

## **4.0 SPECIFICATIONS**

Collin County is seeking proposals for Medicare Supplement and Medicare Advantage plans for retirees and their dependents who were previously covered by the County's health plans and who participate in the Medicare system.

Effective as of September 1, 2011, Collin County will not contribute towards the cost of retiree insurance coverage. All premiums will be paid by the retiree. All administrative functions are to remain the responsibility of the offeror.

This RFP provides for a contract(s) commencing on September 1, 2011.

### **4.1 CONDITIONS**

4.1.1 Contract Term: The County wishes to enter into contract(s) for up to a three (3) year period. The County requests a minimum rate guarantee for two (2) years, with the option of annual renewals for the remaining one (1) year. Any offeror providing definable limits on future renewals may receive preference.

Clearly indicate the method of calculating the increase in your response for each period. The contract is to provide that changes in premium may only be instituted on a policy anniversary date and that the selected offeror must provide for notice of changes in premium at least one hundred and twenty (120) days before renewal. The anniversary date for this contract will be September 1<sup>st</sup> of each year.

**Medicare Supplement and Medicare Part D deductibles and plan accumulations are on a calendar year basis. The medical plans offered will renew annually beginning January 1, 2013. Initial medical rates will be guaranteed from September 1, 2011 through December 31, 2012. Part D plans are subject to annual changes beginning on January 1, 2012. Renewal rates for medical plans are based upon claims experience and group medical experience. Part D plans are increased based on bids filed in accordance with CMS.**

If the offeror does not intend to continue the contract beyond the contract term, notification must be provided to Collin County a minimum of one hundred and twenty days (120) prior to contract termination.

**United American agrees.**

4.1.2 Changes in Services Provided: Collin County reserves the right to add or reduce any and all services provided. If such an addition or reduction occurs the offeror agrees that this change will not affect the prices of any of the remaining services provided.

**United American understands and agrees that Collin County will not provide any services other than to communicate this plan offering to their retirees and provide the necessary information for plan enrollment.**

4.1.3 Termination: Collin County reserves the right to cancel the contract at any time for any reason. If the contract is cancelled by Collin County, services will terminate after a 30 day termination notice has been provided by Collin County. If Collin County terminates the contract, the offeror will be responsible for continuing coverage to enrolled retirees and their spouses.

**United American agrees the medical plan participation can be terminated by Collin County as provided for above. The Part D plan would have to be terminated by the member**

## **4.2 SUBMISSION REQUIREMENTS**

4.2.1 Submission of Proposal: To be considered, proposals shall be received by 2:00 p.m., July 7, 2011, in the Purchasing Department or via [www.bidsync.com](http://www.bidsync.com).

All proposals must be addressed to:

Collin County Purchasing Department  
Attn: Sara Hoglund, CPPB, Contract Administrator  
Collin County Administration Building  
2300 Bloomdale Rd, Suite 3160  
McKinney, Texas 75074

The envelope in which the proposal is enclosed must be marked:

SEALED PROPOSAL  
INSURANCE, MEDICARE SUPPLEMENTAL PLANS  
RFP NO. 06212-11

To achieve a uniform review process and to obtain a maximum degree of comparability, vendors may submit proposals via [www.bidsync.com](http://www.bidsync.com) or if vendor chooses to submit manually Collin County requires that proposals be submitted with a master (marked original) and three (3) copies.

NOTE: If submitting manually proposer shall submit in addition to the hard copies of the proposal a CD copy. A Microsoft Word format is preferred.

**POINT OF CONTACT:** Information regarding the purchasing process and the contents of this RFP may be obtained from the Collin County Purchasing Department, Attn: Sara Hoglund, CPPB, Contract Administrator.

4.2.2 Incurred Expenses: There is no expressed or implied obligation for Collin County to reimburse offerors for any expense incurred in preparing proposals in response to this request, and Collin County will not reimburse anyone for these expenses. Collin County will consider proposals from all responsible offerors.

**United American agrees.**

#### 4.2.3 Schedule of Events

RFP released:	June 21, 2011
Deadline for submission of vendor questions:	July 1, 2011
Proposals due:	July 7, 2011
Vendor(s) selected contract approved:	August 1, 2011
Effective date of contract:	September 1, 2011

Collin County reserves the right to change the schedule of events as it deems necessary.

#### **United American agrees.**

4.2.4 Required Documents: The following documentation must be submitted with the proposal. Please note that this section may not list all of the documentation required by the RFP. The offeror is cautioned to read the entire RFP to determine all requirements.

The proposal shall, at a minimum, include a Table of Contents detailing sections and corresponding page numbers, and shall be printed on letter-size (8-1/2"x 11") paper and if submitting manually, assembled with spiral-type bindings or staples. **DO NOT USE METAL-RING HARD COVER BINDERS** (If providing hard copy).

