

December 29, 2014  
Ref. No. RFP 107610

**PURCHASING DEPARTMENT**  
101 EAST 11<sup>th</sup> STREET, STE. G-13  
CHATTANOOGA, TENNESSEE 37402  
CITY HALL

**Request for Proposals for the City of Chattanooga, TN**

*Proposals will be received at 101 East 11<sup>th</sup> Street, Ste G-13, Chattanooga, TN 37402 until 4:00 p.m. E.S.T. on January 20<sup>th</sup>, 2015*

**Requisition No.: RFP -107610**  
**Ordering Dept.: Human Resources Department – Benefits Division**  
**Buyer: Bree White/white\_bree@chattanooga.gov**  
**Phone No.: 423-643-7234**  
**Fax No.: 423-643-7244**

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**Items Being Purchased: Over 65 Retiree Health Insurance**

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**\*\*\*REQUEST FOR PROPOSALS MUST BE RECEIVED\*\*\***

**NO LATER THAN**

**4:00 PM E.S.T. on Tuesday, January 20<sup>th</sup>, 2015**

**\*\*\*Please contact Bree White for all attachments needed regarding this RFP\*\*\***

**\*\*\*ALL QUESTIONS MUST BE SUBMITTED IN WRITING TO**

**WHITE\_BREE@CHATTANOOGA.GOV NO LATER THAN FRIDAY, JANUARY 9<sup>TH</sup>\*\*\***

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The City of Chattanooga reserves the right to reject any and/or all proposals, waive any informalities in the proposals received, and to accept any proposal which in its opinion may be for the best interest of the City.

The City of Chattanooga will be non-discriminatory in the purchase of all goods and services on the basis of race, color or national origin.

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The City of Chattanooga (COC) Terms and Conditions posted on Website are applicable:

<http://www.chattanooga.gov/general-services/purchasing/standard-terms-and-conditions>

**NOTE: ALL PROPOSALS MUST BE SIGNED.**

All proposals received are subject to the terms and conditions contained herein and as listed in the above referenced website. The undersigned Offeror acknowledges having received, reviewed, and agrees to be bound to these terms and conditions, unless specific written exceptions are otherwise stated.

**PLEASE PROVIDE US WITH THE FOLLOWING**

**Company Name:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

**City & Zip Code:** \_\_\_\_\_

**Phone/Toll-Free No.:** \_\_\_\_\_

**Fax No.:** \_\_\_\_\_

**E-Mail Address:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Statement of Intent**

The City of Chattanooga Government (Tennessee), hereinafter referred to as “the City”, is requesting proposals to offer a fully-insured solution for post-65 retiree health insurance. The City is open to post-65 exchange models as well as other insured solutions.

**Background**

The City currently provides post-65 retiree medical insurance to approximately 1,060 retirees and dependents. The retirees are currently covered by the Self-insured PPO plan, BlueCross BlueShield Medicare Advantage plan or by a closed class (Legacy) indemnity plan. The City handles all the administration of the retiree medical plans in house currently. The goal is to find a solution that reduces the City’s retiree liabilities as well as the administration burden for the City staff. The enrollment by plans offered currently is outlined below:

Self-Insured PPO	348
Medicare Advantage Plan	645
Legacy Plan	67
Total	1,060

The current benefits are provided in the attachment section of this Request for Proposal.

**Evaluation Criteria**

Vendors who are chosen for finalist presentations will be evaluated by the following:

- 1. Experience of vendor with Post 65 population 15 %
- 2. Quality and effectiveness of communications 25 %
- 3. Enrollment/Customer Service 25%
- 4. Flexibility of program and services 10 %
- 5. Cost of vendor services 25 %

**V. PROPOSAL FORMAT**

All responses shall be submitted in accordance with the instructions in this RFP. The information shall be prepared in a manner that is self-explanatory, complete and responsive to the request. Brevity is appreciated and the proposers are encouraged not to provide substantial volumes of internal and external reports unless specifically asked for in another section of this document.

- All RFP responses should be provided in three ring binders with all attachments separated by marked tabs. Insert attachments directly behind the related section, not

under separate cover. Provide three (3) hard copies and 3 electronic copies on CD of the entire response.

