

	State of South Carolina Request for Proposal Amendment 1	Solicitation Number: Date Issued: Procurement Officer: Phone: E-Mail Address:	PEBA0082016 04/21/16 Georgia Gillens, CPPO, CPPB (803) 734-0010 GGillens@peba.sc.gov
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DESCRIPTION: **Behavioral Health Management Services for the S.C. Public Employee Benefit Authority**
USING GOVERNMENTAL UNIT: **S.C. Public Employee Benefit Authority (PEBA)**

The Term "Offer" Means Your "Bid" or "Proposal". Unless submitted on-line, your offer must be submitted in a sealed package. Solicitation Number & Opening Date must appear on package exterior. See "Submitting Your Offer" provision.

SUBMIT YOUR OFFER by the appropriate date and time below and following the instructions on Page 3.

SUBMIT OFFER BY (Opening Date/Time): **05/11/2016 11:00 AM E.T.** (See "Deadline For Submission Of Offer" provision)
QUESTIONS MUST BE RECEIVED BY: **03/31/2016 10:00 AM** (See "Questions From Offerors" provision)

NUMBER OF COPIES TO BE SUBMITTED: See Page 3. If no redacted copy is being provided, initial here _____

CONFERENCE TYPE: Pre-Proposal Meeting DATE & TIME: 03/31/2016 10:30 AM <small>(As appropriate, see "Conferences - Pre-Bid/Proposal" & "Site Visit" provisions)</small>	LOCATION: SC Public Benefit Authority _____ 200 Arbor Lake Drive Columbia SC 29223
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AWARD & AMENDMENTS	Award will be posted on 05/24/2016 . The award, this solicitation, any amendments, and any related notices will be posted at the following web address: http://www.procurement.sc.gov
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You must submit a signed copy of this form with Your Offer. By submitting a bid or proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of one hundred and twenty (120) calendar days after the Opening Date. (See "Signing Your Offer" and "Electronic Signature" provisions.)

NAME OF OFFEROR <small>(full legal name of business submitting the offer)</small>	Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the Offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc.	
AUTHORIZED SIGNATURE <small>(Person must be authorized to submit binding offer to contract on behalf of Offeror.)</small>		
TITLE <small>(business title of person signing above)</small>	STATE VENDOR NO. <small>(Register to Obtain S.C. Vendor No. at www.procurement.sc.gov)</small>	
PRINTED NAME <small>(printed name of person signing above)</small>	DATE SIGNED	STATE OF INCORPORATION <small>(If you are a corporation, identify the state of incorporation.)</small>

OFFEROR'S TYPE OF ENTITY: (Check one) <small>(See "Signing Your Offer" provision.)</small>		
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Other _____
<input type="checkbox"/> Corporate entity (not tax-exempt)	<input type="checkbox"/> Corporation (tax-exempt)	<input type="checkbox"/> Government entity (federal, state, or local)

PAGE TWO

(Return Page Two with Your Offer)

<p>HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)</p> 	<p>NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) (See "Notice" clause)</p> <p align="right">_____ Area Code -</p> <p align="right">Number - Extension Facsimile</p> <p align="right">_____ E-</p> <p>mail Address</p>
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<p>PAYMENT ADDRESS (Address to which payments will be sent.) (See "Payment" clause)</p> <p>____ Payment Address same as Home Office Address</p> <p>____ Payment Address same as Notice Address (check only one)</p>	<p>ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders and "Contract Documents" clauses)</p> <p>____ Order Address same as Home Office Address</p> <p>____ Order Address same as Notice Address (check only one)</p>
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<p>ACKNOWLEDGMENT OF AMENDMENTS Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See "Amendments to Solicitation" Provision)</p>							
Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date