**COLLIN COUNTY RESERVES THE RIGHT TO REJECT A PROPOSAL THAT DOES NOT CONTAIN ALL INFORMATION REQUIRED BY THIS RFP.**

#### **United American agrees.**

All proposals are to include the following:

##### 4.2.4.1 Title Page

Title page must show the RFP subject; the offeror's name; the name, address, and telephone number of a contact person; and the date of the proposal.

**See Attachment '1 Title Page.pdf'.**

##### 4.2.4.2 Transmittal Letter

A signed letter must briefly address the offeror's understanding of the Medicare coverages being requested, the commitment to provide the coverage and services required and a statement explaining why the offeror believes itself to be best qualified to provide the coverage and service detailed within this RFP.

**See Attachment '3 Transmittal Letter.pdf'.**

#### 4.2.4.3 Financial Information

Please submit the following financial documents with your proposal:

- Copies of your last three audited financials including balance sheets and income statements.  
**See Attachment '4 2008 Annual Report.pdf', '5 2009 Annual Report.pdf' and '6 2010 Annual Report.pdf'.**
- Plans for merger/divestiture or a major capital investment or divestment or major claims administration conversion during the next twelve (12) months.  
**None are known at this time.**
- S/P, AM Best, and Weiss Ratings  
**A+ (Superior) by AM Best (6/11), AA- (Very Strong) by Standard & Poor's (5/10).**

#### 4.4.5.4 Detailed Proposal

The detailed proposal must address the ability to provide services for each requirement as set forth in the Scope of Work section of this RFP. Options or alternatives to the requirements should be given as percentage(s) or dollar adjustment(s). You must submit your responses in the order that is provided.

**See Attachment '9 ERHP Proposal Cover 2011 - Collin County.doc', '10 ERHP Medical Rate Proposal 2011 - Collin County.doc' and '11 Part D Rate Proposal 2011 - Collin County.doc'.**

#### 4.4.5.5 Offeror References

The offeror must furnish the following reference information:

- Name, address, contact name, position of the individual in the organization, and telephone number for all clients who have terminated Medicare Supplement or Medicare Advantage coverage with your organization in the last six (6) months. If there have been less than four (4) terminations in the last six (6) months, please provide information on the last four (4) terminated clients.  
**See Attachment '17 Offeror References.docx'.**
- Name, address, contact name, position of the individual in the organization, and telephone number for all new clients who have added Medicare Supplement or Medicare Advantage coverage for their retirees with your organization in the last six (6) months. If there have been less than four (4) new clients in the last six (6) months, please provide information on the last four (4) new clients.  
**See Attachment '17 Offeror References.docx'.**

- Name, address, contact name, position of the individual in the organization, and telephone number for the three (3) top public sector clients based on employee size.

**See Attachment '17 Offeror References.docx'.**

Collin County may contact or visit any listed representative to evaluate the services proposed.

**United American agrees.**

#### 4.4.5.6 Errors and Omissions Coverage

A copy of the offeror's errors and omissions coverage should be provided.

**See Attachment '15 Insurance Certificate.pdf'.**

#### 4.2.4.7 Experience

Please detail the length of time your organization has provided Medicare Supplement and Medicare Advantage plans.

**United American has been a Medicare Supplement provider since 1966, when Medicare was enacted. United American does not provide Medicare Advantage plans.**

#### 4.2.4.8 Additional Information

Offerors should submit information describing in detail their qualifications, experience, and capabilities. Brochures, fact sheets, etc. may be submitted as appropriate to describe capabilities, experience, or any other pertinent information. References and experience with contracts for similar scope of work will be seriously considered during the selection process.

**See Attachment '16 F8134 Group Sales Brochure 0210.pdf' and '9 ERHP Proposal Cover 2011 - Collin County.doc'.**

Please include any additional information which may be pertinent to this RFP. Collin County intends to consider all aspects of the proposed services in determining what is the best overall package for Collin County.

**NOTE: FAILURE TO PROVIDE ALL INFORMATION REQUESTED MAY RESULT IN DISQUALIFICATION OF THE PROPOSAL.**

### 4.3 EVALUATION PROCESS

4.3.1 Proposal Disclosure: In accordance with V.C.T.A. Local Government Code 262.030 (c), proposals will be opened so as to avoid disclosure of the contents to competing offerors. The contents will be kept secret during the process of negotiation. However, all proposals will be open for public inspection after contract award. If identified by the offeror, and requested, information that qualifies as trade secrets and confidential information under the Texas Open Records Act will remain confidential.

**United American agrees.**

4.3.2 Evaluation Factors: Collin County will consider many evaluation factors, of which price is only one factor. Offeror may be requested to make oral presentations on their respective proposals.

