

The following question was submitted in writing by Vendor A. (Answer follows.)

- 1. Would PEBA consider a Fee-for-Service payment model in lieu of a totally capitated payment structure?**

Our Fee-for-Service model has consistently resulted in superior cost savings (20-50% average) at 50-70% below national cost averages.

- A:** The RFP is predicated on a fee-for-service model. No capitation structure is anticipated or required.

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

Part 1 – Instructions to Offerors – B. Special Instructions

- 2a. 1.32 Contents to Offer, Page 14 – Is 3-ring binder binding acceptable? If not, will PEBA accept more than one volume of the technical proposal with clear labeling?**

- A:** A 3-ring binder is not acceptable. PEBA will accept more than one volume of the Technical Proposal with clear labeling,

- 2b. 2. 1.32 Contents to Offer, Page 14 – If the technical proposal is limited to one volume of spiral-bound submission, will PEBA accept appendices electronically versus hard copy?**

- A:** See answer to 2a. above. PEBA requires hard copies of the technical proposal in its entirety, to include appendices. Additionally, electronic copies are also required. See Part 5, Information for Offerors to submit, page 39.

Part 3 – Scope of Work

- 3. Page 26, Section G.1 - Please describe how PEBA uses Combined History and Sponsor from related records on your 834 files and your membership data and how these designations/records would impact claims processing/adjudication/member cost share accumulators.**

- A:** PEBA links related members on its 834 file. For example, spouses enrolled under two separate employers would have a link indicator for purposes of member cost share accumulators.

4. Page 26, Section G.8 – Please confirm PEBA’s requirement on how to handle policies related to former spouses.

A: Former spouses are treated as a valid stand-alone member.

5. Page 26, Section G.8 – Please confirm how PEBA will enroll survivors when more than one member will be added to a survivor policy (including who will be the subscriber when multiple children are survivors).

A: Survivors can enroll in either enrollee only, enrollee/child, or child only coverage. For child only coverage with more than one surviving child, PEBA enrolls the youngest child as the subscriber and other remaining children as dependents.

6. Page 30, Section I.5 – Is PEBA willing to consider the rate of surveys offered in lieu of response rate of utilizing members? Or would PEBA consider removing the requirement for a response rate?

A: Yes. See Amendment 1.

7. Page 32, Section K.2 - Should the detailed paid claims transaction file contain all processed claims or only paid claims?

A: The detailed paid claims transaction file shall contain all processed claims. Processed claims include all transactions associated with all claim activity.

8. Page 35, Section K.4 - Currently PEBA receives reports that confirm compliance or non-compliance with each proposed performance standards within 50 days of the applicable quarter. Will PEBA agree to the timeline currently in place?

A: Yes.

Part 5 – Information for Offerors to Submit

5.1.4.C Behavioral Healthcare Provider Networks

9. Page 42, Section C.1 – Due to the file size, will PEBA consider accepting the MS Excel document, “Network Roster.xlsx” electronically only?

A: Yes.

10. Page 42, Section C.1 – Is there a specific format that PEBA would like for the "Network Roster.xlsx" document mentioned in question 1 of 5.1.4. Approach - C Behavioral Healthcare Provider Networks?

A: A MS Excel document will be provided to Offerors.

11. Page 43, Section C.3-10 - Due to the file size, will PEBA consider accepting the MS Excel document, Attachment 8 Network Pricing and Data electronically only?

A: Yes. See Amendment 1.

5.1.4.G. Eligibility of Subscribers and Computer Support

12. Page 47, Section G. 2-4 - Question 3 appears to be missing. Please confirm question 3 numbering is an error.

A: Confirmed. Please see Amendment 1.

5.2 – Business Proposal

13. Page 53, Section 5.2.2 - Should Attachment 8 be submitted with the Business Proposal or the Technical Proposal?

A: Attachment 8 must be submitted with the Business Proposal. Attachment 8 may be submitted electronically via USB and not by paper due to size.

Part 7 - Terms and Conditions B. Special

14. Page 58, Section 7.21 - 7.21 refers to Section M.2(c) of this Contract, however we are unable to locate this section. Please advise where to find M.2.(c) or provide the liquidated damages related to this provision.

A: See Clause 7.21 and Section L, Item 2 (b) in Amendment 1.

Part 2 – Scope of Proposal , 2.1 Introduction 1. Page 17, Top of the page.

15: This is a point of clarification. The RFP states: “Companion Benefit Alternatives (CBA) currently serves as the Behavioral Health Manager for PEBA under a contract that commenced January 1, 2017, and that will expire on December 31, 2021. The current monthly administrative fee paid to CBA is...”

We would like to clarify that BlueCross BlueShield of South Carolina (BlueCross) serves as the Behavioral Health Manager and the current contract is between PEBA and BlueCross.

A: Correct; Companion Benefit Alternatives is a subsidiary of BlueCross BlueShield of South Carolina.

Part 5 – Information for Offerors to Submit

5.1.4.C Behavioral Healthcare Provider Networks, Page 43, Section C.8

16: To provide PEBA with the most accurate provider reimbursement data, would PEBA prefer to receive a claims report by each requested CPT code rather than combining codes with different reimbursement rates and time-based units?

If not, please confirm the following regarding 5.1.4 C. Behavioral Health Provider Networks Question 8 and Attachment 8, tab 7:

- Question 8 of 5.1.4 C. Behavioral Health Provider Networks is limited to a single date of service, 1/1/2021 (holiday). If not, please provide a date of service range?**
- The primary diagnosis on the claims requested in Attachment 8, Tab 7 should have an ICD-10 diagnosis code in the range of F01 – F99.**
- CPT 90442 listed in Question 8 of 5.1.4 C. Behavioral Health Provider Networks is correct. We are unable to locate a description for this code. Please provide a valid CPT code that bidders could use in place of 90442 or a detailed description of the service.**

A: 90442 is an error. The code to include in the allowance data is 99442.

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

Page 17, Introduction

17. Would the PEBA consider de-coupling the behavioral health program and the tobacco cessation program and making them into two separate contracts? This would allow a vendor to bid on either program, and would be particularly beneficial to a vendor if they have a conflict of interest with the current proposed design, which may prohibit them from bidding on this opportunity.

A: No. The RFP stands as written.

Page 18, A. Account and Personnel Management

18. Do you require all operations (i.e.; clinical, customer service, claims, etc.) to be located within 100 miles of Columbia or in one of the locations outlined in #1 or can we locate them elsewhere?

A: Operational locations such as those listed above are not required to be in Columbia, Charleston, Greenville, or Charlotte metro areas. The requirement is for account management.

Page 18, A. Account and Personnel Management

19. If the PEBA account team is telecommuting due to COVID in one of the cities listed in A.1, or within 100 miles of Columbia, would this meet the bid specification outlined?

A: Yes.

Page 18, A. Account and Personnel Management

20. If a vendor does not have an account manager available to dedicate given the size of the account, is it acceptable to propose that the vendor hire, in coordination with PEBA, a qualifying individual for this role? Would it be acceptable to supply proposed job qualifications and a job description for these responses instead?

A: No.

Page 20, B.11. Claims Processing and Payment

21. Would daily data transmissions be acceptable? It seems that utilization rates may not warrant real-time updates. Are you receiving real time updates today?

A: The Contractor shall transmit in real-time, or near-real time, data necessary to coordinate the application of Plan provisions. The RFP stands as written.

Page 20, B.12. Claims Processing and Payment

22. Can you please specify what is intended by "maintained online"? Should the claims history be maintained in a member-accessible portal?

A: The Contractor shall maintain a history of no less than thirty-six (36) months in the claims processing system used to process claims.

Page 20, B.15.a.i. Claims Processing and Payment

23. Does 'The Contractor must also provide an expedited review process to providers, and allow providers no less than 48 hours after the initial denial to initiate an expedited review' refer to when a provider is acting on behalf of a member?

