
ALAMEDA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

REQUEST FOR PROPOSAL

Private Health Care Exchange

February 10, 2014

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Section A: Overview**I. Introduction**

The Alameda County Employees' Retirement Association (ACERA) has engaged Keenan & Associates to solicit Private Health Care Exchange proposals. The effective date of the plans offered through a Private Health Care Exchange is January 1, 2015.

ACERA is interested in making available to their eligible Early Retirees individual plan offerings through an exchange platform that would match as closely as possible to the current level of Early Retiree group plan benefits. ACERA seeks the following vendor qualities including choice of plans, national access, competitive pricing, comprehensive benefits, Health Reimbursement Account/Retiree Reimbursement Account (HRA/RRA) options and excellent customer service.

ACERA further seeks to partner with the vendor who can best demonstrate:

- Effective provider contracting which balances cost, quality and minimum provider disruption, as well as customer service;
- Consistent, responsive, professional administrative service backed by verifiable performance measurements;
- Best fit technology and enrollment process platform to meet ACERA's retiree members needs; and
- A system that will compare federal and state subsidies to the ACERA subsidies.

II. Background

ACERA is a public, defined benefit pension plan, located in Oakland, California, established and governed under the provisions of the County Employees' Retirement Law of 1937 (the "37 Act") (California Government Code, §§ 31450 - 31898) and the California Pension Protection Act of 1992 (California Constitution, Article 16, § 17.) ACERA operates in compliance with state and federal laws.

ACERA sponsors the fully insured medical insurance plans for the retired employees of Alameda County and their dependents. Contracts with medical insurance carriers are negotiated by the County, but administered by ACERA. A portion of the premiums for these plans are paid by ACERA from the Monthly Medical Allowance (MMA). Beneficiary and dependent enrollment is voluntary and premiums are deducted from a member's monthly retirement benefit.

ACERA's Supplemental Retiree Benefit Reserve (SRBR) represents funds required by statute to be set aside from investment earnings to provide supplemental, non-vested benefits to retirees. The SRBR was established on January 1, 1985, upon adoption of Article 5.5 of the Government Code by the Board of Supervisors for Alameda County. Currently, the SRBR is used to subsidize retirees' premium costs.

Per the Public Records Act (Government Code § 6250 et seq.), ACERA will make available to the public the submitted proposal and all correspondence and written questions submitted during the Request for Proposal process. However, such disclosure shall not be made prior to the date on

which ACERA finalizes and fully executes a contract with the Contractor. Except as otherwise required by law, ACERA will not disclose trade secrets or proprietary financial information submitted in response to the request for proposal. Any such trade secrets or proprietary financial information, which a Proposer believes should be exempted from disclosure, shall be specifically identified and marked as such. Blanket-type identification by designating whole pages or sections shall not be permitted and shall be invalid. The specific information must be clearly identified as such.

Upon a request for records regarding a submitted proposal, ACERA will notify the Proposer involved of a specific time for when the records will be made available for inspection. If the Proposer, in a timely manner, identifies any “proprietary, trade secret, or confidential commercial or financial” information which the Proposer determines is not subject to public disclosure, the Proposer will be required fully to intervene, justify such exemption, and secure appropriate injunctive orders in all for exempting such records from disclosure. ACERA reserves the right to independently determine whether any document is subject to disclosure and to make such information available to the extent required by applicable law, without any restriction.

Right of ACERA to Reject Proposals

ACERA reserves the right to reject any and all Proposals or to waive, at its discretion, any irregularity, which ACERA deems reasonably correctable or otherwise not warranting rejection of a Proposal.

By submitting a Proposal, your firm represents that it is familiar with California Government Code §1090 and the §87100 et seq. and that it does not know of any facts that constitute a violation of said sections in connection with the proposal. Your firm also represents that its Proposal has completely disclosed to ACERA all facts bearing upon any possible interests, direct or indirect, which you believe any member of the ACERA Board of Retirement, any member of ACERA, other officer, agent or employee of ACERA and/or officer, agent or employee of the participating employer has, or will have, in this Agreement, or in performance thereof, or in any portion of the profits there under. Willful failure to make such disclosure, if any, shall constitute ground for rejection of the proposal or termination of any subsequent Professional Services Agreement by ACERA for cause. You agree that if you enter into a contract with ACERA, it will comply with all applicable conflict of interest codes and policies adopted by ACERA and their reporting requirements, including but not limited to, filing Form 700 Statements of Economic Interest or Certifications of Financial Solicitation.