<b>Factors</b>	<b>Points</b>
Competitiveness of pricing and length of rate for services proposed	30
Capability/willingness to provide benefit plan as described in proposal	25
Experience with Medicare Advantage and/or Medicare Supplement plans	15
Financial stability	15
Demonstrated effectiveness of services provided to other companies, including but not limited to references	15
<b>Total</b>	<b>100</b>

**United American agrees.**

4.3.3 Negotiations: In accordance with V.T.C.A., Local Government Code 262.030 (e), Discussions may be conducted with responsible offerors who submit proposals determined to be possibly selected for award. All offerors will be accorded fair and equal treatment with respect to an opportunity for discussion and revision of proposals. Revisions to proposals may be permitted after submission and before award for the purpose of obtaining best and final offers.

**United American agrees.**

Offerors may be required to submit additional data during the process of any negotiations. Collin County reserves the right to negotiate the price and any other term with the offerors. Any oral negotiations shall be confirmed in writing prior to award.

**United American agrees.**

4.3.4 Award Information: The award of the contract shall be made to the responsible offeror(s) whose proposal is determined to be the best evaluated offer resulting from negotiation, taking into consideration the relative importance of price and other evaluation factors in paragraph 3.1.2 above. Collin County reserves the right to award on an “all or none” or by “service or coverage” basis.

**United American agrees.**

Prompt payment discounts will not be considered in determining low proposals and making awards.

**United American agrees.**

In consideration of the proposals, Collin County reserves the right to select one or more acceptable offerors who offer contractual terms and conditions most favorable to Collin County.

**United American agrees to provide the medical plans only or the medical and the Part D plans combined. If the county wishes to provide only the Part D plan, the members may enroll directly with United American.**

Collin County reserves the right to award all or a portion of the RFP.

**United American agrees.**

4.3.5 Rejection of Proposals: Collin County may:

- waive any defect, irregularity or informality in any proposal;
- reject any proposal or any parts of any proposal;
- accept proposals from one or more offerors; or
- procure the services in whole or in part by other means.

**United American agrees.**

4.3.6 Proposal Guidelines: Under no circumstances should any employee of Collin County or any public official other than those indicated in this RFP, be contacted between the initial receipt of the RFP and the awarding of the contract. Failure to follow this requirement may result in an automatic disqualification of proposal. Current carriers, in conducting current business, may not reference the RFP to any County employee or official other than those indicated in this RFP.

**United American agrees.**

4.3.6.1 All offerors submitting proposals are expected to comply with federal, state, and local laws and regulations applicable to the plan design, services, and payments for services which are being proposed. All proposals submitted will be presumed to be in compliance with all applicable laws.

**United American agrees.**

4.3.6.2 Any coverage or services you cannot provide but are requested in this Request for Proposal, shall be disclosed in writing in the section labeled Deviations at the end of the proposal. Any deviations from this request are to be presented in writing to the Collin County Purchasing Department before the RFP deadline. If no deviations are listed it is understood that the offeror has agreed to all requests as listed in the RFP. The offeror will be held strictly responsible for all items contained in the specific requirements.

**United American agrees.**

4.3.6.3 Do not include administrative fees, commissions or overrides in your quoted rates and fees. No commissions will be paid by Collin County to any individual or organization. Disclose the amount of any fees you are paying to an agent.

**United American agrees.**

4.3.6.4 Each provider may only submit one (1) proposal. Collin County will not accept multiple proposals from a provider (i.e. ABC Company and DEF Company cannot both submit a Blue Cross Blue Shield proposal). If multiple proposals are submitted, the proposal that is received first will be the proposal that is considered.

**United American agrees.**

## **5.0 PROPOSAL REQUIREMENTS**

Please submit your responses to the requirements listed below. Any coverage or services you cannot provide but are requested in the Request for Proposal, must be disclosed in writing in the section labeled Deviations at the end of the proposal. If no deviations are listed in the section labeled Deviations, it is understood that the offeror has agreed to all requests as listed in the RFP. The offeror will be held strictly responsible for all items contained in the specific requirements.

5.1 Proposals should include the following plans and include the plan design and pricing for each:

- Medicare Supplement Plan F (low option plan and a high option plan)

**See Attachment '10 ERHP Medical Rate Proposal 2011 - Collin County.doc'.**

- Medicare Advantage PPO Plan with prescription drug coverage

**N/A.**

- Medicare Part D prescription drug plan that can be added to a Medicare Supplement

**See Attachment '11 Part D Rate Proposal 2011 - Collin County.doc'.**

5.2 The selected offeror must provide the following information:

- Please list your license and certification information from the Centers for Medicare and Medicaid Services (CMS) which allows you to provide Medicare Advantage plans (which includes Medicare Part D), group Medicare Supplement plans, and Medicare Part D stand alone plans.