A: Yes.

Page 21, B.15 b and c. Claims Processing and Payment

24. Is this requirement specific to claim denials only or does it cross apply to UM denials also?

A: This requirement applies to any and every denial made by the Contractor.

Page 21, B.15 d. Claims Processing and Payment

25. What level of access to medical advisors (i.e. peer reviewers) is requested and what would be the nature of that access?

A: PEBA may need to refer specific questions or claim files to medical advisors during its review of appeals to help answer medical questions or for them to review newly submitted information. The Contractor will need to facilitate getting those questions or information to the medical advisors, and then provide the medical advisors' responses back to PEBA.

Page 22, C.4 Behavioral Healthcare Provider Networks

26. We understand that there may be a variety of requests for implementation. However, can the State provide some examples regarding how they envision additional instructions post Implementation?

A: PEBA expects the Contractor to implement any necessary network modifications in a timely and accurate manner. An example of ongoing network performance would be implementing necessary changes in the network set-up to allow for certain network providers to provide telehealth services if credentialed to offer such services.

Page 22, C.5 and 6 Behavioral Healthcare Provider Networks

27. Our fee schedules are proprietary information. Will it be acceptable to submit ranges of average rates in lieu of the actual fee schedules?

A: No. Please refer to Section 1.26, Submitting Confidential Information, for how to designate information in your proposal as confidential, trade secret, or protected.

Page 22, C.6 Behavioral Healthcare Provider Networks

28. How does PEBA propose we address direct contracts with PEBA where we already have a contract with the same provider?

A: If PEBA elects to have direct contracts with behavioral health providers, it will include direct contracts with all behavioral health providers. Currently, we use the Contractor's proprietary network for behavioral health and the RFP is predicated on continuation of that structure. However, we reserve the right, as indicated in the RFP, to move to direct contracting. For about 30 years, PEBA has maintained direct contracts with general hospital and professional providers.

Page 22, C.6 Behavioral Healthcare Provider Networks

29. Can PEBA detail what level of collaboration would be desired in setting rates for fee schedules? Does PEBA expect to participate in contract negotiations?

A: PEBA does not expect to participate in contract negotiations. PEBA should be informed as to potential changes in contract status for key providers and should be kept informed regularly as to global trends with contract updates. During implementation, the Contractor and PEBA will establish protocols with regards to contract collaboration.

Page 23, C.6 Behavioral Healthcare Provider Networks

30. Can PEBA clarify the request for the appeal process as noted? Is this referring to provider requests to join the network, providers who provide continuity of care services but do not join the network and/or participating providers who are terminated for cause or not for cause?

A: This requirement relates to provider requests to join the network and participating providers who are terminated for cause or not for cause. It does not relate to providers who provide continuity of care services but do not join the network.

Page 22, C.7 Behavioral Healthcare Provider Networks

31. How many direct contracts does PEBA have in place with providers today?

A: Currently PEBA does not have any direct provider contracts for Behavioral Healthcare. PEBA does have thousands of direct contracts in place for general hospital and professional services.

Page 23, D.1.f Utilization Management

32. What is PEBA's expectation if a member is out of area? Should we cover or should services be denied for out of area?

A: Members who are out of area are to be managed in the same manner as those living in area. As such, services are covered for out of area members.

Page 23, D.1.g Utilization Management

33. Can you please clarify what is meant by provider profiling? Does it relate to referrals? Does it relate to evaluating the qualifications of the provider?

A: Provider profiling refers to analysis of provider cost and utilization patterns. Referrals are an aspect of provider profiling.

Page 23, D.5 Utilization Management

34. Can we get more clarity on PEBA's expectation? What is meant by 'collaborate with Rx manager'? Will we need to set up data feeds? Can we get additional information on the Opioid program?

A: PEBA seeks cooperation between its Contractors with the goal of providing the most efficient delivery of health care services. To the extent that there are opportunities to optimize care (e.g. most effective pharmacological treatment that augments services being delivered by providers in the Behavioral Health network), PEBA encourages those efforts. The Opioid management program in place is ESI's advanced opioid management program.

Page 24, E. Disease Management

35. Can you please detail regarding how this program works today, such as utilization by disease state, the modalities and member resources available through PEBA's current program? Also are there asynchronous video resources available to members? Can you provide details around how interventions are handled currently?

A: Offeror should propose the solution that it believes meets the requirements of the solicitation.

Page 24, F. Tobacco Cessation Program

36. Please describe in detail how the tobacco cessation program works today. Please include program utilization and quit rates for the past three (3) years. Please include information on current tobacco usage across the population today.

A: Participants enrolled in the tobacco cessation program have access to an evidence-based, comprehensive and customized tobacco cessation program. Details of the program requirements are found in Part 3, Scope of Work, Section F. Tobacco Cessation Program.

	<u>Participation</u>	<u>Quit rates</u>
<u>2018</u>	<u>336</u>	<u>52.8%</u>
<u>2019</u>	<u>384</u>	<u>52.9%</u>
<u>2020</u>	<u>263</u>	<u>53.6%</u>

Page 24, F. Tobacco Cessation Program

37. Please describe how the program is billed to PEBA. We understand it to be claims-based. Please confirm it is a case rate and provide the current case rate you are being charged. Please also provide any per subscriber per month cost as well.

A: The administrative fees payable to the Contractor shall be considered full and complete compensation for all goods, services and requirements to provide third-party administrator behavioral health benefits to PEBA. The Contractor shall receive a one-time per participant completion fee based on enrolled participants who complete the Tobacco Cessation Program. The Contractor shall receive reimbursement as a claim on a fee-for-service basis for nicotine replacement therapies (gum, lozenges, and patches). Additional details on costs of the current Tobacco Cessation Program can be found in Attachment 11, Tab 9.

Page 24, F. Tobacco Cessation

38. Is there a current incentive tied to enrollment or completion of the tobacco cessation program? If so, please provide details on this program. If not, is there a plan to add an incentive in the future?

A: State Health Plan and MUSC Health Plan subscribers who use tobacco or cover a dependent spouse or child who use tobacco, pay an additional monthly tobacco-use premium. For those members who pay the monthly tobacco-use premium and have completed the tobacco cessation program, this surcharge is waived following completion.

Page 26, G. 1. Eligibility of Subscribers and Computer Support

39. In what form does PEBA require certification and how do you define "timely manner"?

A: PEBA does not prescribe how the Contractor provides certification. Timely manner is defined such that delay in care does not occur.

Page 26, G. 5. Eligibility of Subscribers and Computer Support

40. What kind of acknowledgement is required? Is email confirmation sufficient?

A: An email confirmation is sufficient as a daily acknowledgement of files received and entered in the Contractor's system.

Page 26, G. 6. Eligibility of Subscribers and Computer Support

41. What are the acceptable file formats?

A: PEBA will work with the Contractor to determine a format that is mutually agreeable for the daily processing report requirement.

Page 27, G. 9. Eligibility of Subscribers and Computer Support

42. Are there additional acceptable alternatives other than VPN tunnel?

A: Vendors can submit a plan for secure transmission that must be approved by PEBA. SFTP is the preferred alternative. PEBA supports username/password and key authentication for SFTP.

Page 27, G.10. Eligibility of Subscribers and Computer Support

43. Does COB stand for Confirmation of Benefits?

A: See Amendment 1.

Page 27, G. 12. Eligibility of Subscribers and Computer Support

44. Can PEBA provide examples of the types of "direct updates" that will be made by PEBA?

A: See new language in Amendment 1.

Page 27, G. 12. Eligibility of Subscribers and Computer Support

45. We propose a dedicated client service manager to assist with making near real-time changes to eligibility in our system and PEBA will have access to view eligibility through our website. Is this suggested method sufficient or is providing access to our system a program requirement if not met will eliminate us from contention?