III. Current Plan Overview

ACERA currently offers the following programs to early (Non-Medicare eligible) retirees and their eligible dependents:

- Early retiree commercial HMO plans administered by Kaiser Permanente and UnitedHealthcare (CA only).
- Multi-State Kaiser Permanente Plan Offerings for early retirees including plans in Colorado, Hawaii, Maryland, Ohio, Washington, Oregon, Virginia and Georgia.
- Early retiree commercial PPO plan administered by UnitedHealthcare.

All current medical plan offerings are fully-insured. ACERA is seeking proposals to replace the following Early Retiree Plans:

- UnitedHealthcare Group Early Retiree Choice Plus PPO Plan
- UnitedHealthcare Group Signature Value HMO Plan
- Kaiser Permanente Group HMO Plan.

ACERA is open to an alternate offering to cover retirees who are out of the HMO service areas and a full replacement of the PPO plan.

An annual open enrollment period is held in November of each year. It allows new enrollments (including early retirees who opt out of coverage when first given the opportunity), transfers between the various medical plans by early retirees, and the addition of eligible family members by early retirees. All proposers must quote on the basis that there will continue to be an annual open enrollment period.

Eligibility rules, ACERA premium subsidies Monthly Medical Allowance (MMA), and contributions for fiscal plan year 2014 can be found in the ACERA publication called Retiree Enrollment Guide 2014. This guide can be found in the **Appendix A** as **ACERA 2014 Enrollment Guide.pdf**.

IV. Proposing Entities

ACERA is seeking proposals from well established, financially stable organizations. Bidding entities that can offer individual Early Retiree plans through their exchange platform as well as HRA/RRA administration may provide some services through subcontracted relationships; however, the principal services (e.g., customer service operations) must be owned and operated by the bidding entity and the call centers must be located in the United States. In addition, successful proposers will have experience administering retiree benefit programs for (preferably) public entities.

V. Plans Being Bid

The effective date of the plans being bid will be January 1, 2015. This RFP seeks proposals for the medical plans described previously. Plan designs should match, as closely as possible, the benefit provisions of the current plans. In addition, ACERA seeks alternative plan offerings and options to provide a sufficient menu of plan choices from low option to high option Early Retiree plan offerings. ACERA is also interested in reviewing HRA/RRA plan accounts to potentially offset any significant out-of-pocket costs for members by depositing funds directly into an HRA/RRA on behalf of ACERA's retirees. ACERA is also interested in offering out-of-state Early Retiree Plans.

ACERA will receive, on an annual and ongoing basis, the selected individual Early Retiree plans' renewals for review. Per the earlier mention regarding ACERA's SRBR, how much subsidy monies will be allocated to the eligible retirees will depend on the plan renewals every year?

VI. Proposal Invitations

The following companies have received an invitation to submit proposals. Please note this RFP will also be posted to ACERA’s Website to invite any other interested Private Exchange vendors.

- ADP Health Care Exchange
- Aon Hewitt Health Care Exchange
- Conexis Health Benefits Exchange
- eHealth
- Mercer Marketplace
- Towers Watson One Exchange
- Xerox/Buck Consultants Right Opt Exchange

VII. Exception Addendum or Suspension

ACERA reserves the right to make exceptions, file proposal addendums and/or suspend this request for proposal. Please confirm that your proposal will be honored should ACERA decide to revise or extend the proposal timeline. ACERA also reserves the right to suspend the request for proposal process due to legitimate business reasons.

Section B: Proposal Process

I. Proposal Timeline

The timeline for the bid process is as follows:

<u>Activity</u>	<u>Dates</u>
Release RFP	February 10, 2014
Vendor Q&A Submission Period	February 20, 2014 - February 28, 2014
Response to Q&A	March 5, 2014
Proposal deadline	March 17, 2014
Finalist interviews	April 7, 2014
Award of business	June 23, 2014
Effective date	January 1, 2015

II. Proposal Submission

Proposals must delineate the Proposer’s qualifications and expertise in the format outlined in the RFP including a complete questionnaire response, all required attachments and exhibits. A proposal under this RFP will not be considered complete unless it contains all of the items described herein. **A proposal that is not submitted in complete form to ACERA by 4:00 p.m., Pacific Standard Time on Monday, March 17, 2014, will be rejected.** However, during the preliminary review stage only, ACERA, in the exercise of its exclusive discretion, may permit the Proposer to correct any error or omission. Five hard copies of the completed proposal should be sent:

- Three to ACERA and;
- Two to Keenan & Associates. The mailing addresses are provided in Section C / IV Contact Information.