- The proposal response must include a point-by-point response to the RFP. Responses to questions should be in the order they appear in the RFP. Each question and its associated number should be repeated and referenced before the response in your typed proposal. All attachments must be labeled. If no specific information is required from the provider, “Understand and Comply” will be an acceptable answer.
- The proposal must include an explanation of any exceptions to the stated requirements. Failure to indicate any exception will be interpreted as the proposer’s intent to comply with the requirements as written in the proposal documents.
- The response documents must be signed by a person or persons legally authorized to bind the provider to this contract.
- Insert the Plan’s name (not logo) next to the page number in the footer of the document.

## **RESPONSE REQUIREMENTS**

In addition to the specific information requested in Questionnaire, please provide the necessary information on each topic below. If no specific information is required from the provider, “Understand and Comply” will be an acceptable response.

### **References**

Please provide your company’s experience in working with clients with over 500 post-65 retirees in the past three years. Provide a list of three current accounts and two accounts that are no longer clients, preferably one which is from a government entity, similar in size to the City of Chattanooga.

### **Lead Contact and Staff**

Please list the names of all professional staff, including the lead contact, which will be assigned to work on the City of Chattanooga Government account and a brief resume of their background and experience. Explain the duties each person will perform.

### **Subcontracted Services**

Please list any and all services in this RFP response that is subcontracted. Describe the function being performed by the subcontractor and the nature of the relationship to your firm.

### **Proposal Timeline**

RFP released by City	Tuesday, December 30 <sup>TH</sup> , 2014
Questions for City	Friday, January 9, 2015 by 4:30PM
Final answers released	Wednesday, January 14, 2015 by 4:30 PM
Proposals due to City	Tuesday, January 20, 2015 by 4:00 PM
Finalist meetings	January 22 <sup>nd</sup> through January 30 <sup>th</sup>

## **Questionnaire**

**There are two separate Questionnaires! One for an Exchange based solution and one for a Non-Exchange based solution. Only complete the one that applies to your offering.**

# Exchange

## General Questions

1. Briefly describe the solution you are proposing to the City to handle post-65 retiree medical insurance.
2. How will this solution address the City's goal of reducing liabilities and simplifying the administration process?
3. Provide a brief history of your organization.
4. How long have you provided this solution to other clients?
5. How many post-65 retirees do you currently serve in your book of business?
6. Provide your most recent satisfaction survey results.
7. Does your solution offer national access for retirees living outside of Tennessee?
8. What unique advantages does your solution provide vs. other solutions in the market?
9. What technology do you use to provide your solution directly to the retiree?
10. Does your solution rely solely on technology or do you have representatives that can talk directly with the retiree?
11. Please outline how your solution addresses all HIPPA requirements.
12. Who within your organization will manage the City relationship? Provide a brief background of these individuals.

## Medicare Exchange Questions

13. Describe in detail your company's Medicare exchange services that are included with your proposal.
14. What are the benefits of the Medicare coordinator/exchange model to an employer? What are the benefits to retirees?
15. Are any of your key exchange operations (call center, exchange management) outsourced?
16. How is compliance for licensure of benefit advisors managed?
17. What sets your organization's technology apart from your competitors?
18. What % of your enrollments were ISSUED by carriers prior to the effective date of the policy, coming out of AEP last year (i.e. effective 1/1/14)?
19. What % of your enrollments are submitted via electronic means, i.e. no manual intervention?
20. What % of your benefit plan information was loaded and approved by the start of the plan year. Please provide information regarding the available plan options on your Medicare exchange. List the number of carriers available.

21. Please use the census included with the proposal to provide an overview of available plan options and premiums in key geographic markets.
22. What happens if a carrier drops a plan or product offering after a retiree has already enrolled?
23. What geographic markets do you serve?
24. Can any insurance plan join your exchange? Do you perform a review prior to listing a carrier on your exchange?
25. How many carriers have discontinued participation in your exchange for cause? Why?
26. Do you have direct contracts/appointments with all of the carriers offered through your exchange or do you work through 3<sup>rd</sup> party agencies?
27. Are signed contracts required before you list a carrier on your exchange?
28. Do you have dedicated contacts at the carriers to support and resolve issues? If so, please describe.
29. How do you manage Insurance Carrier relationships and performance?
30. Describe the underwriting terms of the plans offered under your Medicare Exchange model.
  - a. Do your plans accept all retirees that apply for coverage, without evidence of insurability?
  - b. Are all plans guaranteed renewable?
31. Are there limitations for pre-existing conditions? If so, please describe.
32. Describe your capabilities with regard to HRA administration.
33. Confirm your flexibility to set up accounts per member or per family.
34. Please describe your organization's reporting capabilities regarding HRA balances. Please include a report sample and indicate report frequency (e.g., monthly, quarterly, etc.).
35. Do you offer auto-reimbursement from the HRA for paid premiums?
36. If yes, how are you notified of the retiree premium payment?
37. Are HRA balances available to retirees in full at the beginning of the year or are they seeded throughout the year?
38. Please describe any online tools available to retirees for the HRA.

