

Request for Proposal (RFP) ETG0003
Administrative Services for the State of Wisconsin
Health Benefit Program



Issued by the
State of Wisconsin
Department of Employee Trust Funds
On behalf of the Group Insurance Board

Release Date: July 22, 2016

TABLE OF CONTENTS

TABLE OF CONTENTS	2
EXHIBITS AND APPENDICES	2
FORMS.....	3
SECTION 8 ATTACHMENTS	3
1 GENERAL INFORMATION	4
2 PREPARING AND SUBMITTING A PROPOSAL	12
3 PROPOSAL SELECTION AND AWARD PROCESS.....	15
4 MANDATORY PROPOSER QUALIFICATIONS	19
5 PROGRAM SPECIFICATIONS	19
6 GENERAL QUESTIONNAIRE.....	20
7 TECHNICAL QUESTIONNAIRE.....	25
8 COST, DATA, AND NETWORK SUBMISSION REQUIREMENTS.....	29
9 CONTRACT TERMS AND CONDITIONS	36

EXHIBITS AND APPENDICES

- Exhibit 1 – Pro Forma State of Wisconsin Contract
- Exhibit 2 - Standard Terms and Conditions (DOA-3054)
- Exhibit 3 - Supplemental Standard Terms and Conditions for Procurement for Services (DOA-3681)
- Exhibit 4 – Department Terms and Conditions
- Exhibit 5 – State of Wisconsin Department of Employee Trust Funds Regional Map
- Appendix 1 – 834 Companion Guide
- Appendix 2 – Pharmacy Data Specifications
- Appendix 3 – Wellness Data Specifications
- Appendix 4 – Claims Data Specifications
- Appendix 5 – Provider Data Specifications
- Appendix 6 – Disease Management Guidelines
- Appendix 7 – State Employer Group Roster (ET-1404)
- Appendix 8 – Local Employer Group Roster (ET-1407)
- Appendix 9 – Health Insurance Fact Sheet (ET-8902)
- Appendix 10 – Financial and Utilization Data
- Appendix 11 – Quality of Care Metrics

FORMS

- FORM A – Proposal Checklist (*to be provided with RFP in July, 2016*)
- FORM B – Mandatory Proposer Qualifications (*to be provided with RFP in July, 2016*)
- FORM C – Subcontractor Information (*to be provided with RFP in July, 2016*)
- FORM D – Proposer Verification of Data Submission to Board Actuary (*to be provided with RFP in July, 2016*)
- FORM E – ETG0003 Designation of Confidential and Proprietary Information
- FORM F – ETG0003 Non-Disclosure Agreement (NDA)
- FORM G – DOA-3261 Request for Proposal
- FORM H – DOA-3477 Vendor Information
- FORM I – DOA-3478 Vendor References

SECTION 8 ATTACHMENTS

NOTE: These are provided as a separate attachment of Excel spreadsheets.

- Attachment A – Regional Bid Designation
- Attachment B – Network Access
- Attachment C – Repricing Layout
- Attachment D – Repricing – Service Category
- Attachment E – Repricing - Providers
- Attachment F – Repricing – Contract Types
- Attachment G – Contract Improvements
- Attachment H – Market Pricing
- Attachment I – ASO Fees
- Attachment J – Capitation
- Attachment K – Self Insured Projection
- Attachment L – Actuarial Certification

1 GENERAL INFORMATION

1.1 INTRODUCTION

The purpose of this Request for Proposal (RFP) is to provide interested and qualified health benefits plan administrative vendors with information to prepare and submit competitive Proposals to provide third party administrative services for the State of Wisconsin Group Health Insurance Program (GHIP) and the Wisconsin Public Employer (WPE) program for local government employees, managed by the Wisconsin Department of Employee Trust Funds (ETF). This RFP details the procedures the Proposer must follow to submit a Proposal.