<p align="center">DISCOUNT FOR PROMPT PAYMENT (See "Discount for Prompt Payment" clause)</p>	<p align="center">10 Calendar Days (%)</p>	<p align="center">20 Calendar Days (%)</p>	<p align="center">30 Calendar Days (%)</p>	<p align="center">_____ Calendar Days (%)</p>
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PREFERENCES - A NOTICE TO VENDORS (SEP. 2009): On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at www.procurement.sc.gov/preferences. ***ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES.*** [11-35-1524(E)(4)&(6)] **PREFERENCES DO NOT APPLY.**

PREFERENCES - ADDRESS AND PHONE OF IN-STATE OFFICE: Please provide the address and phone number for your in-state office in the space provided below. An in-state office is necessary to claim either the Resident Vendor Preference (11-35-1524(C)(1)(i)&(ii)) or the Resident Contractor Preference (11-35-1524(C)(1)(iii)). Accordingly, you must provide this information to qualify for the preference. An in-state office is not required, but can be beneficial, if you are claiming the Resident Subcontractor Preference (11-35-1524(D)). **PREFERENCES DO NOT APPLY.**

____ In-State Office Address same as Home Office Address

____ In-State Office Address same as Notice Address **(check only one)**

NUMBER OF COPIES

Offerors will need to follow these instructions carefully when responding to the solicitation.

The original solicitation response should be submitted to PEBA and is the official response. All bidders must attach all documents, including additional requested documents to their.

Please submit the following number of copies:

- A. Six (6) hard copy versions of the Technical Proposal as follows:**
 - One (1) Original marked "original".
 - Five (5) Identical copies. Please label and number each copy. **Example: Copy 1 of 5, Copy 2 of 5, etc.**

- B. Three (3) hard copy versions of the Cost Proposals as follows:**
 - One (1) Original marked "original".
 - Two (2) Copies, labeled and numbered.

- C. Five (5) Digital Versions of the Technical Proposal on individual compact disks or flash drives**
 - Each disk labeled and numbered

- D. One (1) Original digital version for each of the below on a compact disk or flash drive (so marked) containing the following files:**
 - Original version of Technical Proposal
 - Original version of Cost Proposal
 - Original Redacted version of Original Technical Proposal

DO NOT PASSWORD PROTECT YOUR CD'S or flash drives.

All copies requested must be delivered no later than the date and time specified on the cover page of the solicitation to the following address:

S.C. Public Employee Benefit Authority
Attention: **Georgia Gillens, CPPO, CPPB**
Attention: PEBA0082016
S.C. Public Employee Benefit Authority
202 Arbor Lake Drive
Columbia, SC 29223

End of Page 3

Solicitation PEBA0082016 has been amended as follows:

New Opening Date: May 11, 2016 at 11:00 AM.

Replace Page 3, with new Page 3 which allows flash drives.

Replace the Schedule of Key Dates from Page 11 with the following:

**SCHEDULE OF KEY DATES IN THE PROPOSAL PROCESS
All dates subject to change**

1. Distribution of the RFP	03/10/2016
2. Questions on the Request for Proposal	03/24/2016
3. Pre-Proposal Conference; and, Final Deadline for Submission of All Questions	03/31/2016
4. State's Written Responses to Questions Submitted/Amendment Issued (tentative)	04/21/2016
5. Submission and Opening of Proposals (11:00 a.m.)	05/11/2016
6. Intent to Award Posting Date (tentative)	05/24/2016
7. Intent to Award Becomes Official (tentative)	06/03/2016
8. Security Due	10/1/2016
9. Contract Performance	01/01/2017

All other terms and conditions remain unchanged.

The following questions submitted in writing by Vendor A. (Answers follow.)

Part 0 – Overview

0.1 Submit your Offer

1. **Page 1, Section 2** - The initial page lists that the offer should be submitted by 05/09/2016 11:00 AM E.T. while **Part II Instructions to Offerors – A. General Instructions- Receipt of Proposals** page 16, states that PEBA will receive sealed proposals until 3:00 p.m. local time on the opening date shown. Which is the correct time?

A: Offers must be submitted by May 11, 2016 11:00 AM E.T. See cover page and Schedule of Key Events from Amendment 1.