## Customer Service

39. Are any customer service functions performed off-shore? Include any application processing or other 'back office' functions which are performed offshore.
40. Are the licensed benefit advisors employees of your organization?
41. What are the hours of operation? Do you offer any special accommodations for retirees that may need to call after-hours or on weekends?
42. What is your forecasting and planning methodology, approach and timing for the fall annual enrollment cycle?
43. Do you offer a dedicated and co-branded 800 number?
44. Describe your telephony and call routing system.
45. Do you offer retirees appointment setting to enroll in benefits? Describe the appointment scheduling, reminder, and confirmation process.
46. Please provide detailed information on the training provided to your benefit advisors.
47. Will retirees have specialized (100% retiree focused) representatives to provide support?
48. Do your representatives undergo any special training for interacting with a senior population? Please provide details.
49. Are there any limits regarding the amount of time a benefit advisor spends with a member in assisting in the selection of the right Medicare plan?
50. What support is available to a benefit advisor who is handling a call if they are unable to answer a retiree's question while on the phone?
51. What types of tools are available to assist benefit advisors in helping retirees find the right plan?
52. When comparing prescription drug plans (price, drugs covered, and formularies) do your benefit advisors have to go to each of the various carrier websites to do a comparison?
53. What type of information is available for retirees evaluating prescription drug plans?
54. Describe your web tools available for retirees.
55. Can you co-brand the website for the Company?
56. What information do your benefit advisors consider when assisting retirees with their plan selection?
57. How will your organization help retirees evaluate all the cost considerations (premiums, deductibles, out-of-pocket maximums, etc.) when selecting a plan?

58. Would your benefit advisors provide enrollment suggestions to our retirees that are completely unbiased or would they steer retirees to plans offered by a particular company?
59. Describe the retiree's experience (include what actions or requirements will need to be fulfilled by the retiree, the client, and the Medicare exchange provider) when moving from the group retiree medical plan to an individual product.
60. Does your customer service support for retirees end with plan enrollment?
61. Would you be willing to conduct a site visit of your customer service operation?
62. Do you have individuals dedicated to quality monitoring?
63. How do you evaluate call quality and customer service?
64. Please share three retiree testimonials from the last 12 months (include the companies they retired from).
65. How do you reach retirees who do not respond to your mailings? Describe the outreach process in detail.
66. Do you utilize third party services to locate retirees who do not respond?
67. How do you handle issues that have been escalated by the client?
68. Do you offer support for retirees who do not speak English?
69. Can benefit advisors work with a retiree's caregiver, friend or family member?

## **Enrollment**

70. Are benefit advisors appointed for all carriers and products on the exchange in their states of licensure before taking enrollment appointments with retirees?
71. Are you able to enroll retirees telephonically or do you require a paper application?
72. What percentage of 2013 AEP applications were submitted to carriers electronically? What percentage were submitted using paper applications?
73. What percentage of benefit plans were loaded into your system in time for the open enrollment period?
74. Describe in detail your paper application submission process. (# of days between receipt and submission to carriers).
75. How do you track each enrollment so that a retiree can check on the application status at all times during the enrollment process?

76. During the enrollment process can you provide the employer with reporting on the status of each retiree? Enrolled? Contacted? Appointment set? Not enrolled?
77. Are you able to file applications with insurance carriers electronically?
78. Do your benefit advisors use one standardized application or do applications vary based on insurance carrier?
79. Do you offer voice signature and automated disclaimers?
80. Please provide a sample communications strategy that details how you will reach out to and educate retirees about their plan choices.
81. Provide a list of the various communications pieces provided to retirees.
82. Do you pass through costs for printing and mailing communications or is it included in your offer?