The Contract will be administered and managed by ETF, with oversight by the State of Wisconsin Group Insurance Board (the "Board"). This RFP document and the awarded Proposer's (Contractor's) Proposal response shall be incorporated into the Contract by reference.

1.2 CURRENT STATE AND BACKGROUND

ETF is a State of Wisconsin agency that administers retirement, health, life, disability, and long-term care insurance programs for approximately 600,000 State and local government employees and annuitants.

1.2.1 Health Insurance Program

The GHIP/WPE programs, primarily fully insured health plans administered by ETF and 18 contracted health plans, are for the employees of 58 State agencies, the State of Wisconsin Legislature, the University of Wisconsin (UW) System, the University of Wisconsin Hospital and Clinics, 368 local government employers', retirees, and dependents. The GHIP/WPE programs make up one of the largest health plan groups in Wisconsin, spending \$1.4 billion in health insurance premiums annually.

Currently, most health insurance benefits (98%) are administered through 17 competing, fully insured health plans that offer a prescribed, "uniform benefit" package called the "It's Your Choice (IYC) Health Plan", as well as a high-deductible health plan (HDHP) option. The health plans follow the Board's guidelines for eligibility and program requirements and participate in an annual competitive premium rate bid process. Most health plans are health maintenance organizations (HMOs) and one is a preferred provider organization (PPO).

The State also administers a small self-insured offering through both the "IYC Access Health Plan" and "State Maintenance Plan" that are administered through a single administrator. The IYC Access Health Plan provides freedom of choice for providers and also has an HDHP option. The State Maintenance Plan offers the IYC Health Plan benefit design, including a HDHP option, and is available in regions in Wisconsin where there is not reasonable access to providers through a fully insured health plan.

The pharmacy benefit program is self-insured and has been administered through a Pharmacy Benefit Manager (PBM) since 2004. This includes providing Medicare Part D benefits through an Employer Group Waiver Plan (EGWP) since 2012.

The dental benefit program is also self-insured as of 2016. Enrollees of the GHIP/WPE programs may opt out of dental coverage during the annual open enrollment period.

Table 1 lists the number of individuals enrolled in the GHIP/WPE programs for 2016. More detailed information is located in Appendix 1 State of Wisconsin Enrollment Data.

Table 1 2016 Enrollment Data (Includes Medicare Enrollees)

	STATE		LOCAL		Grand Total	
	Subscribers	Members	Subscribers	Members	Subscribers	Members
ACTIVE EMPLOYEE	61,719	157,448	12,780	36,004	74,499	193,452
SINGLE	20,443	20,443	3,139	3,139		
FAMILY	41,276	137,005	9,641	32,865		
ANNUITANT	26,126	38,607	2,254	3,333	28,380	41,940
SINGLE	14,880	14,880	1,372	1,372		
FAMILY	11,246	23,727	882	1,961		
CONTINUANT	144	230	43	78	187	308
SINGLE	108	108	30	30		
FAMILY	36	122	13	48		
GRADUATE ASSISTANT	7,503	10,611			7,503	10,611
SINGLE	5,725	5,725				
FAMILY	1,778	4,886				
Grand Total	95,492	206,896	15,077	39,415	110,569	246,311

Open Enrollment: Dates for the annual open enrollment period, known as “It’s Your Choice” (IYC), are set by the Board each year. The 2016 open enrollment period will begin October 17 and end November 11. Program and benefit changes are primarily disseminated via employer groups and the ETF website.

Benefit Consultant: In November of 2015, the Board’s benefit consultant, Segal Consulting (Segal), presented a report containing analysis of the current GHIP/WPE programs and recommended strategies for program design that would contain future cost increases and improve health outcomes while increasing the efficient delivery of quality health care to Members. A significant component of the report is a recommendation for a Total Health Management model that includes driving engagement in wellness and disease management programming. As a result of this recommendation, the Board has approved 2016 solicitations for a third party administrator of wellness and disease management programs, the development of a data warehouse, and proposals to evaluate self-insurance and regionalizing the health insurance program. A link to Segal’s report and a link to the implementation memo can be found in Table 2 Background Information.

