



citycounty insurance services
www.cisoregon.org

Request for Proposal (RFP) Addendum

Online Enrollment & Benefits Administration System

CIS (Citycounty Insurance Services)
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RFP Schedule	
Issuance of RFP:	June 6, 2016
Submission of Questions about the RFP:	June 10, 2016, 5:00 p.m. (PDT)
Proposal Due:	July 6, 2016, 5:00 p.m. (PDT)
Anticipated Contract Award:	September 1, 2016

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ADDENDUM

A. BACKGROUND

On June 6, 2016, CIS issued a Request for Proposal (RFP) for an online enrollment and benefits administration system to administer benefits of Member Employers that participate in CIS Benefits.

CIS is issuing this Addendum to the RFP to respond to written questions we received from potential proposers. The Addendum modifies the original RFP document only to the extent indicated. All other areas of the original RFP remain in effect and can only be modified in writing by CIS. This Addendum is made an integral part of the original RFP. It is the responsibility of all proposers to conform to this Addendum. Proposers who have already submitted proposals may either: 1. submit an addendum to their proposal; or 2. withdraw the original proposal and submit a new one. Any addendum or revised proposal must be submitted no later than the **Proposal Due Date of 5:00 p.m. (PDT) on July 6, 2016.**

B. RESPONSES TO QUESTIONS

1. Why has CIS (Citycounty Insurance Services) decided to contract for bid for these services at this time (fees, service issues, standard due diligence)?

Answer: The complexity of CIS has not proven to be a good fit for Morneau-Shepell.

2. Can you identify any specific service issues with the current administrator(s)?

Answer: CIS has continued to struggle with enrollment errors, dual-employment (e.g., active/active, active/retiree, etc.) challenges, invoice errors, and data processing consistency. Employees were challenged with open enrollment issues and inconsistent data applied by the system. These problems impact CIS Benefits staff, member employers and the vendor partners.

3. What are the deciding factors you will use to choose a vendor? Is there a published criteria?

Answer: Some factors that will be used in choosing a vendor are described in Section III,D,3 of the RFP document. In addition to those factors, the selection will be based on the vendor's understanding of the complexity of CIS and their ability to show us how their system will work for CIS. This includes test scenarios utilizing actual CIS data.

4. What software is currently used to support the billing and collection of COBRA and Retiree premiums each month? Are there multiple systems housing participant information which can be used to access participant data?

Answer: The enrollment system is the system of record for billing and collection of COBRA and retiree premiums (and needs to continue to be). That is the only way participant data is accessed, although billing and payment data also is recorded in the Sage accounting system.

5. Does CIS support/offer Medicare Advantage Plans?

Answer: No.

6. Does CIS support LEP (Late Enrollment Penalty)?

Answer: CIS needs clarification in order to respond to this question.

7. What is the proposed CIS contract billing start date? Does it equal contract start date or go live?

Answer: The start date is negotiable, but the preference would be no later than November 1. It would equal the contract start date.

8. What is the contract length? One, two, three years, etc?

Answer: CIS desires a contract of at least three years. A longer term would be preferable, provided the agreement includes a no-fault termination clause.

9. How is the current pricing structure and what preference does CIS have? Per member, per month? Per retiree, per month?

Answer: Current pricing structure is a flat rate per month regardless of the number of participants, and we prefer to continue that.

10. Would CIS be willing to mandate ACH collection of premiums for their Retirees?

Answer: No, but the vendor will not have any responsibility for collection of premiums.

11. Is online premium collection supported now? ACH sign up?

Answer: For active employees, retirees and COBRA participants, online premium collection is supported but not mandatory.

12. Does CIS require a separate Premium Trust Account for the collection of Retiree premiums, and or COBRA premiums?

Answer: Premiums are paid directly to CIS and CIS uploads payment information into the enrollment system.

13. With what frequency are premiums to be remitted back to CIS/carriers?

Answer: Monthly.

14. What is the purpose of mass uploads for salary updates, hours change, premium deduction cycles, as well as bulk uploads of all the employees of a new member employer?

Answer: The amount of data and number of individuals involved make it prohibitive to process the changes manually. We have member employers ranging in size from 2 to 650 employees. Managing these processes manually for a large employer isn't feasible.

15. When would vendor begin billing for services? Contract date, go live date?

Answer: See question 7.

16. Can CIS please clarify question in section: Other Required Services, 4 e. on page 5 of RFP-carrier fees?

Answer: The fees paid to carriers are for the self-insured admin fees or the fully-insured premiums. Twelve member employers also have commissions attached to the amount paid to the carrier.