A: Yes, allowing PEBA access to view eligibility through a dedicated client service manager from the contractor's website is sufficient. See Amendment 1.

Page 27, G. 13. Eligibility of Subscribers and Computer Support

46. We propose a dedicated client service manager to assist with making real-time changes to eligibility in our system and PEBA will have access to view eligibility through our website. Is this suggested method sufficient or is providing access to our system a program requirement if not met will eliminate us from contention?

A: See answer to Question 45.

Page 27, G. 14. Eligibility of Subscribers and Computer Support

47. How often will the Contractor be required to notify PEBA of staff and access changes?

A: The Contractor should notify PEBA immediately of any staff and access changes impacting inquiry capabilities into PEBA's enrollment eligibility system, Employee Benefit Services (EBS).

Page 28, H. 1. Financial Arrangements

48. Does PEBA require the contractor to open a bank account solely for your plans?

A: No.

Page 28, H. 1. Financial Arrangements

49. In addition to the Per Subscriber Per Month rate for the behavioral health program, does the State have an appetite to also include a claims target with a shared risk arrangement?

A: No.

Page 29, I.2 1. Customer Support

50. Please describe the current customer service team design in place today with respect to level of dedication and actual number of team members delivering the services (staffing by service type, location, level of dedication, etc.)?

A: It is up to the Offeror to determine what level of staffing is needed to meet the stated requirements in Section I. Customer Service.

Pages 30-31, J. Communication and Training

51. How many home mailings per year to the full member population are expected? For these mailings, is first class postage required or does standard class postage suffice?

A: The Contractor shall work collaboratively with PEBA's Communications Department and Analytics and Health Initiatives staff to develop a variety of targeted marketing content and deliverables. There is not a set number of home mailings each year. The Contractor shall not conduct any mass mailings to enrolled eligible Members or contact benefit administrators or other benefits personnel without the prior express permission of PEBA.

Pages 30-31, J. Communication and Training

52. Can you provide a list of employee and/or member email addresses that the contractor can use to send email campaigns?

A: The Contractor shall work collaboratively with PEBA's Communications Department and Analytics and Health Initiatives staff to develop a variety of targeted marketing content and deliverables. All materials must be reviewed and approved by PEBA's Communications Department prior to use. The Contractor shall not conduct any mass emails without the prior express permission of PEBA.

Pages 30-31, J. Communication and Training

53. Does the State own a channel for social media posts?

A: PEBA manages its social media platforms, including Facebook, Twitter and Instagram. Deliverables for marketing content (Section J.2) may include social media templates that employers can use on their individual social media platforms.

Pages 30-31, J. Communication and Training

54. What are the best ways to communicate with your members? What are the dominant types/methods of communication used today?

A: The primary point of contact for our members is the members' employer. PEBA also sends a member e-newsletter, *PEBA Pulse*, several times each year. Contractors may also be required to communicate with members following the guidelines in Section J.

Pages 30-31, J. Communication and Training

55. Please provide a list of all locations where the annual Benefits at Work conferences are held and what general participation levels you experience to help us understand any staffing implications.

A: Typically, the conference is held over a three-day period in Columbia, SC, and more than 1,200 employers attend. Due to COVID-19, PEBA will not host an in-person conference in August 2021.

Page 34, J. Communication and Training

56. How many full membership mailings have been done in the past three years?

A: There have been no full membership mailings conducted in the past three years.

Page 34, J. Communication and Training

57. Please provide the number of training/education sessions held per year for 2019 and 2020.

A: In 2019, PEBA hosted 89 employer trainings and 192 member education sessions. Due to COVID-19, PEBA did not host in-person sessions in 2020.

Pages 32, K.1. Reporting

58. What details are being requested regarding "utilization summaries?" Should summaries be at the condition level or acuity level or by service/location level?

A: Offeror should propose the solution that it believes meets the requirements of the solicitation.

L Performance Guarantees

59. Please provide the current list of performance guarantees in place today as well as any measurement definitions. Please include any associated fees at risk as well as the total fees at risk.

A: Offerors should reference Section 5.1.4. Approach, Section L. Performance Standards and Guarantees (Liquidated Damages) for proposing, at a minimum, its standards/guarantees required as part of this Contract.

Page 36 M.2 Implementation Plan

60. What is PEBA's timeline for approval of the implementation plan once submitted for review?

A: Ideally, PEBA will approve the final implementation plan within 2 weeks of the Contractor submitting its implementation plan.

Pages 38-39 Part 5 Information for Offerors to Submit

61. Would it be acceptable to submit proposals in three-ring binders rather than spiral bound? The volume of materials required for the RFP response will be difficult to fit within spiral binding.

A: No. See Question 2a.

Page 50, L. Performance Standards and Guarantees (Liquidated Damages)

62. Provider Referrals: Could you outline what aspect of provider referrals you are looking to measure? Does this include, provider recruitment goals? As a component of our standard service we refer callers to providers that have practice competency in the areas needed by the caller; are you wanting to measure how many referrals we make by competency? What kind of targets are you looking for us to achieve?

A: Recruitment by competency appears to be necessary to align members' clinical needs with provider competencies. Reporting of members' presenting clinical needs at the point of contact should be documented and reported. It is also important that Offerors describe the rigor of the processes used to verify and document provider competencies.

Page 50, L. Performance Standards and Guarantees (Liquidated Damages)

63. Accuracy and Appropriateness of Authorization Determination: Could you outline what the scope and depth does this request include? As part of our standard operating procedures, our staff review clinical assessment information against clinical guidelines. Are you looking for an audit that they applied the guidelines appropriately?

A: At a minimum, the reporting should include audit results including compliance with clinical guidelines as well as the number and percentage of member cases that objectively required authorization found to be subject to authorizations, compliance with the guidelines, those not compliant, those that were not subject to an authorization but should have been and remediation tactics to increase compliance.

Tabs 5 and 6, Attachment 8 Pricing and Network Data

64. As an alternative, can we provide average reimbursement by state according to the listed codes in response to Tabs 6 and 7 in Attachment 8-Pricing and Network Data?

A: No.

Page 60, Contract Section 7.30.e Contractor's Liability Insurance-General

65. We request that the word "materially" be inserted into the sentence as follows: In addition, the Contractor shall notify PEBA immediately upon receiving any information that any of the coverages required by this section are or will be **materially** changed, cancelled, or replaced.

A: No. The RFP stands as written.

Page 60, Contract Section 7.30.g Contractor's Liability Insurance-General

66. We request that part g be removed from the contract language. The financial strength documentation already required in the RFP response demonstrates proof of ability to pay losses.

A: No.

Page 61, Contract Section 7.31.i Contractor's Liability Insurance-General

67. We request that the final sentence be struck from the contract language: ~~PEBA reserves the right to require complete, certified copies of all required insurance policies, including policy declarations and any endorsements required by this section, at any time.~~

A: No. The RFP stands as written.

Page 57, Contract Section 7.14 Publicity

68. We request that the publicity clause be mutual.

A: No. The RFP stands as written.

Page 58, Contract Section 7.22 Attorney's Fees

69. We request that the attorney's fees clause be mutual.

A: No. The RFP stands as written.

Page 77, Contract Section 7.56 Termination for Convenience

70. Due to the significant cost associated with implementing and maintaining the proposed program, we request termination for convenience only be available after the first 12 months of service and thereafter with 90 days prior written notice.

A: No. The RFP stands as written.

Page 61, Contract Section 7.31.j. Contractor's Liability Insurance General

71. We request that the word "materially" be inserted into the sentence as follows: (j) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify PEBA immediately upon receiving any information that any of the coverages required by this clause are or will be **materially changed, cancelled, or replaced.**

A: No. The RFP stands as written.