Data Warehousing / Business Intelligence Vendor: As stated above, the Board approved the procurement for a Data Warehousing / Business Intelligence (DW/BI) vendor. The RFP for these services will be issued in mid-2016, with a contract start date target of early 2017. Section 5 of this RFP details requirements associated with this new DW/BI vendor.

Wellness & Disease Management Vendor: As stated above, the Board approved the procurement for a Wellness and Disease Management vendor. The RFP for these services was issued in April 2016, with a contract start date target of August 2016. Section 5 of this RFP details requirements associated with the new Wellness vendor.

Employer Groups: There are 58 different State agencies in the GHIP program, which operate under eight (8) different payroll processing centers. There are currently 368 local government employers offering health benefits to employees through the WPE program. This participation

varies slightly, each year, due to an annual opt-in and opt-out provision for any local government employer in Wisconsin. The UW System Administration manages payroll functions for the 13 four-year campuses and the 13 two-year campuses with locations throughout the State. See Appendix 2 GHIP/WPE Employer Group Detail for a complete list of employer groups. Also, see Appendix 3 Department of Corrections (DOC) Work Locations, and Appendix 4 State Work Locations (non-DOC) for physical locations of employer groups.

1.2.2 Additional Background Information

Table 2 (below) provides links to additional background information. This information is provided to assist the Proposer in completing a RFP response.

Table 2 Background Information

Titles	Web Address
Information about the GHIP/WPE programs	http://etf.wi.gov/publications/et8902.pdf
It's Your Choice Open Enrollment Material	http://etf.wi.gov/members/IYC2016/IYC_home.asp
Benefit Consultant November 10, 2015 Report to the Board (Second Report)	http://etf.wi.gov/boards/agenda-items-2015/gib1117/item3ar.pdf
Office of Strategic Health Policy February 9, 2016 Memo to the Board for Implementation of Benefit Consultant Recommendations	http://etf.wi.gov/boards/agenda-items-2016/gib0217/item5c.pdf
Wisconsin Administrative Code: Chapter ETF 11 Appeals	http://docs.legis.wisconsin.gov/code/admin_code/etf/11
Wisconsin State Statutes Chapter 40	http://www.legis.state.wi.us/statutes/Stat0040.pdf
ETF Insurance Complaint Information	http://etf.wi.gov/publications/et2405.pdf

1.3 FUTURE STATE: PROJECT SCOPE AND OBJECTIVES

The State is requesting service be provided for the following areas:

1. Statewide/Nationwide, Self-Funded
2. Multiple Regional, Self-Funded

It is the State's intention to obtain services, as specified in this RFP, with Contracts between the selected Proposers and the State.

The Department may award multiple Contracts for each region as a result of this RFP. Refer to Exhibit 5 – State of Wisconsin Department of Employee Trust Funds Regional Map for the listing of the specific regions. Proposers may submit a Proposal for multiple regions as well as statewide/nationwide. An award in each region is not guaranteed. For each region proposed,

the Proposer must designate the regions proposed in Section 6, 7 and 8 as instructed in those sections.

Proposers must be able to provide all services and meet all of the requirements requested in this RFP and shall remain responsible for Contract performance regardless of any subcontractor's work.

The objective of this RFP is to acquire health benefits administrators to provide Services that will accommodate the current Uniform Benefit plan design and enhance the value of the plan through the following changes:

- Transition to a self-insured health benefit program;
- Regional, statewide, and nationwide networks;
- Consistent administration of health benefits;
- Value based plan design; and
- Data sharing and strategic coordination with other Contractors and/or third party administrators, such as the State's data warehouse, PBM, consulting actuaries, wellness Contractors, etc.

The Proposer may offer regional and/or one statewide provider network to accommodate all eligible State and WPE members. Many of these members are located in rural areas of Wisconsin, or are out-of-state.