**CMS license number S5755.**

- Please list your license and certification information from the Texas Department of Insurance which allows you to operate Medicare Advantage plans, group Medicare Supplement plans or Medicare Part D plans.

**Texas certificate number is 93755.**

## **6.0 PLAN ADMINISTRATION REQUIREMENTS**

Please confirm your agreement to the requirements listed below. Any coverage or services you cannot provide but are requested in the Request for Proposal, must be disclosed in writing in the section labeled Deviations at the end of the proposal. If no deviations are listed in the section labeled Deviations, it is understood that the offeror has agreed to all requests as listed in the RFP. The offeror will be held strictly responsible for all items contained in the specific requirements.

6.1 All county medical plans must be considered as creditable coverage for all Medicare plans.

**United American agrees.**

6.2 The selected offeror is required to accept all current and future retirees and their spouses who elect to enroll in selected offeror's plan.

**United American agrees.**

6.3 The selected offeror is required to provide an ID card to enrolled retirees according to the Centers for Medicare and Medicaid Services (CMS).

**United American agrees.**

6.4 The selected offeror must provide benefit communication materials such as summary plan booklets, claim forms, and explanation of benefit forms as well as any other materials required by the Centers for Medicare and Medicaid Services (CMS).

**United American agrees.**

6.5 This is a direct pass through plan. Collin County will not pay any costs for the administration of the plan. The offeror will be responsible for communicating directly with the retirees regarding all aspects of plan administration, including enrollment, premium collection, and claims issues.

**United American agrees.**

6.6 The selected offeror should provide a website which provides (at a minimum) the ability for retirees to review their claims, request ID cards, and pay their premiums.

**Members pay premiums by direct bill or bank draft and review claims and request ID cards by calling our toll free number.**

6.7 The selected offeror must provide a single point-of-contact to all enrolled retirees.

**United American agrees.**

6.8 Annual enrollment information, including premium rates, must be provided to enrolled retirees a minimum of 90 days prior to the start of each year.

**An open enrollment period for medical can be done 90 days prior to 1/1. United American is flexible on the enrollment for the medical product. The enrollment periods for Part D will follow those prescribed by CMS. In addition, every retiree who is entering age 65 can enroll in the medical and Part D plans three months before or after their 65<sup>th</sup> birthday.**

6.9 The offeror must be able to complete implementation of their plan for coverage to become effective September 1<sup>st</sup>, 2011.

**United American agrees.**

## **7.0 QUESTIONNAIRE**

Instructions for completing questionnaire:

Answer all questions fully, clearly and concisely unless a specific question is inapplicable to the service you are proposing to provide.

Each response must immediately follow the respective question. Do not refer to other parts of your proposal for the answers.

You may not modify either the order or language of the question.

If you are unable to answer a question or the question does not apply, you should indicate either not applicable, or the reason why the question was not answered.

Any coverage or services you cannot provide but are referenced in the Request for Proposal, must be disclosed in writing in the section labeled Deviations at the end of the proposal. If no deviations are listed it is understood that the offeror has agreed to all requests as listed in the RFP. The offeror will be held strictly responsible for all items contained in the specific requirements.

7.1 Please list all states in which you are licensed to offer the plans proposed.

**All fifty states.**

7.2 Please list your requirements, if any, regarding the minimum number of retirees required to enroll in your plan.

**There is not a minimum requirement.**

7.3 Please explain your rating methodology for each of the plans quoted, i.e. community rating, individual rating, experience rating.

**Community Rating and Experience Rating.**

7.4 Do you offer any type of discounts such as for non-smokers or married couples? If so, please list each type of discount available and the amount of each discount.

N/A.

7.5 Please provide your premium increase history for the past 5 years.

**Medical rate increase history: 2010 – 4.8%, 2009 – 3.1%, 2008 – 3.1%, 2007 – 3.5%, 2006 – 5.1%**

7.6 Please list any extra charges if applicable, such as for automatic claims processing, premium payment processing etc.

None.

7.7 Please describe any information you may need from Collin County in order for you to administer your plans.

**United American will need a list of all retirees participating in the plan and the applicable information to enroll them.**

7.8 Deviations

Instructions for completing section

Please complete the following worksheet listing any and all deviations from the information requested in the RFP. Attach additional pages as needed. If no deviations are listed it is understood that the offeror has agreed to all requests as listed in the RFP.

<b>Section Number/ Question Number</b>	<b>Required Service You are Unable to Perform</b>	<b>Steps Taken to Meet Requirement</b>
4.1.1	Provide a 2 year rate guarantee.	Initial medical rates guaranteed for 16 months. Plans renew annually on 1/1.
5.1	Provide a Medicare Advantage Plan.	Offering Medicare Supplement and Part D.
6.6	Provide a website for retirees to review claims, request ID cards and pay premiums.	N/A.