17. In statement #6 of Scope/Services Requirement section, is CIS willing to work with vendor to customize reports to their specifications?

Answer: Yes, but CIS also needs the ability to run ad hoc reports.

18. In statement #9 of Scope/Services Requirement section, are these vendors carriers? Is there a specific file format that must be met or are vendors willing to meet iTEDIUM's file specs?

Answer: Assuming this is actually Statement 8 you are referencing, yes the vendors are medical, vision and dental carriers. While iTEDIUM's file specs can be considered, the final specs have to be acceptable to all our vendor partners.

19. Why is CIS exploring alternative benefit administration systems at this time?

Answer: See question 1.

20. What specific issues are being experienced by the CIS Benefits team with the current solution?

Answer: See question 2.

21. What specific issues are being experienced by the CIS member groups with the current solution?

Answer: See question 2.

22. What specific issues are being experienced by the CIS end user employees with the current solution?

Answer: See question 2.

23. Are any of the services under the Scope of Work (p.3 - 5) not being provided today by the current solution? If yes, which ones?

Answer:

List of functions:

- 3
- 6

Other Required Services:

- 5
- 8
- 12
- 22: Requires CIS manual intervention
- 23
- 24: Too limited for CIS' needs.
- 27
- 28: Dual enrollments continue to cause problems.

24. Are all services being provided by the current solution or are 3rd parties / subcontractors involved behind the scenes?

Answer: ACA reporting services were the only services provided by a third party.

25. Are there specific services or functionality listed in Appendix E that aren't currently supported by the current solution? If yes, which ones?

Answer:

- A-2: While some of the system can be customized, there are limitations that continue to cause problems for CIS.
- B-4: While this now works most of the time for most situations, it doesn't work all the time for all situations.
- B-5: Updates don't always show in real time.
- B-9: For new hires, Benefit Statements only generate if the employee clicks on a certain link. For mid-year status changes, they don't generate at all.
- C-11
- D-8: But CIS didn't initially request this capability.
- E-11
- E-12: This doesn't always work correctly or consistently.
- E-13: CIS has to manually delete retro adjustments beyond the specified timeframe.
- E-15: CIS and employers have had problems with the reports working correctly.
- H-1 – H-4: CIS didn't initially request this capability.
- I-4: CIS continues to have problems accessing all the data needed.
- J-1
- L-10
- L-15
- L-16: Documentation and requirements were not updated timely or consistently.
- L-17

26. Please confirm whether there are currently integrations with Sage Accpac? If not, is one desired?

Answer: The current process involves taking an Excel file that is formatted to Sage's specifications and manually importing it. If there are opportunities to automate the process, we would be very interested in pursuing that.

27. Please confirm whether there are currently integrations with CIS' internal SQL databases? If not, is one desired?

Answer: CIS currently has a benefits data warehouse where enrollment/eligibility data is stored alongside claims data. We need to be able to continue that process of being able to import the enrollment data into our data warehouse. We currently utilize SQL Server Integration Services to import data exported out of the current enrollment system.

28. How many finalists will be selected as a result of this RFP?

Answer: The number will be based on the quality of the RFP responses.

29. What are the top two (2) key reasons that will cause CIS to make a change to a new partner?

Answer: A flexible system that the vendor can demonstrate will accommodate CIS' complexity.

30. Is CIS open to an onsite finalist presentation and / or visit to the finalists' headquarters as part of their evaluation?

Answer: The RFP, Section V- Proposal Format and Content, specifies the process for finalist presentations. However, if the vendor could demonstrate the value of doing a presentation on-site at the vendor's location, CIS would consider it.

31. The web link listed on page 2 of the RFP does not currently work. Is there another page we should review?

Answer: The link has been fixed.

32. How many of the 12,000 employees are Benefits-Eligible?

Answer: All of them; however, they may not all choose to enroll.

33. How many enrolled in Medical?

Answer: Actives – 8,895; Retirees – 583; COBRA - 119

34. Does CIS have PT employees? If so, how many?

Answer: Yes, employer members have part-time employees. However, CIS does not have a way to determine who is part-time in the enrollment system.

35. Does CIS have Variable-Hour employees? If so, how many?

Answer: See question 34.

36. How many employees are currently enrolled in COBRA coverage? What is the annual turnover (%)?

Answer: There are currently 119 COBRA enrollees. CIS does not track the turnover rate, but the number of enrollees has generally been consistent from year to year.