The Proposer must administer the Uniform Benefits, as written in the Agreement in Exhibit 1, beginning January 1, 2018.

The Board will only consider proposals to operate the group health plan on a self-insured (administrative services only) arrangement. Prescription drug coverage is not provided through this program.

1.4 PROCURING AND CONTRACTING AGENCY

This RFP is issued for the State of Wisconsin by the Department of Employee Trust Funds on behalf of the State of Wisconsin Group Insurance Board. The Department is the sole point of contact for the State of Wisconsin in the selection process. The terms "State," "ETF," and "Department" may be used interchangeably in this RFP and its attachments.

Prospective Proposers are prohibited from contacting any person other than the individual listed here regarding this RFP. Violation of this requirement may result in the Proposer being disqualified from further consideration.

Express delivery:

Michael D. McNally, Jr.
RFP ETG0003
Dept. of Employee Trust Funds
801 West Badger Road
Madison, WI 53713-2526

USPS Mail delivery:

Michael D. McNally, Jr.
RFP ETG0003
Dept. of Employee Trust Funds
PO Box 7931
Madison, WI 53707-7931

Telephone: 608-261-9032
FAX: 608-267-0633
E-mail: ETFSMBProcurement@etf.wi.gov

1.5 DEFINITIONS AND ACRONYMS

Words and terms shall be given their ordinary and usual meanings. Where capitalized in this RFP, the following definitions and acronyms shall have the meanings indicated unless otherwise noted. The meanings shall be applicable to the singular, plural, masculine, feminine, and neuter forms of the words and terms.

Business Day means each Calendar Day except Saturday, Sunday, and official State of Wisconsin holidays (see also: Calendar Day, Day).

Calendar Day refers to a period of twenty-four (24) hours starting at midnight.

Calendar of Events means the schedule of events in RFP Section 1.9.

Confidential Information means all tangible and intangible information and materials being disclosed in connection with the Contract, in any form or medium without regard to whether the information is owned by the State of Wisconsin or by a third party, which satisfies at least one of the following criteria: (i) Personally Identifiable Information; (ii) Protected Health Information under HIPAA, 45 CFR 160.103; (iii) Proprietary Information; (iv) non-public information related to the State of Wisconsin's employees, customers, technology (including data bases, data processing and communications networking systems), schematics, specifications, and all information or materials derived therefrom or based thereon; (v) information expressly designated as confidential in writing by the State of Wisconsin; (vi) all information that is restricted or prohibited from disclosure by State or federal law, including Individual Personal Information and Medical Records as governed by Wis. Stat. § 40.07, Wis. Admin. Code ETF 10.70(1) and 10.01(3m); (vii) any material submitted by the Proposer in response to this RFP that the Proposer designates confidential and proprietary information and which qualifies as a trade secret, as provided in Wis. Stat. § 19.36 (5) or material which can be kept confidential under the Wisconsin public records law, and identified on a Designation of Confidential and Proprietary Information form (DOA-3027). Pricing information cannot be held confidential.

Contract means the written agreement resulting from the successful Proposal and subsequent negotiations that shall incorporate, among other things, this RFP and the successful Proposer's Proposal, and all modifications to this agreement, and in addition shall contain such other terms and conditions as may be required by the State of Wisconsin.

Contractor means the Proposer who is awarded the Contract.

CDT means Central Daylight Time covering a time period of mid-March to early November each calendar year.

CST means Central Standard Time covering all time periods not CDT.

Day means Calendar Day unless otherwise indicated.

Department or **ETF** means the Wisconsin Department of Employee Trust Funds.

ETF Program Manager means the primary contact established by ETF for the Contract.

GHIP means the State of Wisconsin Group Health Insurance Program.

GIB means the State of Wisconsin Group Insurance Board.

HIPAA means the Health Insurance Portability and Accountability Act of 1996.

