

**Request for Proposals: Administrative Services and Fully Insured
Health Benefits Plans
RFP # OHB08-6
Issued: September 15, 2008**

**ADDENDUM # 2
Issued: October 17, 2008**

This Addendum incorporates certain general comments, general corrections to the RFP, and answers to questions received after the release of Addendum #1 on October 4, 2008.

GENERAL

The submission date was changed per Addendum # 1 to 2:00pm local prevailing time on November 3, 2008. This additional time will allow the Commonwealth to identify finalists in the PPEA procurement OHB08-2.

We anticipate that this will be the final Addendum, and any further questions or clarifications will be discussed during the next stage of the procurement with “finalists”.

General Changes to Released RFP:

1) In regards to the single ID card, we notice that there is one ID number (on the sample it is YTX...) and it notes that this is to be used for medical only. How do claims submissions work for the Rx, Dental and MISA vendors in turn if there is no identifier for these ancillary vendors on the card? Would the Rx, Dental and MISA vendors be expected to recognize the medical vendors' identification number? The reason for asking this is that a medical vendor would need to take into consideration continual eligibility interface with 3 other vendors to keep Rx, MISA and Dental partners apprised of adds/drops in eligibility and what their ID number is. How does the process work today and through what kind of data interchanges amongst vendors? Does an external 3rd party (albeit an Anthem-related 3rd party) manage and collect information from all 4 vendors? Or does Anthem manage a continual process of eligibility fees to Delta, Medco and Value Options?

We would appreciate your response and guidance on this so we can support your unique ID card requirements.

1) The "YTX" portion of the ID number is currently used only for medical claims submitted to Anthem. The remainder of the ID number (1234567XU) is used by all other

vendors for claim submission. The numeric portion of the ID card (1234567) is a COVA issued unique ID, and is included on eligibility files which are provided to all vendors by COVA.

2) On the Geo Access Exhibit (Exhibit 2) - for those geographic areas where we (Southern Health) do not hold an HMO license, is it appropriate to insert either "N/A" or "No HMO License" in the area provided?

2) Yes

3) What is the average number of qualifying events that occur on a monthly or annual basis for COVA?

3) Please work with the data you have been provided

4) How should a fully insured plan offering provide tiered rates for year one and two given Schedule 2-1 only allows for a PMPM number? Can we provide the rates in an attachment and reference in 2-1? Recommendations are appreciated.

4) For insured plans only, it is OK to provide rates in an attachment and reference in schedule 2-1

5) Per the information in the spreadsheet provided with the RFP, I count 30,710 enrollees with Medical coverage (26706 + 4004) and 16,757 enrollees with Dental coverage (12518 + 4239).

5) The total number of COVA Care enrollees is 92,743. All COVA Care plans, including COVA Care Basic, include basic (diagnostic, preventive and primary) dental coverage.

6) Since the 25,107 for CC4 relates to expanded coverage for both Medical and Dental, please advise where the Commonwealth wants this enrollment accounted for (Medical or Dental plan) for admin fee development purposes?

6) The Medical and Dental benefits under the COVA Care program are being procured with two separate RFPs. Enrollment should be accounted for in separately in Medical and Dental proposals

7) Also, we can't determine from any of the documents reviewed what plan CC5 - CovaCare All represents. Please advise where I can find a description of this plan in the member handbook, RFP or some other provided document!

7) For clarification purposes, following is a definition of each plan:

CC0 - COVA Care Basic - medical and basic dental coverage

CC1 - COVA Care Out Network - medical and basic dental PLUS optional out of network coverage

CC2 - COVA Care Dental - medical and basic dental PLUS optional expanded dental (complex restorative and ortho) coverage

CC3 - COVA Care Out Netwrk/Dent - medical and basic dental PLUS optional out of network and expanded dental coverage

CC4 - COVA Care Vsn/Hr/Dnt - medical and basic dental PLUS optional vision, hearing and expanded dental coverage

CC5 - COVA Care All - medical and basic dental PLUS all optional coverages -- out of network, expanded dental, vision and hearing

8) Medical and Rx RFP -- In regards to the TLC membership - We understand that these members were not included on the geographic census file. Can you give any resource that might give indication of which local entities purchase into this program and where they are located? Our reasoning is that we would like to estimate probable enrollment in a given geography. If they are largely concentrated in Richmond, or Northern Virginia for example, we could estimate enrollment brackets on Cost Section 2-1 (14) with more clarity.

8) TLC groups are located throughout the state, and are not largely concentrated in any specific area.

9) There are several performance standards/guarantees that do not specify liquidated damages. Is the Commonwealth just looking for measurement/reporting of those standards with no penalty assessed?

9) The amount of liquidated damages will be determined during negotiations with the finalist