37. How many FEINs does CIS have? 270?

Answer: Yes, there are 270 FEINs.

38. How is ACA currently being managed?

Answer: CIS manages enrollment based on an exception process created by the vendor. The 1095-B reporting was handled by a third party contracting with the current enrollment vendor.

39. Are call statistics available?

Answer: During the last open enrollment, CIS benefits staff responded to an average of 152 calls/day lasting an average of 2 ½ minutes/call. While the benefits staff handle the calls year round, we don't track the calls outside of open enrollment.

For system-related calls, those are also handled by CIS staff. Member employers do not have direct contact with the vendor.

40. Is a Benefits Guide available?

Answer: CIS has plan summaries, SBCs, and an Eligibility/Enrollment Guide that can be provided upon request.

41. On page 4, question 6 – Is CIS interested in the selected partner managing the dependent verification process, or would you like to manage this internally?

Answer: CIS is open to considering proposals where the vendor manages the dependent verification process.

42. On page 4, question 18 - Is CIS interested in the selected partner managing the life event verification process?

Answer: CIS prefers to handle this internally, but would consider the partner managing it based on the process parameters.

43. Regarding the Implementation Process and Technical capabilities document and the benefits admin RFP, can we please receive these in an editable format in order to respond?

Answer: Yes, an Excel file with this information is included with this Addendum.

44. On the Implementation Process and Technical Capabilities document under Financial Management Requirements - please provide clarification on the types of customizations you would anticipate making to the invoices.

Answer: CIS is looking to run ad-hoc reports on the final invoice data, not customized invoices.

45. On the Implementation Process and Technical Capabilities document under Other System Requirements- please clarify what is meant by the ability to generate a “forced” file.

Answer: This means the vendor (and/or CIS) would have the ability to run a file outside of the regularly scheduled data transfer date.

46. On the Implementation Process and Technical Capabilities document under Vendor Service and Technical Requirements- please clarify what other applications you are interested in establishing an API (or similar mechanism with) and what is the purpose of each API?

Answer:

- Our proprietary claims system to determine medical coverage on workers’ compensation claims.
- Our website for single sign-on capabilities.
- Our learning management system (SumTotal) for single sign-on capabilities.

47. Will CIS’ Open Enrollment period be active or passive?

Answer: The current process is passive, but it would depend on the system.

48. Regarding historical call center statistics:
Total call volume during Open Enrollment?
Total call volume throughout the year? N/A
Average duration per call? N/A

Answer: See question 39.

49. Are there limitations to leveraging global resources to provide back end functional services in support of CIS?

Answer: Yes, customer support for the system must be based in the U.S.

50. Of the 12,000 active employees and retirees, how many are benefit eligible?

Answer: See question 32.

51. What is the number of benefit eligible employees who have one or more dependents?

Answer: Approximately 7,000 employees have one or more covered dependents.

52. How many new hires and life events occur on average each month?

Answer: Unknown.

53. How many COBRA instances occur on average each month?

Answer: Approximately 50 per month.

54. What is the average number of direct bills per month?

Answer: Approximately 700.

55. For ACA management, what is the total employee population that needs to be considered?

Answer: CIS, through the current vendor, provided the Code 6055 reporting (by member employer FEIN) on behalf of each employer that did not qualify as an ALE (approximately 3,000 employees, retirees and COBRA participants). We are interested in whether the vendor can provide these services.

CIS did not handle the Code 6056 reporting, but we are also interested in whether the vendor can support this reporting.

56. What is the total number of carrier files sent in a month?

Answer: Weekly files are sent to 6 carriers.

57. Will CIS be requiring communications in any language other than English? If so, for what percentage of the population and in which languages?

Answer: CIS currently handles all communications, so this would not be a requirement for the vendor.

58. Please clarify the desired Go Live date of the system is October 1, 2017.

Answer: The go live date is no later than July 1, 2017.

59. Is the ability to make an online payment and process payments in scope; or, is the functionality desired limited to managing financial transactions and invoicing?

Answer: Functionality is limited to managing financial transactions and invoicing.

60. Section I.B: The open enrollment process in October of 2017 will be for the plan year beginning 1/1/2018. Will the selected vendor be responsible for any enrollment activity related to the 2017 plan year (new hires, qualifying life events, terminations, etc.)?

Answer: Yes, effective July 1, 2017.

61. Section I.C: Will the selected vendor be involved in the RFC process and if so, how?

Answer: The RFC data is provided to the vendor to identify any member employer plan or eligibility changes for open enrollment. Open enrollment is in October with coverage effective January 1.