Page 62, Contract Section 7.31 I. Contractor's Liability Insurance General

72. We request that part I be removed from the contract language. The financial strength documentation already required in the RFP response demonstrates proof of ability to pay losses.

A: No.

Page 17, 2.1 Introduction – Existing Vendors

73. Who is PEBA's current EAP vendor? What is the EAP plan design in place today? If no EAP currently exists, is the State interested in information on an EAP?

A: PEBA does not have a statewide EAP and is not interested in any information on an EAP as part of this RFP.

Page 39, 5.1.2 Executive Summary

74. Please define what is meant by "brief." Is there a page limit, and if so, what is it?

A: "Brief" is a generally known, commonly used adjective, readily defined by recourse to any number of print or online dictionaries. There is no prescribed page limit for the Executive Summary.

Page 54, Award Criteria

75. Please provide additional granular detail about how the "Approach" and "Background and Qualifications" sections are scored from a point award perspective. It is indicated that the evaluation panel will assign points to these criteria subjectively. It would be helpful to understand the total points available for each section, how the points are applied, as well as the total points available in total for the entire proposal.

A: Details on how the "Approach" and "Background and Qualifications" sections will be scored will not be provided. The criteria are listed in order of importance and the RFP stands as written.

76. Describe what is meant by “behavioral health coaching” on the PEBA website. How is this different from what takes place in the State’s DM and/or CM programs today?

A: Members have access to a health coach that will work one-on-one with a member to help manage the symptoms of addiction recovery, attention deficit hyperactivity disorder, bipolar disorder and depression. Health coaching is a component of the disease management and/or care management programming currently in place.

77. Please provide the last three (3) years of annual behavioral health program utilization reports.

A: Information on the behavioral health management program utilization has been provided in Attachment 11.

78. Please provide the current provider fee schedule.

A: The current provider fee schedule is proprietary and confidential.

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

79. In the interest of continuity in case of any technological interruptions, can the pre-proposal conference be recorded?

A: No.

80. Is PEBA limiting its claims processing to the selected vendor, or does it reserve the right to ask the BH provider to coordinate payment of providers/claim processing through the current medical vendor?

A: The successful Contractor is responsible for all functions in the RFP involving claims processing.

81. If there is a network access target you would like us to meet, please define network access standards for our provider network.

A: Network access does not have a target. However, Offerors are reminded that network access does contribute to evaluation scoring.

82. Please provide your average MH/SUD 2020 provider reimbursement fees for the listed CPT codes and provider types in the following regions/cities: South Carolina State Average. Provide rate for each type requested. For example, reimbursement levels for CPT 90792/90791 for MD/PHD/MA would result in three fees: one for MDs, one for PHDs and one for MAs (i.e. any licensed MH/SUD provider with a masters' degree, including social workers, masters level psychologists, and counselors). Similarly, average residential per diem for child/adult would result in two per diems: one for child and one for adult.

- CPT 90792/90791 (initial) - MD/PHD/MA
- CPT 90834 (45 minutes) - MD/PHD/MA
- CPT 0364T or H2019 - CBA+ or RBT^
- CPT 90862 (med check) – MD
- Average MH/SUD Residential per diem - Child/Adult
- Average MH/SUD Inpatient acute per diem - Child/Adult
- Average MH/SUD OP unit cost across licensed, non-MD provider types - MH/SUD
- Average MH/SUD IP stay cost (excludes professional fees and ancillaries) - Child/Adult

+Certified Behavior Analyst

^Registered Behavior Technician

A: These data are not currently available for distribution

83. How many unique members are enrolled in the current tobacco cessation program?

A: As of March 2021, forty-seven unique members have enrolled in the current tobacco cessation program. See question 36 for enrollment for the past three years.

84. Is a 3 ring binder acceptable for spiral bound requirement?

A: See Question 2a.

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

General

85. Will complaints and grievances be delegated?

A: See answer to question 152 which clarified this question.

86. Can the Contractor accurately assume they will only be responsible for their own cost of participation in and provision of requested materials for any audits that are required?

A: Yes, as it relates to PEBA requested IT audits that are not included in the RFP as a contracted requirement.

Behavioral Health management Services Schedule of Key Dates in the Proposal Process and 1.31 Pre-Proposal Conference/Submission of Questions, Pages 6-7.

87. Can you please clarify the timeframe for submission of clarifying questions? Are we able to submit additional questions on April 19th, after the pre-proposal conference?

The Key Dates table on page 6 states “Questions on the Request for Proposal and Claims Data (requires NDA)” are due 4/12/2021 and that “(b) Final Deadline for Submission of All Questions,” is 4/19/2021.

A: As stated in the RFP document on Page 15, in order to have a meaningful discussion at the pre-proposal conference, questions should be submitted by April 12, 2021. However, from past experience, PEBA has allowed follow-up questions after the conference.

Part 3, Scope of Work, B. Claims Processing and Payment Requirement 5 and 15a(ii). Pages 19-21.
The requirements state that:

“Clinical reviewers must spend an adequate amount of time on each review, cursory reviews and reviews that do not consider the patient’s history are unacceptable. The Contractor’s records must document who reviewed the request; provide the credentials for the reviewer; how much time was spent on the reviews (date stamps will suffice); and an analysis of the applicable review criteria, Plan terms and patient history. Denials must include a robust analysis of why the claim is denied, with reference to the applicable Plan language, standards and determinations of applicable federal and state agencies and regulatory bodies, and utilization review and management standards established by the Contractor for the Plan, and as applied to the patient’s history and submitted records.”

And

ii. All internal appeal decisions, including for expedited review requests, will be reviewed thoroughly and appropriately. Clinical reviewers must spend an adequate amount of time on each appeal review, cursory reviews and reviews that do not consider the patient’s history are unacceptable. The Contractor’s records must document who reviewed the appeal request; provide the credentials for the reviewer; how much time was spent on the reviews (date stamps will suffice); and an analysis of the applicable review criteria, Plan terms and patient history. Appeal denials must include a robust analysis of why the appeal is denied, with reference to the applicable Plan language, standards and determinations of applicable federal and state agencies and regulatory bodies, and utilization review and management standards established by the Contractor for the Plan, and as applied to the patient’s history and submitted records, including any submitted on appeal that were not considered during the initial denial.

88. May the Offeror introduce automation to identify opportunities to streamline review times?

A: Offeror should propose the solution that it believes meets the requirements of the solicitation.

Part 3, Scope of Work, B. Claims Processing and Payment Requirement 5 and 15a(ii), Pages 19-21.

89. Can the State please define what is considered an “adequate amount of time” for each review?

A: The amount of time necessary to conduct a thorough, appropriate review, as required by the solicitation. “Adequate” is a generally known, commonly used adjective, readily defined by recourse to any number of print or online dictionaries.

Part 3, Scope of Work, B. Claims Processing and Payment, Requirement 10. Page 20,

90. Other than the third-party medical claims administrator (BlueCross), with how many and what entities/vendors will the Contractor need to connect to electronically in real time (e.g. eligibility portal, the pharmacy benefits manager ESI, the evidenced-based medicine contractor (Active Health Management), others)?

A: The third-party medical claims administrator (currently BlueCross) is the only vendor the Contractor is expected to maintain the necessary data link and transmit data to in real time or near-real time capacity.

Part 3, Scope of Work, C. Behavioral Healthcare Provider Networks Requirement 2. Page 22.

91. The requirement states “fee-for-service rates;” should this reference the Contractor’s negotiated network rates? If not, please describe.

A: Yes

Part 3, Scope of Work, D. Utilization Management Requirement 1. Page 23.

92. May the Offeror deploy automation as part of our Utilization Management process?

A: Offeror should propose the solution that it believes meets the requirements of the solicitation.