Part 3 – Scope of Work/Specifications

3.A Account Management and Personnel

2. **Page 21, Section 3.A.2** – Can you describe the expected interface between the Behavioral Health Manager and the Pharmacy Benefits Manager?

A: While a daily data feed of claims information is not expected between the Contractor and the PBM, it is expected that the Contractor will need to collaborate when necessary with the Pharmacy Benefits Manager on appropriate issues affecting patient care.

3.B Provider Networks

3. **Page 22, Section 3.B.3** – Does PEBA expect that ABA line therapists would meet a defined national criteria or certification and is this October 1, 2016 requirement?

A: Page 22, B. (3) and (4) states the following. In order for the contractor to demonstrate to the satisfaction of PEBA that these Networks are capable of commencing operation on January 1, 2017, the stated October 1, 2016 deadline must be met.

3. The Contractor shall, in addition to developing and maintaining guidelines for coverage of Autism Spectrum Disorder (ASD) in accordance with the Plans' provisions and Section 38-71-280 of the Code of Laws of South Carolina, develop and maintain a network of Applied Behavioral Analysis (ABA) providers certified by the Behavior Analyst Certification Board for the delivery of ABA therapy covered services. Board Certified Behavior Analysts that are contracted with the Contractor must provide direct supervision to their staff, including Board Certified Associate Behavior Analysts and/or any non-certified ABA therapists. Direct supervision includes the observation and oversight of the delivery of "hands on" ABA therapy by behavioral therapy staff.

4. The Contractor shall demonstrate, on or before October 1, 2016, and to the satisfaction of PEBA at its sole discretion, that the Networks are capable of commencing operation on January 1, 2017. The Contractor agrees to implement promptly any instructions from PEBA designed to accomplish full and successful implementation and ongoing performance in a timely manner as may be made from time to time without additional cost.

4. **Page 22, Section 3.B.4** – Does PEBA desire a requirement for GeoAccess for PEBA members? Is this an October 1, 2016 requirement?

A: PEBA desires the Contractor be able to demonstrate, on or after October 1, 2016, and to the satisfaction of PEBA at its sole discretion, that the Networks are capable of commencing operation on January 1, 2017. It is up to the contractor to determine if a Geoaccess analysis is necessary to meet the requirements of the RFP.

3.H Communications and Training

5. **Page 28, Section 3.H.2** – Will the contractor be required to pay a proportional amount for the Insurance Benefits Guide as they have been in the past?

A: No, there is no requirement to pay a proportional amount for the Insurance Benefits Guide.

6. **Page 28, Section 3.H.2** – Does this refer to the Insurance Benefits Guide or the Summary of Benefits and Coverage? What are acceptable forms of distribution (i.e.: electronic copy and/or paper copy)?

A: This refers to neither the Insurance Benefits Guide nor the Summaries of Benefits and Coverage. This is a summary guide to benefits similar to those done for a vendor's other lines of business. The guide must be printed. Distribution to approximately 95,000 retirees, survivors and COBRA subscribers must be made to the individual's mailing address. Guides for active members may be mailed to approximately 680 employers for distribution.

7. **Page 29, Section 3.H.7** – Will the contractor be required to pay a fee for the Benefits at Work Conference as they have been in the past?

A: No, there is no requirement to pay a fee for the Benefits at Work Conference.

Part 4 – Information for Offerors to Submit

1. **Page 33, Items b, c, e, f, g, and h** – Would a USB Flash Drive be an acceptable electronic media substitute for a CD?

A: Yes, a USB Flash Drive is acceptable.

2. **Page 34** – Would PDF be an acceptable format for the file(s) on these redacted CDs?

A: Yes, in fact, PDF is the preferred format.

3. **Page 35, Section I.1.A.3** – Is the account **representative** required to be located in South Carolina?

A: Yes. A day to day contact is required to be located in South Carolina.