Individual Personal Information or **IPI** is defined in Wisconsin Administrative Code § ETF 10.70(1), and means all information in any individual record of the Department, including the date of birth, earnings, contributions, interest credits, beneficiary designations, creditable service, marital or domestic partnership status, address, and social security number, but does

not include information in any statistical report, other report or summary in which individual identification is not possible.

Mandatory means the least possible threshold, functionality, degree, performance, etc. needed to meet the mandatory requirement.

Proposal means the complete response of a Proposer submitted on the approved forms and setting forth the Proposer's pricing for providing the Services described in this RFP, which includes all attachments, exhibits, appendices and all other documents referenced herein.

Proposer means any individual, company, corporation, or other entity that responds to this RFP. Used interchangeably with "Vendor," Proposer means a firm or individual submitting a Proposal in response to this RFP.

Protected Health Information or **PHI** is health information protected under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Title 45 of the Code of Federal Regulations, Section 160.103.

RFP means Request for Proposal.

Services means all work performed, and labor, actions, recommendations, plans, research, and documentation provided by the Contractor necessary to fulfill that which the Contractor is obligated to provide under the Contract.

State means the State of Wisconsin.

State Statutes or **ss** or **Wisconsin Statutes** or **Wis. Stat.** means Wisconsin State Statutes referenced in this RFP, viewable at: <http://www.legis.state.wi.us/rsb/stats.html>.

Subcontractor means a person or company hired by the Contractor to perform a specific task or provide program content as part of the Contract.

USPS means the United States Postal Service.

UW means the University of Wisconsin System with 13 four-year campuses and 13 two-year campuses with locations throughout the State.

Vendor means a person or company that sells goods or provides services. Used interchangeably with "Proposer," Vendor means a firm or individual submitting a Proposal in response to this RFP.

WPE means Wisconsin Public Employer as defined under Wis. Stat. § 40.02 (28), other than the State, which has acted under Wis. Stat. § 40.51 (7), to make health care coverage available to its Employees.

Please see ETF's glossary at: <http://etf.wi.gov/glossary.htm> for additional definitions.

In addition, see all definitions located in Exhibit 1 – Pro Forma State of Wisconsin Contract.

1.6 CLARIFICATION OF THE SPECIFICATIONS AND REQUIREMENTS

Proposers must submit any questions concerning this RFP via e-mail (no phone calls) to ETFSMBProcurement@etf.wi.gov. The subject line of the e-mail must state "**ETG0003 RFP**" and the e-mail must be received on or before the date identified in Section 1.9 Calendar of Events for "Proposer Questions and Letter of Intent Due Date". Proposers are expected to raise any questions they have concerning this RFP at this point in the process.

Questions must be submitted as a Microsoft Word document using the format specified below:

Table 3 Format for Submission of Clarification Questions

No.	RFP Section	RFP Page	Question
Q1			
A1			
Q2			
A2			

Proposer's e-mail must include the name of the Proposer's company and the person submitting the question(s). A compilation of all questions and answers, along with any RFP updates, will be posted to the **ETF Extranet** (<https://etfonline.wi.gov/etf/internet/RFP/rfp.html>) no later than the date indicated in Section 1.9.

If a Proposer discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the Proposer should immediately notify the individual identified in Section 1.4 of such error and request modification or clarification of this RFP document.

If it becomes necessary to update any part of this RFP, updates will be published on ETF's Extranet listed above, which is part of ETF's website, and will not be mailed. Electronic versions of this RFP and all appendices and exhibits are available on ETF's Extranet.

1.7 PROPOSER CONFERENCE

There is no scheduled Proposer conference. A Proposer conference is an opportunity for Proposers to ask questions. If ETF decides to hold a Proposer conference, a notice will be posted on ETF's Extranet at <http://etfextranet.it.state.wi.us/etf/internet/RFP/rfp.html>. Note, unless this notice is posted, no conference will be held.

1.8 REASONABLE ACCOMMODATIONS

ETF will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities, upon request.