Part 3, Scope of Work, D. Utilization Management Requirement 3. Page 23.

93. Please elaborate on the State’s expectations regarding collaboration between behavioral health care providers and other providers.

A: PEBA expects the Contractor to coordinate behavioral health benefits for members with co-occurring disorders such that the member receives appropriate and effective care to ensure best health outcomes.

Part 3, Scope of Work, F. Tobacco Cessation Program Requirement 5. Page 25.
Requirement 5 states that:

The Contractor shall provide a Tobacco Cessation Program that can be aligned and compatible with PEBA's digital health and wellbeing platform, currently Rally Health, which is offered through PEBA's third-party medical claims administrator, BlueCross.

94. Can the State please clarify the expectations for Contractor to integrate with PEBA's digital health and wellbeing platform, currently offered through Rally Health?

A: PEBA members utilize a comprehensive digital health and wellbeing platform which promotes better health outcomes. Rally Health is the platform currently made available to Plan members through BlueCross, PEBA's current third-party medical claims administrator. The Contractor shall collaborate with PEBA and BlueCross, to incorporate promotion of the tobacco cessation program offering to member's utilizing Rally Health.

Part 3, Scope of Work, F. Tobacco Cessation Program Requirements 6 and 7. Page 25.

95. Can the State please clarify the expectations for Contractor to coordinate and collaborate with third-party medical claims processor and pharmacy benefits manager? Will regular Vendor Summits be held; if so, on what frequency and by phone or in-person? Will a data exchange file be shared by the medical and pharmacy vendors to the Behavioral Health contractor?

A: PEBA expects the Contractor to work with the third-party medical claims administrator and PBM to strategize on opportunities to promote and refer enrollment in the Tobacco Cessation Program to members when appropriate. PEBA would expect the Contractors to determine the most appropriate way to collaborate on such initiatives.

Part 3, Scope of Work, F. Tobacco Cessation Program Requirement 9. Page 25.

96. What is the expected frequency of reporting for Tobacco Cessation services?

A: Monthly.

Part 3, Scope of Work, F. Tobacco Cessation Program Requirement 10. Pages 25-26

97. Can the State please provide a sample of the daily program participation file to show the information and level of detail provided to meet the requirement 10: "The Contractor shall have the ability to provide daily a program participation file to PEBA and/or its third-party medical claims administrator, currently BlueCross . . ."

A: The Contractor should provide a participation report which includes but is not limited to the information required in Part 3, Scope of Work, F. Tobacco Cessation Program, Items 10 a-l.

Part 3, Scope of Work, G. Eligibility of Subscribers and Computer Support Requirement 12. Page 27.
Requirement 12 states:

The Contractor shall provide a secure online connection for the purposes of permitting selected PEBA personnel access to make online inquiries of the Contractor's database and the ability to make real-time changes to the Contractor's records regarding a Member's eligibility. The Contractor shall provide different levels of access to the database for employees based on PEBA's specifications. Regardless of the level of access, the data for all State Health Plan and MUSC Health Plan Members shall be accessible to the employee through a single sign-on. All changes by PEBA are subject to strict controls including a limited number of persons with access and use of passwords. The Contractor shall provide PEBA documentation of all direct updates by PEBA to the Contractor's databases. Data integrity, security requirements and HIPAA regulations require an encrypted connection for transfer of data. Secure online connections must support the most current best practice version of TLS for encryption unless otherwise pre-approved by PEBA. Connections other than web connections must use other best practice encryption, such as VPN, as approved by PEBA.

98. It is not our standard practice to provide our clients with access to our eligibility system to make changes to records regarding a Member's eligibility. We can provide PEBA access to view eligibility. We are also able to offer compensating Service Level Agreements for reviewing and responding to PEBA's requests for urgent eligibility changes. Would this deviation be acceptable to PEBA?

A: Yes. See answer to Question 45.

Part 3, Scope of Work, G. Eligibility of Subscribers and Computer Support, Requirement 12. Page 27.

99. Our system that allows clients to view eligibility does not have single sign-on. Pre-approved PEBA users would be set up for secure access of the application outside of our network (there is no need for a VPN connection). Does the access method described meet the bid requirements?

A: Yes. See answer to Question 45.

Part 3, Scope of Work, G. Eligibility of Subscribers and Computer Support Requirement 18. Page 27.

100. Would it disqualify an Offeror if we are unable to agree to instantaneous failover and recovery? Is a Recovery Point Objective (RPO) of greater than one hour acceptable to the State?

A: This will not disqualify an Offeror. PEBA is willing to accept a Recovery Point Objective (RPO) of within twenty-four (24) hours or less. See Amendment 1.

Part 3, Scope of Work, H. Financial Arrangements Requirement 1. Page 28.

101. Please confirm that the Contractor will not include a subscriber per month fee for Tobacco Cessation within the overall administrative fee and that the fees for the administration of these cases as well as accompanying devices such as nicotine replacement packages will be paid on a fee for service basis upon completion by a participant of the program. Will there be payment for partial participation? Can you supply data as to how many participants began but did not finish the program in the last year?

A: The administrative fees payable to the Contractor shall be considered full and complete compensation for all goods, services and requirements to provide third-party administrator behavioral health benefits to PEBA. The Contractor shall receive a one-time per participant completion fee based on enrolled participants who complete the Tobacco Cessation Program. There is not a completion fee for partial participation in the program. The Contractor shall receive reimbursement as a claim on a fee-for-service basis for nicotine replacement therapies (gum, lozenges, and patches).

Part 3, Scope of Work, H. Financial Arrangements Requirement 6. Page 29.
Requirement 6 states:

6. The Contractor shall provide a Statement on Standards for Attestation Engagement #18 (SSAE 18) report to PEBA by August 15 each year (both SOC1 type 2 report and a SOC2 report should be provided). The report should cover no less than 50 percent of the period in which the Contractor provided services to PEBA through June 30 of the same year.

Our current SOC report timeframe runs Jan – Oct calendar year. They are not done on a June 30 year-end basis.

We will be unable to provide a SOC report by August 15 covering the period through June 30. In the first year of the contract, our SOC report covering through Oct 2022 would be issued sometime around January 15, 2023.

Then, for the period July 2022 to June 2023, we would be able to provide a SOC report covering July – October 2022, but the SOC report for 2023 wouldn't be out yet. This report for July to October 2022 would not cover 50 percent of the period in which we provided services to PEBA.

102. Are the timing requirements in this area flexible in terms of the dates covered by the SOC report? We have continuous, annual SOC audits/reports.

A: The timeline is flexible. However, Annual SOC 1 reports are required.

Part 3, Scope of Work, H. Financial Arrangements. Requirement 6. Page 29.

103. Would it be acceptable to provide SOC2 Type II Audit reports annually for our co-located Primary Data Center and Backup Data Center (a Subcontractor's facility)?

A: Yes. This is acceptable.

Part 3, Scope of Work, I. Customer Service, Requirement 3. Page 29.

Requirement 3 states:

3. The Contractor shall assist Subscribers via a dedicated toll-free telephone crisis line staffed at all times, twenty-four (24) hours per day, including weekends and holidays, by qualified personnel who can provide referrals and assistance for emergencies to Subscribers, if necessary.

104. Please confirm that this requirement does not include routine referrals, but rather refers to providing emergency/crisis support 24 hours a day.

A: Confirmed.

Part 3, Scope of Work, I. Customer Service, Requirement 5. Page 30.

105. Is the 10 percent response rate requirement negotiable? We use a margin of error methodology to obtain a statistically valid sample size. Depending on member utilization, this may equate to less than 10 percent response rate. Would this meet the bid requirements?

A: See answer to Question 6.

Part 3, Scope of Work, I. Customer Service, Requirements 5 and 6. Page 30.