Please make sure to include a CD with every hard copy RFP response submission, which should include all the electronic files and copies of your response items and files. Please make sure to submit the electronic copies based on the original software (e.g. response to RFP questionnaire should be submitted in same original format as a Word document, medical benefit grid should be submitted in same original format as an Excel file, etc.).

All costs for developing Proposals, attending interviews, and complying with all the requirements of this RFP are entirely the responsibility of the Proposer and shall not be chargeable to ACERA.

III. Finalist Interviews

ACERA expects to request the participation of selected bidding organizations to appear in person for the oral interview. The interview shall include participation by all key professionals under the contract. The Account Manager and Implementation Manager must be present. This will be your opportunity to present your proposal in person, to engage in an interactive dialogue and to answer questions. Meeting will be held at ACERA in Oakland, CA on April 7, 2014. The time will be determined later.

IV. Notification of Selection

All proposals properly submitted according to this RFP will be reviewed. ACERA reserves the right to reject any or all proposals at its discretion. The bidder's compliance with the requirements of this RFP shall be determined at the sole discretion of ACERA.

Selected and non-selected proposers will be notified in writing at the conclusion of the process. Selection is contingent on satisfactory completion of appropriate agreements, which will be negotiated. ACERA reserves the right to reject all proposals.

ACERA requires a site visit to the top (narrowed finalists) proposers.

Section C: Proposal Requirements and Instructions

I. Proposal Requirements

Your proposal must comply with the following requirements:

- Respond to each applicable section and question based on the scope of your bid;
- If your response to any question differs based on factors such as product distinction, you must specifically communicate such differences and provide complete answers for each product or other distinguishing factor; and
- Any exceptions to the terms, conditions, plan provisions or other ACERA requirements expressed in any part of this RFP must be clearly identified in your cover letter.

II. Cover Letter

Your proposal must include a cover letter dated and signed by an individual (complete with title) who is authorized to contractually bind your organization. This cover letter is considered to be an integral part of your proposal. The letter should be addressed to Sharen Stanek-Lowe, Assistant Benefits Manager at the address provided and included with your proposal submission.

Your cover letter must indicate the following:

- Where your proposal deviates from the ACERA RFP requirements;
- Those sections of your proposal that you deem confidential;
- Your proposed rates/fees based on a Platinum plan at a minimum; preferably a plan that matches most closely to the current Kaiser HMO benefit plan design for:
 - Retiree at 55 years of age
 - Retiree at 62 years of age
 - Annual salary for both is \$40,000;
- Confirmation your proposed rates/fees will be valid throughout the evaluation process; and
- Confirmation that your organization will be able to implement the proposed plan(s) for a January 1, 2015 effective date.

III. Proposal Sections and RFP Weighting

Proposers should complete the components of this RFP according to the following table and responses will be weighted accordingly based on the calculated scored average of each respective RFP section:

RFP Section	Private Health Care Exchange	Weighting
Questionnaire		
Organization & Account Management	●	10%
Administrative Issues	●	10%
Member Services	●	20%
Enrollment Process	●	15%
Performance Guarantees	●	5%
Plan Design Deviations	●	20%
Pricing Workbook (Rates.xls)	●	20%
Total:		100%

IV. Contact Information

All requested and official correspondence should be addressed and submitted in sealed packages, clearly marked: “**RESPONSE TO REQUEST FOR PROPOSAL - PRIVATE HEALTH CARE EXCHANGE**” as follows:

ACERA	Keenan & Associates
Ms. Sharen Stanek-Lowe Assistant Benefit Manager Alameda County Employees’ Retirement Association 475 14 th Street, Suite 1000 Oakland, CA 94612	Ms. Isabella Janus Consultant Keenan & Associates 2355 Crenshaw Blvd., Suite 200 Torrance, CA 90501 Tel: 310.121.0363 ext. 2529 ijanus@keenan.com

V. Errors & Omissions

If a Proposer discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP, the Proposer should immediately notify ACERA of such error in writing and request clarification or modification of the document. This notification must be submitted pursuant to the procedures described in *Section VII*. “Questions Regarding the RFP.”

Modifications will be made by addenda issued pursuant to *Section VI*. “Addenda.” Such clarifications will be given by written notice to all parties who have expressed an interest in submitting a Proposal in response to this RFP, without divulging the source of the request. If a Proposer fails to notify ACERA of a known error prior to the final filing date for submission of Proposals, or an error that reasonably should have been known, the Proposer will assume the risk of proposing. If awarded the contract, the Proposer will not be entitled to additional compensation or time by reason of the error or its later correction.

VI. Addenda

ACERA may modify any part of the RFP, prior to the date Proposals are due, by issuance of an addendum to all recipients of the RFP.