Part 7 – Terms and Conditions – B. Special

7.26 CONTRACTOR'S LIABILITY INSURANCE-GENERAL (FEB 2015)

4. **Page 55, Section 7. (b).(1) – Would form 04 13 or an equivalent also be acceptable for the Commercial General Liability requirement? It is our understanding the form has changed.**
A: Section 7. (b) (1) is not intended to prescribe the use of a specific policy form. It requires coverage at least as broad as that provided by the December 2007 version of ISO Form CG 00 01. The Contractor may use any policy form that includes equivalent coverage.

5. **Page 56, Section 7. (b).(3) – With respect to workers' compensation, is it acceptable for the contractor to have the option to self-insure and maintain an excess policy with retention levels of no more than \$1,000,000?**
A: Section 7. (b) (3) must conform to the South Carolina statutory requirements.

7.43 TERM OF CONTRACT – EFFECTIVE DATE / INITIAL CONTRACT PERIOD (JAN 2006)

6. **Page 66, Section 7.43 – The initial term of this agreement is 3 years, 0 months, 0 days from the effective date with an automatic renewal for a period of 1 year(s), at the end of the initial term and each renewal term with a maximum contract period estimated of five years (page 8, MAXIMUM CONTRACT PERIOD- ESTIMATED). Might this be extended to seven years to coincide with the medical contract?**
A: The maximum contract period will be five years as stated in the RFP.

The following questions were submitted in writing by Vendor B. (Answers follow.)

1. **The behavioral claim file with ICD9 codes has a file name of "SHP...2014_to_9-30-2015". When you open the file, it has a title of "10/1/2015 – 12/31/2015" in row 3. Please confirm this file includes submitted charges for 21 months.**
A: Confirmed, the file named "SHP and MUSC Health Plan Submitted Behavioral Claims Incurred by ICD9 code 2014 to 9-30-2015" includes submitted charges for the 21 months noted in the file's title.

2. **What was the total number of member months for 1/1/14 – 9/30/15?**
A See attached file labeled "SHP and MUSC Health Plan Insured Lives by month 2014-2015.

3. **What was the total number of member months for 10/1/15-12/31/15?**
A: See attached file labeled "SHP and MUSC Health Plan Insured Lives by month 2014-2015.

4. H.4 (page 29) Letter customization: Is cobranding required of all letter communications mailed to members? Or are there specific items requiring cobranding? Please list all communications requiring cobranding.

A: As indicated in Section 3.11.6, all informational materials, letters and marketing collateral must be cobranding with PEBA's logo and the contractor's logo according to PEBA's identity guidelines for vendors. The contractor's logo shall be labeled as "Administered by:" to reflect the relationship between PEBA and the contractor. All materials must be reviewed and approved by PEBA's Communications Department prior to use.

5. Please provide three years of utilization data by program type and service type to include but not limited to inpatient admits/1000, ALOS, days/1000, outpatient visits/1000, Average # of visits.

A: See attached file labeled: "SHP and MUSC Health Plan Behavioral Health Utilization Data 2013-2015".

6. E.4. (page 26) Please explain the claim extract feed to your evidence-based medicine (EBM) contractor. What is the intended goal of this contractor? How will this information be used by the EBM Vendor? What is the expectation in terms of ongoing interface with the bhc vendor and EBM vendor?

A: The intended goal of the EBM contractor is to apply the latest evidence-based clinical research and guidelines to State Health Plan and MUSC Health Plan participants' medical (including laboratory claims) and drug claims data with the purpose of communicating specific and timely treatment improvement recommendations to health care providers that will improve quality of care for participants, identify gaps and errors in care and reduce aggregate costs. The purpose of the claims extract feed to the EBM Contractor supports the EBM in fulfilling their goal as described and PEBA expects the Contractor to cooperate with PEBA's EBM Contractor in providing a claims data feed in a manner that best supports the EBM Contractor.

7. I.3 (page 30) On average, how many ad hoc reports does the State run on a yearly basis? What are the type of ad hoc reports being run today and expected in the future?