1.9 CALENDAR OF EVENTS

Listed below are the important dates by which actions related to this RFP must be completed. If the Department finds it necessary to change any of the specific dates and times in the Calendar of Events listed below, it will do so by issuing a supplement to this RFP via the ETF Extranet listed in Section 1.6. No other formal notification will be issued for changes in the estimated dates.

Table 4 Calendar of Events*

Date	Event
July 22, 2016	ETF Issues RFP
August 5, 2016	Proposer Questions, Letter of Intent, and Non-Disclosure Agreement Due Date
August 19, 2016	ETF Posts Addendum #1
August 26, 2016	Additional Proposer Questions Due Date
September 2, 2016	ETF Posts Addendum #2 (if necessary)
September 20, 2016 2:00 PM CDT	Proposals Due Date and Time
November 15, 2016	Group Insurance Board meeting
July 1, 2017	Contract Start Date

**All dates are estimated except the submission of Proposer Questions and Proposal Due Dates.*

1.10 CONTRACT TERM

The Contract term for providing administrative services for group health coverage will commence on the Contract start date and shall extend through December 31, 2022. The Board retains the option, by mutual agreement of the Board and the successful Proposer, to renew the Contract for two (2) additional two (2) year periods extending the Contract through December 31, 2026, subject to the satisfactory negotiation of terms, including pricing.

Cost increases for any Contract renewals shall be negotiated in good faith and mutually agreed upon by both the parties.

1.11 LETTER OF INTENT

A letter of intent indicating that a Proposer intends to submit a response to this RFP shall be submitted to ETF by the date indicated in Section 1.9 Calendar of Events. In the letter, the Proposer shall identify the Proposer's company and give the name, location, telephone number, and e-mail address of one or more persons authorized to act on the Proposer's behalf. Proposers shall submit the letter of intent via e-mail to the address in Section 1.4. The RFP number and title must be referenced in the Proposer's contact e-mail. The letter of intent does not obligate the Proposer to submit a Proposal. Submitting a letter of intent is a pre-requisite to submitting a Proposal.

1.12 NO OBLIGATION TO CONTRACT

The Board reserves the right to cancel this RFP for any reason prior to the issuance of a notice of intent to award. The Board does not guarantee to purchase any specific dollar amount.

Proposals that stipulate that the Board shall guarantee a specific quantity or dollar amount will be disqualified.

1.13 VENDORNET REGISTRATION

Only Proposers registered with the State of Wisconsin's VendorNet will receive automatic future official notice for bid opportunities for Services. VendorNet, the State of Wisconsin's purchasing information and vendor notification service, is available to all businesses and organizations that want to sell to the State. Anyone may access VendorNet on the Internet at <http://vendornet.state.wi.us> to get information on State purchasing practices and policies, goods and services that the State buys, and tips on selling to the State.

1.14 RETENTION OF RIGHTS

All Proposals become the property of ETF upon receipt. All rights, title and interest in all materials and ideas prepared by the Proposer for the Proposal to ETF shall be the exclusive property of ETF and may be used by the State of Wisconsin at its discretion.

2 PREPARING AND SUBMITTING A PROPOSAL

2.1 GENERAL INSTRUCTIONS

The evaluation and selection of a Proposer will be based on the information submitted in Proposer's Proposal plus references, any presentations (if requested), interviews, demonstrations, responses to requests for additional information or clarification, any on-site visits or best and final offers (BAFOs), where requested.

Failure to respond to each of the requirements in this RFP may be the basis for rejecting a Proposal.

Elaborate Proposals (e.g., expensive artwork), beyond that sufficient to present a complete and effective Proposal, are neither necessary nor desired.

2.2 INCURRING COSTS

The State of Wisconsin and ETF are not liable for any costs incurred by Proposers in replying to this RFP, making requested oral presentations, or demonstrations.