VII. Questions Regarding the RFP

Proposers requiring clarification of the intent and content of this RFP, or the competitive Proposal process, may request clarification only by submitting written questions via mail, e-mail, or facsimile transmission to:

Ms. Isabella Janus
Consultant
Keenan & Associates
2355 Crenshaw Blvd., Suite 200
Torrance, CA 90501
ijanus@keenan.com
Fax #: (310) 212-0360

To ensure a response, questions must be received by Tuesday, February 28, 2014. Questions received by this date will be answered in writing without identifying the source of the query and distributed on or before March 7, 2014 to all parties who have expressed an interest in submitting a Proposal in response to this RFP.

VIII. Property Information & Public Records Act Requests**Ownership of Proposal:**

All rights to information developed, disclosed, or provided in a Proposal and its submissions are the property of ACERA, unless the Proposer makes specific reference to data that is considered proprietary. To the extent that a Proposer claims any copyright, patent, or other intellectual property right in any portion of its RFP, submission of an RFP constitutes the Proposer's express (a) grant and assignment of a perpetual, transferable (in whole or in part), non-exclusive, royalty-free license to ACERA for all such portions, and (b) agreement that ACERA may use any such intellectual property without charge for any lawful purpose in connection with other ACERA projects, including without limitation the creation of derivative works and issuance of sublicenses.

Public Records Act:

ACERA is a public agency and, as such, subject to laws regarding disclosure. Per the California Public Records Act (CA Gov. Code 6250 *et seq.*), ACERA will make available to the public the submitted Proposal and all correspondence and written questions submitted during the Request for Proposal process. However, such disclosure may not be made prior to the date on which ACERA finalizes and **fully executes a contract with the Contractor**. Except as otherwise required by law, ACERA will not disclose trade secrets or proprietary financial information submitted in response to the Request for Proposal. Any such trade secrets or proprietary financial information, which a Proposer believes should be exempted from disclosure, shall be specifically identified and marked as such. Blanket-type identification by designating whole pages or sections shall not be permitted and shall be invalid. The specific information must be clearly identified as such.

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information which the Proposer determines is not subject to public disclosure, the Proposer will be required fully to intervene, justify such exemption, and secure appropriate injunctive orders for exempting such records from disclosure. ACERA reserves the right to independently determine whether any document is subject to disclosure and to make such information available to the extent required by applicable law, without any restriction.

IX. Conflicts of Interest

By submitting a Proposal, the Proposer represents that it is familiar with Section 1090 and Section 87100 *et seq.* of the Government Code of the State of California, and that it does not know of any facts that constitute a violation of said sections in connection with its Proposal. Proposer represents that its Proposal has completely disclosed to ACERA all facts bearing upon any possible interests, direct or indirect, which Proposer believes any member of ACERA, or other officer, agent or employee of ACERA or any department presently has, or will have, in a potential Agreement, or in the performance thereof, or in any portion of the profits there under. Willful failure to make such disclosure, if any, shall constitute ground for rejection of the Proposal or termination of any Agreement by ACERA for cause. Proposer agrees that if it enters into a contract with ACERA, it will comply with all applicable conflict of interest codes and policies adopted by the ACERA and their reporting requirements.

Section D: Basis of Quotation

Any deviations from the stipulated plan design that you require due to operational, contractual or legal limitations must be fully described in the pricing workbook and in your cover letter. Please be sure that your basic quote includes only those deviations that are absolutely required.

Any deviations from the stipulated plan design that you suggest as alternatives for consideration should be detailed in the plan design alternatives document provided for that purpose. This may include cost-sharing differences, changes to covered and excluded items (reflecting another health plan's standards), or similar deviations. Please also consider providing alternative funding vehicles such as Retiree HRA/RRA to offset plans out-of-pocket costs for members and to provide medical subsidy.

Other Financial and Contract provisions for the bid include:

Effective date:	January 1, 2015
Initial contract term:	12 months
Policyholder/Contract holder	Alameda County Employees' Retirement Association
Rates:	All rates provided must be quoted using the pre-established rate structured identified in this RFP
Funding:	All programs must be quoted on a fully-funded basis
Eligibility Provisions:	Duplicate current eligibility provisions
Commissions:	None

Section E: Performance Guarantees

ACERA maintains performance standards with its contracted vendors with portions of the vendor's compensation at risk for failing to meet these standards. Proposers are expected to include performance guarantees in their proposal and will be assessed on the strength of the performance standards they are willing to implement. For finalists, negotiations will take place before an award of business to ensure that there is a final understanding of the agreed upon standards.

If you are proposing an HRA/RRA option, ACERA will also require separate performance guarantees related to the HRA/RRA administrative duties.

