2.2-4311.2 of the *Code of Virginia*, which requires an offeror or bidder organized or authorized to transact business in the Commonwealth of Virginia pursuant to Title 13.1 or Title 50 of the *Code of Virginia*, as amended, or as otherwise required by law, to include in its proposal or bid the Identification Number issued to such offeror or bidder by the Virginia State Corporation Commission (SCC). Furthermore, any offeror or bidder that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the *Code of Virginia*, as amended, or as otherwise required by law, shall include in its proposal or bid a statement describing why the offeror or bidder is not required to be so authorized. Failure to provide the required information may result in the rejection of the proposal or bid. If the proposal or bid is accepted by the County, the undersigned agrees that the requirements of the *Code of Virginia* § 2.2-4311.2 have been met. Please complete the following by checking the appropriate line that applies and providing the requested information. **PLEASE NOTE: The SCC number is NOT your federal ID number or business license number.**

A. \_\_\_\_\_ Offeror/Bidder is a Virginia business entity organized and authorized to transact business in Virginia by the SCC and such offeror's/bidder's Identification Number issued to it by the SCC is \_\_\_\_\_.

B. \_\_\_\_\_ Offeror/Bidder is an out-of-state (foreign) business entity that is authorized to transact business in Virginia by the SCC and such offeror's/bidder's Identification Number issued to it by the SCC is \_\_\_\_\_.

C. \_\_\_\_\_ Offeror/Bidder does not have an Identification Number issued to it by the SCC and such offeror/bidder is not required to be authorized to transact business in Virginia by the SCC for the following reason(s): \_\_\_\_\_  
\_\_\_\_\_

Please attach additional sheets if you need more space to explain why such Offeror/Bidder is not required to be authorized to transact business in Virginia.

Legal Name of Company (as listed on W-9): \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_  
(typed or printed)

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

**PLEASE RETURN THIS PAGE WITH PROPOSAL OR BID – REQUIRED**