106. Is there a requirement to administer a quarterly and annual survey?

A: Section I.5 requires that the Contractor shall provide callers with a PEBA specific survey instrument to gauge customer satisfaction with the Contractor. After-call survey results should be submitted to PEBA quarterly. Section I.6 requires that the Contractor conduct an annual Customer Satisfaction Survey. Annual survey results should be submitted to PEBA following the survey.

Part 3, Scope of Work, I. Customer Service, Requirements 5 and 6. Page 30.

107. Please confirm that PEBA is requesting that member satisfaction survey results be reported to PEBA on a quarterly and annual basis.

A: See answer to Question 106.

Part 3, Scope of Work

J. Communications and Training. Pages 30-31.

108. With regard to the requested printed and mailed materials, can the State please provide the following information:

- # of households by state
- Type of mailing (letter in standard size envelope, postcard self-mailer, postcard with magnet, etc.)
- Type of postage (first class/certified mail, other)

A: See answer to Question 51.

Part 3, Scope of Work, J. Communications and Training, Requirement 5 Question 2. Pages 31 and 49.

109. Please clarify whether Question 2 is asking about our ability to cobrand communications for PEBA. Please provide an example of cobranding marketing materials.

A: For Question 2 on Page 49, the Contractor should describe its ability to customize communications for PEBA, including cobranding and content edits from the Contractor's standard content. A sample cobranding flyer is included as Attachment 13.

Part 3, Scope of Work, J. Communications and Training, Requirement 2. Page 30.

110. Please provide specific requirements for "targeted campaigns." Please clarify if and how the State expects Offeror to target campaigns (vs. our ability to promote general awareness through marketing collateral that we provide to the State).

A: The Contractor shall work collaboratively with PEBA's Communications Department and Analytics and Health Initiatives staff to develop a variety of targeted marketing content and deliverables. Targeted campaigns to promote benefits and services may include turnkey toolkits for benefits administrators (posters, flyers, email templates, social media posts, article templates etc.) and content for various media (e-blasts, text messaging, social media, video).

Part 3, Scope of Work, J. Communications and Training, Requirement 6. Page 31.

111. Understanding the Contractor will mail communication materials to the homes of retirees, COBRA participants, and survivors, what about mailings to the active employees? Are these home mailings also or are these bulk mailings, electronic, or attachments to other employee communications? What is the expectation for the types of documents and how many times per year are these materials distributed and how many times to the home?

A: Distribution to active employees is through the employee's benefits administrator at the employer. Information for active employees will primarily be available through the turnkey toolkits described in Section J.2.

Part 3, Scope of Work, J. Communications and Training, Requirement 9. Page 31.

Requirement 9 states:

9. The Contractor shall provide materials and an adequate number of its personnel as needed to inform providers, employers and Subscribers of rules, updates, changes, and other features of the behavioral health benefits, especially during the October open enrollment period. Training and education sessions may be held at PEBA or various employer sites statewide. All materials distributed by the Contractor are subject to prior approval by PEBA's Communications Department.

112. Can the State please clarify what is required for provider communications (frequency, type, method of distribution)?

A: Provider communications can include messaging on Plan changes that impact members benefits. Contractors should propose how they would communicate with providers to meet requirement.

Part 3, Scope of Work, J. Communications and Training, Requirement 9. Page 31.

113. Is it acceptable for the benefit changes communications to be electronic?

A: Communication may be sent electronically if the Member has selected to receive electronic communication. Otherwise, it must be mailed.

Part 5, Information for Offerors to Submit. Pages 38-39.

114. The RFP specifies that Offerors must submit mailed, hard copies of their proposal. Because of the COVID-19 pandemic, such a production is considered hazardous, per state and federal instructions. Therefore, may we submit our proposal electronically by email without paper copies?

A: This is a sealed proposal process and email is not an acceptable form of submission. PEBA has successfully opened proposals as required during the pandemic. The RFP stands as written.

Part 5, 5.1.2 Executive Summary, Subcontracting. Page 40.

115. May Offerors assume that only those terms specified in the Terms and Conditions must flow down to Offeror's subcontractors?

A: No.

Part 5, 5.1.4 Approach. C. Behavioral Healthcare Provider Networks, Question 1. Page 42.

There is reference to a file that we do not see posted on the procurement site. The question asks us to "Please complete the MS Excel exhibit "Network Roster.xlsx"

116. Can you please provide the referenced exhibit?

A: Yes. See Attachment 13.

Part 5, 5.1.4 Approach, C. Behavioral Healthcare Provider Networks, Question 1. Page 42.

117. This question asks for a comprehensive provider listing. Some of information requested could be considered confidential, such as provider TIN numbers (as these could be a provider's social security number). Please confirm it would meet the bid requirements for Offerors to provide a listing that excludes personally-identifying information such as provider TIN. Please further confirm that it is acceptable for us to include provider listings for only North Carolina and South Carolina, the states which comprise more than 98 percent of your total membership, with a GeoAccess report provided for the entirety of your membership, as further evidence of our network adequacy?

A: No. The RFP stands as written.

Part 5, 5.1.4 Approach, C. Behavioral Healthcare Provider Networks, Question 1. Page 42.

118. This question asks for a comprehensive provider listing. The information requested is information we consider proprietary and confidential during an RFP process. Please confirm it would meet the bid requirements for Offerors to provide a listing that excludes personally-identifying information such NPI.

A: No. The RFP stands as written.

Part 5, 5.1.4 Approach, C. Behavioral Healthcare Provider Networks, Question 23. Page 44.

119. Question 23 asks us to provide the average percentage of annual claims spend for out-of-network behavioral health care along with a distribution of the percentage between mental health and substance use disorder claims, and between subscribers and dependents. Please confirm we should provide 2020 data.

A: Confirmed. 2019 and 2020 data are acceptable.

Part 7, Terms and Conditions– A. General, 7.9 Fixed Pricing Required. Page 56.

120. Is the State amenable to adding language that allows Offeror to revisit their pricing should the number of covered employees change by plus or minus 10 percent?

A: No.

Part 7, Terms and Conditions– A. General, 7.13 Payment & Interest. Pages 56-57.

121. Please confirm whether or not the State is agreeable to Net 30 Day payment terms.

A: The clause stands as written.

Part 7, Terms and Conditions– B. Special, 7.30 CONTRACTOR'S LIABILITY INSURANCE-GENERAL (FEB 2015). Part 2(d). Page 60. ***Note: the section in question is actually 2(g).**

Part 2(d) states:

(d) Prior to commencement of the work, the Contractor shall furnish PEBA with original industry standard Acord certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this section. All certificates are to be received and approved by PEBA before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. PEBA reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this section, at any time.

We cannot agree to provide copies of policies. We can agree to provide certificates and applicable endorsements or sections of the policy to evidence compliance.

122. Would the State accept adding this statement after "at any time" so that the clause reads "...at any time, provided such request is reasonable and cannot be accommodated via providing certificates, endorsements or sections of the policy to evidence compliance."?

A: PEBA accepts the recommended change.

Part 7, Terms and Conditions– B. Special, 7.30 CONTRACTOR’S LIABILITY INSURANCE-GENERAL (FEB 2015), Requirement 2(g). Page 60.

Requirement 2(g) states:

(g) Any deductibles or self-insured retentions must be declared to and approved by PEBA. PEBA may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

We agree to disclose deductibles and self-insured retentions on the ACORD certificates.

As our insurance policies are purchased on an enterprise-wide basis rather than a per-contract basis, we cannot agree that deductibles/SIRs are subject to PEBA approval or will be modified per PEBA request.

123. Would State accept editing the second sentence to read:

“PEBA may require the Contractor to provide proof of ability to pay losses and related investigations, claims administration, and defense expenses within the retention.”

A: Yes. See Amendment 1.

Part 7, Terms and Conditions– B. Special, 7.31 CONTRACTOR’S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015), Requirement (i). Page 61.