Please submit your standard performance guarantees for ACERA's review and consideration. Label as an Appendix B item as part of your proposal submission:

1. Current, standard implementation performance guarantee;
2. Standard call center performance guarantee; and
3. Current HRA/RRA performance guarantee.

Section F: Plan Pricing

Available current rates and benefits can be found in the following electronic files contained in Appendix A (additional data may be provided at a later date):

- **ACERA Rates.xls**
- **ACERA 2013 Medical Plans Benefits**

Census/enrollment information and contributions and current benefits can be found in the following electronic files found in Appendix B:

- **ACERA Census.xls**
- **ACERA 2014 Enrollment Guide.pdf**

Please provide your fully-insured premium rates for all your proposed plans.

Please identify any deviations from the stipulated plan designs that you require due to operational, contractual or legal limitations. It is assumed that any required deviations will be reflected in all of the pricing exhibits of this RFP. Be sure that all of those deviations are listed in this file.

Please confirm that you can offer and/or administer the current ACERA plan designs. For any designs you cannot offer and/or administer, please be specific as to the benefit that can or cannot be offered/administered and your proposed alternative.

Please propose an HRA/RRA to offset Early Retiree plans and indicate the associated processes and fees for the HRA/RRA account. Provide the details of your HRA/RRA offering. Would your HRA/RRA accommodate ACERA's Monthly Medical Allowance (MMA) which is based on years of service?

Capabilities

- Rate basis: individual vs. group / experience vs. pooled vs. community / age vs. gender
- Does your offering resemble a post-age 65 exchange?
- Does your offering resemble a state exchange (e.g. Covered California)?
- How are Out of State participants handled? Is your offering a national exchange?
- How are the government subsidies tied in?
- Provide detailed functions of your exchange
- Confirm your compliance with ACA regulations such as Minimum Essential Coverage

Section G: Questionnaire**A) ORGANIZATION AND ACCOUNT MANAGEMENT****1. Bid Summary**

1. Please summarize your proposed products/services. In your summary, explain why you are a match for ACERA's particular circumstances and the principal reasons you should be selected over your competitors.
2. Please also provide any information related to your organization's experience with public sector clients.

2. Organizational Background

1. Please describe the organization of your company including relationships with any parent companies, subsidiaries, sister companies and reporting lines. Indicate which entities will administer each of the services requested in this RFP.
2. Please provide the number of years your organization has been in business.
3. Where is the location of your corporate office? Do you have other offices nationally? Provide all locations by city and state.

3. Operations

1. Are there any recent or anticipated changes in your organizational structure (such as key personnel, consolidation of operations, new service centers, etc.) that would directly impact ACERA? If yes, detail (include project plan and timetable) how these transitions will be handled, and the effect on the enrolled members. Also, please provide the rationale for these changes.
2. Discuss any technological improvements you have planned (e.g., Internet related services, online eligibility, etc.) and the effect on enrolled members.
3. Where is the location of the call center or enrollment office of your customer service representatives who will be servicing ACERA's members? Provide city and state as well as the hours of operation.

4. Membership and References

1. Please provide the following information on your five largest public sector clients and, to the extent possible, clients who are located in California or who have significant populations there. Preferably, these clients cover both actives and retirees.

Three references should be in-force clients and two references should be clients who have terminated your services.

- a. Client Name
 - b. Number of Lives
 - c. Primary Location
 - d. Contact Name, title, phone number
 - e. Years as your client
 - f. Type of services provided (i.e. group plan, individual plan, HRA/RRAs, etc.)
2. Do you provide HRA/RRA services to any **retiree-only plan**? If so, please provide the information requested in item 1 above.
3. Please provide the following:
- a. Total number of covered members through your Private Exchange
 - 1. California
 - 2. Total Nationally
 - b. Please list all the health plan carriers available through your exchange and note in which states the carriers operate.

Financial History

1. Provide your organization’s most recent ratings by the following organizations.

Rating Organization	Rating
AM Best	
S&P	
Weiss	
Moody’s	

2. Is your organization publicly traded, privately held or other (please describe)? If publicly traded, please provide the following:

Year	2012				2013			
	1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th
Stock Price (end of quarter close)								
Earnings per share								
Dividends per share								

If your organization is not-for-profit, indicate your net profit/losses over the past 3 years. If not applicable, respond with N/A.