### **Eligibility**

83. Please provide your desired eligibility format/lay-out.
84. What type of encryption software will be used in the exchange of the eligibility data?
85. After the initial eligibility file, can a "changes only" (including age-ins) file be provided to your organization? If so, what is the frequency required for transmission?
86. Can your organization track enrollment by retiree and spouse separately?

### **Implementation & Account Management**

87. Describe how your organization structures your Account Management teams.
88. Will an account manager and implementation manager be assigned to the employer? Who will have day-to-day account responsibility? Provide biographies and specify the number of implementations each individual has worked on specific to transitioning retirees from group plans to the individual Medicare market.
89. Describe the implementation process. Have you had any failed implementations?
90. Please provide a detailed implementation schedule including specific activities, target dates, data requirements, and responsibilities. Please also indicate when telephonic support begins.
91. What are the risks during implementation and how would they be handled?
92. Describe the training you will provide to the employer's HR and benefit staff.

93. For the initial implementation, when is your service center available to the employer's retirees? What specific resources are available to retirees during the pre-enrollment period, and what services can they provide to retirees?
94. What resources will you need from the employer during the implementation phase? What duties will the employer need to perform?
95. What efforts do you make to ensure 100% of retirees enroll?
96. Please describe the reports you will provide to the employer regarding the program.

### **Financials**

97. Itemize all proposed fees for implementation, communications and ongoing administration. What services are included in the fees?
98. What are the HRA fees? Please indicate if fees are per account or per member.
99. Provide a table of the lowest cost and highest cost option for the top 3 markets of your solutions for Medicare supplements, Medicare Advantage Plans and Part D plans.
100. Please outline any future liability benefits you see from your solution.
101. Confirm your solution is available for 100% of post-65 retirees.

# Questionnaire

## NonExchange

### General Questions

1. Briefly describe the solution you are proposing to the City to handle post-65 retiree medical insurance.
2. How will this solution address the City's goal of reducing liabilities and simplifying the administration process?
3. Provide a brief history of your organization.
4. How long have you provided this solution to other clients?
5. How many post-65 retirees do you currently serve in your book of business?
6. Provide your most recent satisfaction survey results.
7. Does your solution offer national access for retirees living outside of Tennessee?
8. What unique advantages does your solution provide vs. other solutions in the market?
9. What technology do you use to provide your solution directly to the retiree?
10. Does your solution rely solely on technology or do you have representatives that can talk directly with the retiree?
11. Please outline how your solution addresses all HIPPA requirements.
12. Who within your organization will manage the City relationship? Provide a brief background of these individuals.

### Non Exchange Solution

13. Provide a detailed outline of your solution highlighting all key aspects of the solution.
14. How do you handle the enrollment of the retirees?
15. What support does your company provide to educate retirees?
16. Do you provide telephonic support for the retirees?

17. Confirm your solution will provide access in all states.
18. Are all functions related to your solution provide on-shore?
19. How do you underwrite the risk for your solution?
20. What have been your average increases for the past 3 years?
21. Please provide your financial rating of at least two agencies.
22. Please provide a copy of your most current annual report.

### **Customer Service**

23. Are any customer service functions performed off-shore? Include any application processing or other 'back office' functions which are performed offshore.
24. Are the licensed benefit advisors employees of your organization?
25. What are the hours of operation? Do you offer any special accommodations for retirees that may need to call after-hours or on weekends?
26. What is your forecasting and planning methodology, approach and timing for the fall annual enrollment cycle?
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### **Implementation & Account Management**

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74. Please provide a detailed implementation schedule including specific activities, target dates, data requirements, and responsibilities. Please also indicate when telephonic support begins.
75. What are the risks during implementation and how would they be handled?
76. Describe the training you will provide to the employer's HR and benefit staff.
77. For the initial implementation, when is your service center available to the employer's retirees? What specific resources are available to retirees during the pre-enrollment period, and what services can they provide to retirees?
78. What resources will you need from the employer during the implementation phase? What duties will the employer need to perform?
79. What efforts do you make to ensure 100% of retirees enroll?
80. Please describe the reports you will provide to the employer regarding the program.

## **Financial**

81. Itemize any cost not included in the premiums for your solution.
82. What period of time are your premiums guaranteed for?
83. Will you provide any rate guarantees past 12 months?
84. Include all premiums and benefit as an attachment to your response.
85. List all caveats to your financial proposal.
86. Confirm your solution is available for 100% of post 65-retirees.