Requirement i states:

(i) Prior to commencement of the work, the Contractor shall furnish PEBA with original certificates of insurance for every applicable policy effecting the coverage required by this clause. All certificates are to be received and approved by the Procurement Officer before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor’s obligation to provide them. PEBA reserves the right to require complete, certified copies of all required insurance policies, including policy declarations and any endorsements required by this section, at any time.

We cannot agree to this; the policies are considered confidential and proprietary. We agree to provide ACORD form certificates evidencing coverage, redacted declarations pages, and/or policy language or endorsements as needed to show compliance with Section 7.31.

124. Would the State accept adding this statement after “at any time” so that the clause reads “...at any time, provided such request is reasonable and cannot be accommodated via providing certificates, endorsements or sections of the policy to evidence compliance.”?

A: PEBA accepts the recommended changes.

Part 7, Terms and Conditions– B. Special, 7.31 CONTRACTOR’S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015), Requirement (k). Pages 61-62.

Requirement k states:

(k) Contractor hereby grants to PEBA a waiver of any right to subrogation which any insurer of said Contractor may acquire against PEBA by virtue of the payment of any loss under such insurance as is required by this clause.

Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not PEBA has received a waiver of subrogation endorsement from the insurer.

We do not agree to provide waiver of subrogation to PEBA as it relates to the Professional Liability or Network Security and Privacy policies. These policies are manuscripted and cannot be modified on a per-contract basis.

125. Will the State accept deleting this requirement as our Professional Liability and Network Security and Privacy policies cannot be modified to provide waiver of subrogation to PEBA?

A: No.

Part 7, Terms and Conditions– B. Special, 7.31 Contractor’s Liability Insurance – Information Security and Privacy (FEB 2015), Requirement (l), page 62.

Requirement (l) states:

(l) Any deductibles or self-insured retentions must be declared to and approved by PEBA. PEBA may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

We agree to disclose deductibles and self-insured retentions on the ACORD certificates.

Our insurance policies are purchased on an enterprise-wide basis rather than a per-contract basis; we cannot agree that deductibles/SIRs are subject to PEBA approval or will be modified per PEBA request.

126: Would the State accept editing the second sentence to read:

“PEBA may require the Contractor to provide proof of ability to pay losses and related investigations, claims administration, and defense expenses within the retention.”

A: Yes. See Amendment 1.

Part 7, Terms and Conditions– B. Special, 7.33 Default, page 62.

127: Is the State amenable to making the right to terminate for cause a mutual termination clause?

A: No; the RFP stands as written.

Part 7, Terms and Conditions– B. Special, 7.37 Indemnification – Third Party Claims – General 64

128: We respectfully request the following modifications to the clause below, with additions shown in yellow highlight and removed text shown in strikethrough. Would making these modifications disqualify an Offeror?

7.37 INDEMNIFICATION – THIRD PARTY CLAIMS - GENERAL.

(a) Notwithstanding any limitation in this Contract, and to the fullest extent permitted by law, Contractor will indemnify PEBA for any and all costs, expenses, settlement payments, attorney's fees, losses, liabilities, and damages from all suits or claims of any character brought by a third party, when the third party's claims arise out of or are in connection with the goods or services acquired under this Contract, ~~whether caused in whole or in part by any act or omission of~~ **when caused by** Contractor's, its subcontractors', their employees', workmen's, servants', **or** agents', ~~or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, and regardless of whether or not caused in part by PEBA~~ **1) breach of this Agreement, 2) negligence, or 3) willful misconduct. If a claim is caused by the fault of both parties, the apportionment of the resulting damages shall be shared by the parties based upon the comparative degree of each other's fault, and each shall be responsible for its own defense and costs associate therewith.** ~~The Contractor shall be required to indemnify under this section regardless of its own fault, but if PEBA's negligence is determined by the appropriate court to be the sole proximate cause of the suit or claim, the Contractor will not be required to indemnify PEBA under this paragraph.~~ PEBA will, at all times, retain the right to choose its own counsel and control its own defense.

(b) PEBA may, at its sole discretion, request Contractor to provide defense of the third party claim or suit. **Except as provided in subparagraph (a), above, if** PEBA elects defense, Contractor will bear full responsibility for any and all costs, expenses, settlement payments, attorney's fees, losses, liabilities, and damages resulting from the suit or claim. PEBA will give Contractor timely notice of the suit or claim. PEBA's failure to provide or delay in providing such notice will relieve Contractor of its obligations under this subparagraph only if and to the extent that such delay or failure materially prejudices Contractor's ability to defend such action. Contractor must provide counsel acceptable to PEBA. Contractor will keep PEBA apprised of all documents filed or sent to the third party in the claim or suit and allow PEBA the opportunity to review and provide input on the Contractor's draft documents before they are filed or sent. PEBA reserves the right to revoke its request for defense at any point and to undertake responsibility for its own defense, in which case Contractor will be required to indemnify PEBA under subparagraph (a) of this paragraph. Contractor may not, without PEBA's prior written consent, settle, compromise, or consent to the entry of any judgment in any such commenced or threatened action, suit, or claim.

A: No; the RFP stands as written.

Part 7, Terms and Conditions– B. Special, 7.42 Information Use and Disclosure (FEB 2015), Requirement (e), page 67.

This clause states:

“Before disclosing government information to a subcontractor or third party, Contractor shall give PEBA detailed written notice of both the reason for disclosure and the identity and location of the recipient. The notice shall be provided no later than fifteen (15) business days in advance of the disclosure.”

129: Does mean that Offerors need to disclose our list of subcontractors and why we disclose information to them once at the outset of the Agreement or that we would need to make this disclosure every time we disclose information to a subcontractor?

A: The Offeror should disclose this at the outset and/or when there are new subcontractors.

Part 7, Terms and Conditions– B. Special, 7.42 Information Use and Disclosure (FEB 2015), Requirement (e) pg. 67.

This clause states:

“Before disclosing government information to a subcontractor or third party, Contractor shall give PEBA detailed written notice of both the reason for disclosure and the identity and location of the recipient. The notice shall be provided no later than fifteen (15) business days in advance of the disclosure.”

130: Please define “government information.”

A: Government information is defined in the clause entitled “Information Security – Definitions”.

Part 7, Terms and Conditions – B. Special, 7.46 Performance Bond Required, page 69

131: The heading of this question suggests a performance bond is required, however, the clause following does not list a performance bond and rather states “the Contractor shall supply security in the form of cash; cash equivalent; or an unconditional, irrevocable, standby letter of credit on deposit . . .” Please clarify whether a performance bond satisfies the requirement.

A: The Contractor must comply with this Section as it is written.

Part 7 Terms and Conditions – B. Special, 7.46 Performance Bond Required, page 69

132. Please confirm it is acceptable for Contractors to use a bank with a physical location in surrounding states (North Carolina or Georgia) if our existing bank does not offer a South Carolina location.

A: The Contractor must comply with this Section as it is written.

Attachment 5 – Business Associate Agreement, pages 81-87.

133: Should Offerors return a signed copy of the Business Associate Agreement with our proposal due on May 12? Or will this be signed at a later date upon award of contract?

A: Offeror should return a signed, unmodified copy of the Business Associate Agreement with its proposal.

Attachment 5 – Business Associate Agreement 81 to 87

134: Is the State amenable to adding the following language to the Business Associate Agreement? To comply with 42 C.F.R. Part 2 we recommend adding the following:

“If Business Associate receives or has access to Protected Health Information that identifies an Individual as having an alcohol or drug use diagnosis, or having received treatment for such, either directly or indirectly, Business Associate acknowledges that in receiving, storing, processing, transporting or otherwise dealing with any such patient/member records, it is fully bound by the provisions of the Federal regulations governing the Confidentiality of Substance Use Disorder Patient Records, 42 C.F.R. Part 2.”