3. ACERA requests a copy of the last 2 years of (audited) financial statements of the proposers.

VI. Compliance

1. Please describe the final results and attach copies of your most recent state and federal regulatory agency audits. Include the executive summary of your most recent audits and any reports resulting from any investigations of your organization regarding medical fraud (example: CMS audit).
2. Has your organization undergone any of the following? If yes, explain each.
 - Governmental investigations of your organization regarding medical fraud.
 - Investigations or audits by the Federal Department of Labor or a state licensing agency in the preceding three years.
 - California or other State Department of Insurance or Department of Managed Health Care investigations.
3. Please provide the number of complaints regarding your organization's health benefit products and administration filed with the California Department of Managed Health Care, Department of Insurance, and/or other jurisdictional agencies. Please include complaints for all products.

Regulatory Agency	Complaints per 1,000 Members		
	2011	2012	2013
CA Department of Managed Health Care			
CA Department of Insurance			
Other Agency (Name)			
TOTAL			

VII. Account Management

1. Please describe your proposed account management team and structure. Specifically address:
 - Name and background of account manager and other key team members.
 - Who from the account team would be 100% dedicated to this account.
 - Location of staff.
 - Responsibility for any subcontracted relationships.
 - Average staff turnover rate in the past 12 months.
 - What qualifications and experience do you require of your account managers?
 - What qualifications and experience do you require of your call center staff?
 - Average number of clients assigned per account manager.
 - Years with your organization.

B) ADMINISTRATIVE ISSUES**I. Eligibility**

1. How do you handle retroactive enrollment and cancellations? What are your time limitations relative to processing retroactive eligibility adjustments?
2. What are the required data elements for eligibility feeds from ACERA? What are your capabilities for loading and correcting data? Do you have the capability to enter corrections to eligibility records in real time?
3. Are you able to provide a summary of changes including deaths, change of address as well as other change categories?
4. How often can the eligibility feeds be sent back to ACERA? What is your standard eligibility feed schedule?
5. What type of encryption software will be used in the exchange of the eligibility data?
6. Do the enrollment specialists all have access to online eligibility addition, correction as well as term functions?
7. Once the exchange takes on the administrative duties such as address tracking and enrollment results please confirm if you are able to share updated census data back to ACERA. If yes, how often?

II. Retiree Communications

1. Provide samples of communication materials with your proposal. Each set of your proposal should contain a copy of all retiree communications throughout the enrollment and renewal processes, including HRA/RRAs and ID cards, if any.
2. Describe any limits to customizing each of the above at no cost to ACERA.
3. Describe the resources you will provide to work with ACERA in the development of member communication materials (education, open enrollment, formulary changes and ongoing communications).
4. How long will it take to replace an ID card once a request is made after initial implementation?
5. On the issued ID cards please indicate if the members' social security number or other unique identification number is printed on the card.

III. Implementation

1. ACERA's open enrollment period is the month of November for its current group plan year effective January 1. Do you have a set open enrollment period or may ACERA set its own?
 2. Provide your implementation process recommendations and a detailed timetable assuming notice in late June for a January 1, 2015 implementation. Also, assume that ACERA specific open enrollment will begin November 2014. Be specific with regard to the following:
 - Timing of significant tasks;
 - Names, titles and responsibilities of account manager and key implementation staff;
 - Percent of time dedicated to ACERA during implementation by your team;
 - Responsibilities of ACERA;
 - Data requirements (indicate type, format and frequency of data required);
 - Transition with incumbent vendors; and
 - Staff assigned to attend open enrollment/educational sessions.
- I. Describe your proposed transition of care plan. At a minimum, the transition plan must address:
- Individuals who are in a course of medical treatment;
 - Transition of prescriptions; and
 - Communication of transition issues to all plan members.

II. How long after your organization enrolls the members will they receive their ID cards?

III. Ongoing services

1. Please confirm how EOCs/SPDs will be handled by your organization (sent directly to ACERA and/or to members).
2. Indicate when contracts/EOCs/SPDs are issued in the plan year.
3. When will plan rates increase?
4. What are the terms of contract cancellation by the carriers and how is that administered by your organization?

V. Privacy and HIPAA

1. Please confirm your compliance with all administrative simplification provisions under HIPAA. Specifically address each of the following regulations:
 - Electronic health care transaction and code sets
 - Health information privacy
 - Unique identifier for employers
 - Security requirements
 - Unique identifier for providers
 - Unique identifier for health plans
 - Enforcement procedures
2. Do you agree to indemnify ACERA for any liabilities resulting from the improper disclosure of protected health information by you or any of your subcontractors?
3. Do you agree to indemnify ACERA for all liabilities resulting from the improper disclosure of information by you or any of your subcontractors that results in identity theft for an ACERA member?
4. If an improper disclosure of information is made, please indicate when you would normally notify ACERA. How will you then notify the affected members? Please indicate if you have any fraud protection programs that you would offer to the affected members to help rectify such a situation (e.g. paid for fraud protection or watch for one year for all the credit agencies).