62. Section II, primary list of functions:

a. Item 3: Will the mass import of enrollment data be limited to the initial implementation (or the addition of a new Member Employer) or will there be ongoing enrollments processed on other systems that need to be imported to the selected vendor's solution?

Answer: Initially, it will be limited to the implementation. However, if CIS gains a new employer or a new employee group, the process is needed for them as well.

b. Item #4/5: Does or will CIS have a COBRA administrator separate from the benefits administration vendor? If not, is CIS open to the selected vendor partnering with a COBRA administrator to perform these functions?

Answer: CIS administers COBRA internally. The system needs to support that process by providing/tracking the following: enrollment, election period end date, COBRA expiration (at the end of the continuation period or earlier), Notification date, when COBRA paperwork was generated, status of first payment so enrollment is not sent to the carrier before the payment is received.

63. Section II, Other Required Services:

a. Item 3: Do all Member Employers use the same payroll system?

Answer: No.

b. Item 4b: Is reporting done by member company or need to be combined into one entity?

Answer: Could be both. CIS may need the reporting for all members combined where member employers only receive it for their employees by employee group. Reporting may also need to be done at the trust level – members of the League of Oregon Cities (LOC) and members of the Association of Oregon Counties (AOC).

c. Item 4d: Will the selected vendor need to issue individual billing for retirees and Cobra participants?

Answer: Yes.

- d. Item 5: Will SSO be required for employee self-service users, benefits administrators or both? Do all Member Employers use the same AD version?

Answer: SSO will be required for benefit administrators (CIS staff) only. CIS uses Windows Server 2012 and has a single domain.

- e. Item 6: Is the dependent verification process the same across Member Employers and is the process documented and available for review?

Answer: Yes, the process is documented and available for review.

- f. Item 9: Please describe which verification services for EOI would be required of the selected vendor? (In our experience, the carriers prefer to own all EOI related activities.)

Answer: If we understand the question correctly, EOI is required for Supplemental Employee Life for amounts over \$100,000 and Spouse Life for amounts over \$20,000. A single sign-on process is currently in place with the Hartford for EOI administration.

- g. Item 12: Does this mean premium rates for all eligible plans? Or is it limited to the employee costs for the enrolled plans?

Answer: We need access to view all rates for the plans offered by each employer. Employee cost share also needs to show on the employee screen.

- h. Item 13: Will the selected vendor be responsible for tracking variable hour employees to determine eligibility or will the Member Employer identify these employees as they become eligible or lose eligibility?

Answer: No. This is managed by each individual ALE.

- i. Item 14: Please confirm that 1095 (B) production will be limited to those member employees enrolled using the selected vendor's platform only.

Answer: Code 6055 reporting will include all enrollment in the CIS self-funded plan.

- j. Item 16: If a Member Employer leaves CIS, is there any administrative activity expected from the selected vendor beyond termination of coverages?

Answer: Yes. The system may have to support continued COBRA or retiree coverage. If the vendor also handles ACA reporting, that administrative duty would be required as well.

- k. Item 23: Is the dependent search within Member Employer or across Member Employers?

Answer: Across Member Employers.

- l. Item 28: Will the selected vendor need to consolidate any such concurrent enrollments into a single view or statement for the employee?

Answer: No.

- m. Item 31: Regarding premium payment information, will selected vendor be responsible for premium payment receipt, cash management and posting?

Answer: No.

64. Appendix B (Workflow diagrams): Are these diagrams of existing workflows or future-state workflows? Is the intent to have the selected vendor solution involved anywhere that "CIS Benefits" is specified?

Answer: Existing workflows. The workflows included in Exhibit E were the wrong workflows so revised diagrams were distributed. The revised diagrams don't reference "CIS Benefits" in the same manner.

65. Rating considerations: Are all products rated using either coverage tier, the age and gender of the insured, tobacco usage or some combination thereof? Do Member employers have "SHOP" member level rating?

Answer: For medical/dental/vision, plans are rated by coverage tier or as a composite rate; life plans are rated based on flat rate /\$1,000, income or age rated; STD is rated by age and benefit; LTD is income rated. There is no "SHOP" rating.

66. Plan Design considerations: During the RFC process, the Member Employer indicates if the employee will be given a "coverage credit" if the opt out of the medical plan. When credit is given, can the member use the credit to offset the cost of other selected coverages? If there is unused credit, does the employee get the credit added to each payroll deduction or lump sum?

Answer: Credit is not provided. Some employers pay a small amount of cash in lieu of enrollment in the medical plan.