A: Agreed. See Attachment 5.

Attachment 6 – Non-Disclosure Agreement, 88-90

135: We are submitting our signed NDA along with these clarifying questions. Can you please clarify whether any additional confidential information will be provided to us now that we have submitted the NDA?

A: No. We realized after publication that all pertinent information was already published with the release of this RFP.

Attachment 8 – Pricing and Network Data, Tabs 1, 2, and 3

136: Are Tabs 1, 2 and 3 to be populated with our book-of-business information for those zip codes?

A: Offerors are to populate Tabs 1, 2, and 3 based upon their total commercial membership (e.g. excluding Medicare, Medicaid, etc.) that resided in the three digit ZIP codes and states listed in the exhibit during the requested time periods.

Attachment 8 – Pricing and Network Data, Tabs 1, 2 and 3

137: Please confirm that Tab 1 should be populated with inpatient hospital/facility programs provider network data, Tab 2 should be populated with outpatient hospital/facility programs provider network data, and Tab 3 should be populated with practitioner data.

A: Confirmed.

Attachment 8 – Pricing and Network Data, Tab 5

138 a: For tab 5, it appears that we should assume that this tab is for inpatient levels of care only. If so, we can determine units from the admit and discharge date provided; however, in some instances the procedure code is blank or is a value that looks like it could be an internal code compared to the CPT codes that are used universally. Can the CPT codes be provided for each claim?

A: Confirmed – Tab 5 cases are inpatient levels of care only. The procedure codes are not internal values. The values listed are ICD10 procedure codes and are listed as they were submitted. CPT4 codes are not available as these are strictly facility submitted claims.

138 b: Are any other levels of care included on this tab? In order to provide the most accurate analysis, may we have data on charged units for each claim?

A: No; Revenue code level data will not be provided.

Attachment 8 – Pricing and Network Data, Tab 6

139: On tab 6, CPT codes are provided for some claims but not all. How should the claims with blank codes be handled?

A: Tab 6 data are facility submitted claims. The values listed are ICD10 procedure codes.

Attachment 8 – Pricing and Network Data Tab 7 and Page 43 of RFP

140: Is Tab 7 requesting the contractor’s entire book of business claims for the zip codes and the procedure codes listed on page 43 of the RFP?

A: Offerors are to submit the statistics for the procedure codes listed for professional providers who are rendering services in the three-digit ZIP codes and state codes that participate in the network being proposed to service PEBA membership. Please limit the data to primary, commercial (e.g. exclude Medicare, Medicaid, etc.) contracts.

Attachment 11 - State Health Plan MUSC Health Plan claims and enrollment data, Tabs 1 and 2

141: Are “claimants” in Tabs 1 and 2 unique claimants?

A: Yes.

Attachment 11 - State Health Plan MUSC Health Plan claims and enrollment data, Tab 1

142: Does Tab1 include Residential Treatment Centers?

A: Yes.

Attachment 11 - State Health Plan MUSC Health Plan claims and enrollment data, Tab 2

143: Does Tab2 include Partial Hospitalization, intensive outpatient, ECT and RTMS?

A: Yes.

Attachment 11 - State Health Plan MUSC Health Plan claims and enrollment data, Tab 2

144: Are Applied Behavioral Analysis claims included in Tab 2?

A: No.

Attachment 11 - State Health Plan MUSC Health Plan claims and enrollment data, Tab 2

145: If Tab 2 displays only alternative hospital utilization data, is office visit utilization data available?

A: For the State Health Plan:

Year	Distinct Patients	Claims
2017	58,421	252,838
2018	62,462	280,658
2019	69,342	317,667
2020	74,823	333,208

For the MUSC Health Plan

Year	Distinct Patients	Claims
2017	3,075	14,884
2018	3,225	15,617
2019	3,788	17,938
2020	4,200	20,405

Attachment 11 - State Health Plan MUSC Health Plan claims and enrollment data, Tabs 5 and 7

146: Do Tabs 5 and 7 include substance abuse disorder claims?

A: Yes.

Part 1, Instructions to Offerors -A. GENERAL INSTRUCTIONS, 1.1 DEFINITIONS, CAPITALIZATION, AND HEADINGS, page 7 .

147: On page 7 it states “Subcontractor means any person having a contract to perform work or render service to Contractor as a part of the Contractor's agreement arising from this solicitation.” For purposes of flowing down the contract requirements, is a general vendor who provides office supplies considered a subcontractor under this definition?

A: Generally, no; a Subcontractor under this definition will perform or provide a portion of the work or services required under the Scope of Work or other provision of the solicitation.

Part 2, Scope of Work, J. Communications and Training , Requirement 5 and 5.1.4 Approach, J. Communications and Training, Question 2, pages 31 and 49.

148. Can you please clarify whether there is a distinction between the ability to “customize” materials versus “cobranding” of communication materials?

A: The Contractor should describe its ability to customize communications for PEBA, including cobranding and content edits from the Contractor’s standard content.

Part 2 Scope of Work, K. Reporting, Requirement 4, page 35.

149: For some data points, an internal audit is required before the metrics can be reported on. Is it acceptable to PEBA that for some of our performance guarantees, results will not be available by the last business day of the month following the close of the applicable quarter? Is there flexibility for Offeror to state in our proposal for each performance guarantee when the results will be made available to PEBA?

A: See Question 8. The additional time allowed should cover metrics subject to internal audit and the time to provide reporting. Offeror should include in its proposal which metrics are subject to internal audit that may require additional time.

Part 5 Information for Offerors to Submit, page 38.

150: Page 38 of the RFP states that we must submit a signed transmittal sheet to confirm that we have submitted the hard copies and electronic copies of our proposal. Can you please clarify where this transmittal sheet should be included? Should it be bound with our Business Proposal, or placed elsewhere and unbound, separate from our Business and Technical Proposals?

A: Offeror may create its own transmittal sheet for submission based on the Information for Offerors to Submit.

5.1.4 Approach, C. Behavioral Healthcare Provider Networks, page 44.

151: For Question 23, please confirm that you would like us to supply 2019 and 2020 data broken out as follows:

- 1: percentage of claims (out of total claims) spend on OON claims**
- 2: percentage of claims (out of total claims) that were MH claims**
- 3: Percentage of claims(out of total claims) that were substance use disorder claims**
- 4: Percentage of claims(out of total claims) that were for employee**
- 5: Percentage of claims(out of total claims) that were for someone other than the employee (a dependent)**

A: Offerors are to supply (for both 2019 and 2020 dates of service) the percentage of total claims that were out of network, the percentage of mental health claims that were out of network, the percentage of substance use disorder claims that were out of network, the percentage of mental health claims for employees that were out of network, the percentage of substance use disorder claims for employees that were out of network, the percentage of mental health claims for dependents that were out of network, and the percentage of substance use disorder claims for dependents that were out of network.

General question

152: Our original question submitted was: "Will complaints and grievances be delegated?" We understand that PEBA would like clarification on what we are asking.

Please confirm that the successful Contractor will be delegated the processing of member complaints/grievances (and that PEBA would not be maintaining that responsibility). Complaint/grievance delegation includes but is not limited to the following: full investigation of issues, sending acknowledgement/resolution letters, and review in our peer-review committee.

A: No, the Contractor does not have full authority over subscriber complaints and appeals. Subscribers have a statutory right to a final agency decision and judicial review on all claims, benefits, and enrollment denials. See Part 3, Scope of Work, Section B. Claims Processing, paragraph 15 for a detailed explanation of the appeals process required; Part 3, Scope of Work, Section I. Customer Service, for a detailed explanation of the customer service requirements; and Part 3, Scope of Work, Section J. Communications and Training, for a detailed explanation of the customer contact requirements.