VI. Contracts

1. Please note that ACERA will require the chosen Private Exchange vendor to sign ACERA's issued standard provisions per its service agreement/contract. This will be shared with the selected finalist for review and signature when the selection of vendor is announced. In the meanwhile please provide a sample of your master contract, business associate agreement and any related documents for ACERA to review.
2. Where documents must be developed to accommodate ACERA's performance guarantees, provide a short statement indicating your willingness to draft such documents to the mutual satisfaction of your organization and ACERA.

VII. Reporting

1. What standard reports would be available to ACERA? How often? Please submit examples:
 - Plan enrollment reports;
 - HRA/RRA balance reports;
 - Quarterly reports; and
 - Any other reports not specified above.
2. Please confirm compliance with CMS in regard to sales communication materials (marketing regulations) and assurance of remaining compliant relating to Early Retiree aging in to Medicare eligibility.
3. From what platform are your reports generated? What is available to ACERA via online?

VIII. HRA/RRA Administration

1. Can you offer an HRA/RRA to a retiree-only plan?
2. Please explain how the premiums will be billed and collected.
3. Define in detail how the HRA/RRA option is administered and please provide any administrative fees associated with an HRA/RRA offering.
4. Who is the administrator of the HRA/RRA option?
5. ACERA is interested in depositing a specified amount for eligible members into the retiree's HRA/RRA accounts based on years of service, plan selection and other requirements. Please indicate if there are any specific rules that may bar ACERA from depositing and subsidizing a member's HRA/RRA account in such a scenario.
6. Please indicate if ACERA would be allowed to automatically deposit subsidy monies directly into a member's HRA/RRA account every month or when the medical premiums are due. If this cannot be accommodated please explain if there is another method by which the member can be reimbursed by ACERA via the HRA/RRA vehicle or some other banking method.
7. Please indicate if you do offer an HRA/RRA whether ACERA is mandated to use your HRA/RRA services or if we may use another vendor for the administration of the HRA/RRA at ACERA's choosing.
8. Is there a mechanism that precludes constructive receipt of funds to ensure the member is not taxed on premiums ACERA pays on behalf of the member?
9. Please indicate your understanding of 401h rules per IRS and as it relates to your HRA/RRA offering.
10. Please describe the HRA/RRA process for retirees that come back to work on a part time basis, can they participate in the HRA/RRA or are they considered active?

C) ENROLLMENT PROCESS

1. Describe the enrollment process to ensure ease of transition for the members for the following plan match issues:
 - a. Best benefit plan offering depending on members current medical and pharmacy coverage
 - b. Which networks are offered and how broad or narrow are they?
 - c. Do you utilize any type of a Prescription Drug Service tool?
 - d. Transitioning new members who are currently using a drug that is not on the plan's formulary, or is in the non-preferred tier?
 - e. Transition of care based on their current medical needs or received treatment?
2. Please explain the process between your online enrollment capabilities vs. telephonic enrollment intake. How are these normally scheduled for the members?
3. Do you provide in person workshops, group enrollment meetings or town halls for enrollment at no cost? If a fee is required, please describe the schedule?
4. ACERA currently does not allow for a spouse/domestic partner to be on the plan individually and must enroll with the same health plan please indicate how this is handled.
5. What is the process for your facilitators to enroll retirees into subsidy programs?
6. Which States offer subsidies and are your facilitators educated for each State program and what is their procedure for gathering that information?
7. Would the facilitator be able to provide a current benefit plan match? If not, why not?
8. At what level are the facilitators able to request household income for the subsidies?
9. What value-added services are embedded to improve performance?

D) MEMBER SERVICES

I. Staffing & Operations

1. Please provide the requested information below on the customer service center that will handle the ACERA account, based on the month of November 2013 for each of the categories below:

Member Service Center	Ongoing	Open Enrollment	Goal
Average duration of each intake call			
Average of total abandoned calls within the month			
Average wait time			
Average wait time during open enrollment			
Total calls answered during the open enrollment period			
What is your abandon call rate			

Member Service Center	Response
Location	
Geographic area serviced	
Days of operation	
Hours of operation (Pacific Time)	
Number of Supervisors (as of January 1, 2014)	
Average years of experience of Supervisors	
Number of Customer Service Representatives (CSR) (as of January 1, 2014)	
Average years of experience of CSRs	
Ratio of CSRs to members (as of January 1, 2014)	

2. Please provide your annual turnover rate for the office you are proposing. Provide the precise calculation you use to calculate turnover.