A: PEBA has requested on average one ad hoc report per year. The data included in this report demonstrated patient counts and plan payments per calendar year utilizing the ABA therapy benefit. PEBA would anticipate requesting this report on an annual basis.

8. Section C: Disease Management (page 23) Please provide more detail on the Disease Management programs in terms of which ones are being delivered by telephone with 1:1 coaching and which ones are mail-based only. Please provide utilization by program today and results achieved.

A: The program outreach varies by estimated engagement for that disease state therefore it is a combination of mail and 1:1 coaching. The programs began January 1 of this year, therefore it is too early to provide meaningful results.

9. Section D: Eligibility of Subscribers and Computer Support (page 36) In lieu of full access to our eligibility system, will the State accept a dedicated eligibility analyst available to answer all questions and provide information?

A: No. Please propose as written.

10. Will we have the opportunity to negotiate with the State regarding contract terms?

A: Offerors must ask all questions upfront, even those pertaining to contract terms. Once your offer has been submitted, it is too late to ask questions about contract terms. Failure to comply with the terms and conditions of the RFP, may render your offer non-responsive.

11. Please provide the Performance Guarantees in place today, including the associated fees at risk.

A: Current performance guarantees, including the associated fees at risk, are proprietary and confidential.

12. Please describe in detail the current communication campaign to members that takes place each year. How many locations will we need to send communication materials to and how often?

A: Since the DM component to the contract is new, there is no history regarding a yearly communications campaign for these programs. For 2016 we are engaging through member identification and will work with PEBA to receive approval for the member communication campaign.

13. Would the State consider an annual claims trend guarantee with vendor fees at risk?

A: Offerors need to propose guarantees per the RFP.

14. For shared accumulator purposes, please confirm the number of medical vendors anticipated for 2017.

A: PEBA only has one medical third party administrator, Blue Cross Blue Shield of South Carolina, who will be the accumulator of record. There may be instances, however, where a vendor may have to collaborate with other PEBA vendors.

15. Section C: Disease Management (page 23) Are the Disease management programs currently included in the \$1.48 PEPM BH administrative fee?

A: Yes.

16. Please provide additional utilization details which include Inpatient days per 1000 and Outpatient visits per 1000.

A: See attached file labeled "SHP and MUSC Health Plan Utilization Data 2013-2015."

17. The Section entitled Pricing Data-Audit-Inspection on page 65 of the RFP requires the Bidder to: "...submit a Certificate of Current Cost or Pricing Data, as prescribed by 48 CFR Section 15.406-2(a)."

A: This is a mandatory clause for contracts with a total potential value in excess of \$100,000.

18. This RFP is a competitive solicitation and pursuant to 48 CFR Section 15.403-1(b)(1) entitled: "Prohibition on Obtaining Certified Cost or Pricing Data", should be exempt from the requirement. The specific exemption text

reads as follows: “When the contracting officer determines that prices agreed upon are based on adequate price competition...”

A: This is a mandatory clause for contracts with a total potential value in excess of \$100,000. Signing your offer certifies compliance with these terms.

19. Based on the above exemption and competitive nature of this RFP, will the State confirm that Bidders need not submit a Certificate of Current Cost or Pricing Data?

A: No.

20. Will you allow language modification to limit damage provisions to direct damages? Currently the damage provisions do not exclude indirect, consequential, exemplary, or punitive damages.

A: No.

21. Various statements in the RFP impose a liability obligation with no cap. Will you accept language modification to include caps on liability?

A: No.

22. The section entitled: “Indemnification-Third Party Claims” on page 59 requires the bidder to indemnify the State against third party claims “... regardless of whether or not caused in part by an Indemnitee.” Will you allow any modifications to this language to limit liability for the vendor if the claim was caused in majority by the State?

A: No.

23. Will you accept caps on all liquidated damages provisions identified throughout the RFP?

A: No.

24. Will you allow deviations on the required contractor’s liability insurance identified on pages 55-57 of the RFP? Some of the identified insurance requirements vary from our standard policies.

A: No.