	2011	2012	2013
Supervisors			
Customer Service Representatives			

3. Describe the formal training (initial and ongoing), qualifications and minimum experience required of your member service representatives.
4. Describe the systems you use to track phone and staff utilization and how you adjust staffing based on call volume.

5. How do your customer service representatives assist members through claim issues, general questions regarding the benefit plans, provider issues, etc.?
6. Would you offer a dedicated toll-free phone number?
7. Can calls be shifted to another customer service/call center if the time on hold or call abandonment rate exceeds the desired thresholds? If so, how often does this occur?
8. Please confirm whether your customer service personnel are U.S. based. If so, please confirm you will provide sufficient notification to ACERA should the customer service personnel ever be outsourced to another country.
9. Please indicate how your customer service representatives would handle calls with members who have assigned either power of attorney privileges to another person or some other person who may be an interpreter?
10. Many of our members may require Spanish or an Asian language (Cantonese, Mandarin, Tagalog, Japanese, Korean, etc.) speaking enrollment specialist. Please indicate if other language speaking CSRs and enrollment specialists will be made available for certain members. What other languages are spoken by your enrollment specialists including CSRs if any? List all.

II. Telephone Systems

1. What information is the member required to enter into the VRU system (e.g., group number, SS#, etc.)?
2. Can a member leave a message at your member service line after working hours? If yes, what is the protocol for responding to that call?
3. During high call volume, how do you handle the overflow of calls?
4. Please specify your 4 busiest months? How do you handle the increased call volume (e.g., hire temporary employees, contract with an outside vendor, etc.)? What is your average speed of answer during these 4 busiest months?
5. Please indicate if your telephone system tracks the following time intervals.
 - First ring to call pick-up (VRU or person)
 - IVR Time
 - Wait Time to speak with CSR
 - Talk Time
 - Hold Time after first CSR contact
 - Total Time
6. Does your system allow members to opt to speak to a live person at any time during a call? Is this option, and how to exercise it, made clear to callers initially? Please describe.

7. Do you offer members the ability to contact the customer service operation after normal working hours? If so, please describe what methods are available and how these are communicated to members.
8. Please describe your telephone technology and/or ability to accommodate the hearing impaired.
9. What is your average call length with a retiree?

III. Customer Service System

1. Please confirm if inquiries can be handled via email.
2. Are complaints identified in a discrete field on your system (so as to be reportable as a percentage of member service calls/inquiries)?
3. Please indicate whether member service representatives have on-line access to the information in the table below, and the ability to make changes.

	View Access Yes/No	Change Authority Yes/No
Eligibility		
Claims history/status		
Benefit descriptions		
Status of questions/complaint		
Status of pre-certification request		
Referral status		
Hospital and physician network status/information		

IV. Performance

1. What was your call abandonment rate or percentage by month for 2013?

Jan	Feb	Mar	Apr	May	June
July	Aug	Sept	Oct	Nov	Dec

2. Please define your process for handling issues that are not resolved in the initial call.
3. What is the approach to care delivery? Is there an emphasis on efficiency, quality and outcomes?
4. Is your administrative platform a proven vehicle? If yes, how has it been proven?

E) MISCELLANEOUS

- 1) How do you believe exchanges will evolve in the next three years?
- 2) Where do you believe the pricing will be for the exchanges within the next three years?
- 3) Are other ancillary benefits or services available?
- 4) ACERA and the current medical plans co-sponsor an annual retiree health fair. In the past, the medical plans have committed to contribute to the cost of the event. If your organization is selected, please indicate if you are willing to be a co-sponsor and contribute money to ACERA's annual retiree health fair.
- 5) Are there robust consumer engagement tools and communication support? Please describe these tools in detail.

F) APPENDIX CHECKLIST**ACERA RFP Appendix A**

ACERA Rates.xls
UnitedHealthcare HMO 2013 EOC.pdf
UnitedHealthcare 2013 HMO Summary.pdf
UnitedHealthcare PPO 2013 EOC.pdf
UnitedHealthcare 2013 PPO Summary.pdf
UnitedHealthcare 2013 Drug Benefit Summary.pdf
UnitedHealthcare 2013 Infertility Benefit Summary.pdf
UnitedHealthcare 2013 Mental Health Benefit Summary.pdf
Kaiser 2013 HMO EOC.pdf
Kaiser 2013 HMO Summary.pdf

ACERA RFP Appendix B

ACERA Census.xls (password protected; contact Isa Janus at Keenan & Associates for access)
ACERA 2014 Enrollment Guide.pdf