2.3 SUBMITTING THE PROPOSAL

Proposers must submit the following, including all materials required for acceptance of their Proposal:

- One (1) original hard copy Proposal, clearly labeled "ORIGINAL";
- Ten (10) identical hard copy paper copies of the original paper Proposal, marked as "COPY." Indicate the copy number (for example: 1 of 10, 2 of 10, etc.); and
- One (1) USB flash drive, which includes the following:

- One (1) file folder of all un-locked and non-password protected electronic Proposal files in Microsoft Word/Microsoft Excel, and/or Adobe Acrobat 9.0 format. The file folder must be labeled “[Proposer Name] PROPOSAL”. Exclude all Section 8 attachments from this file folder.
- One (1) file folder of all electronic Proposal files **EXCLUDING or REDACTING all confidential and proprietary information** in the format of Microsoft Word/Microsoft Excel, and/or Adobe Acrobat 9.0 format. This file folder must be labeled “[Proposer Name] REDACTED PROPOSAL”. This is the file that will be submitted to requestors for open records requests. Note that no matter what method the Proposer uses to redact, ETF is not responsible for checking that the redactions match the Proposer’s **FORM E – ETG0003 Designation of Confidential and Proprietary Information**. Proposer should be aware that ETF may need to electronically send the redacted materials to members of the public and other Proposers when responding appropriately to open records requests. ETF is not responsible for checking that redactions, when viewed on-screen via electronic file, cannot be thwarted. ETF is not responsible for responding to open records requests via printed hard copy, even if redactions are only effective on printed hard copy. ETF may post redacted Proposals on ETF’s public website in exactly the same file format the Proposer provides, and ETF is not responsible if the redacted file the Proposer provides does not adequately protect the information when the redacted file is copied and pasted, uploaded, e-mailed, or transferred via any electronic means. Exclude all Section 8 attachments from this file folder.
- The exterior of the USB flash drive shall clearly be labeled with the Proposer Name and the RFP number.

Proposers must submit the Proposal to the address listed in Section 1.4 Procuring and Contracting Agency by the due date and time listed in Section 1.9 Calendar of Events. Refer to Section 8 for instructions on submittal of the cost proposal and additional financial data.

All Proposals must be time-stamped as accepted by Employee Trust Funds by the stated time. Proposals not so stamped in by Employee Trust Funds on or prior to the stated due date and time will not be accepted and shall be considered late. Receipt of a Proposal by the State of Wisconsin mail system does not constitute receipt of a Proposal by Employee Trust Funds, for the purposes of this RFP.

Proposals submitted via fax or e-mail will not be accepted.

The Proposer’s Proposal must be packaged, sealed and show the following information on the outside of the package:

- “[Proposer’s Company Name and Address]”;
- Title: ETG0003 Administrative Services for the State of Wisconsin Health Benefit Program; and
- Proposal Date: “[Proposal Date of Submission]”.

Refer to Section 8 for specific instructions for submitting the cost proposal and financial data documents.

2.4 PROPOSAL ORGANIZATION AND FORMAT

Proposers responding to this RFP must comply with the following format requirements. ETF reserves the right to exclude any Proposals from consideration that do not follow the required format as instructed below.

Proposals must be typed and submitted on 8.5 by 11-inch paper and bound securely.

Only provide promotional materials if they are relevant to a specific requirement of this RFP. If provided, all materials must be included with the response to the relevant requirement and clearly identified as “promotional materials.” Electronic access to such materials is preferred, which includes flash drives and web links.

Proposers responding to this RFP must comply with the following format requirements:

Front Cover Include at a minimum the following information:

- Proposer's Company Name;
- Title of the following:
Proposal Response for the Wisconsin Department of Employee Trust Funds RFP ETG0003 Administrative Services for the State of Wisconsin Health Benefit Program
- Proposal Date; and

TABLE OF CONTENTS Provide a table of contents for the Proposal.

TAB 1 Provide the following in the following order:

- TRANSMITTAL LETTER: A signed transmittal letter must accompany the Proposal. The transmittal letter must be written on the Proposer's official business stationery and signed by an official that is authorized to legally bind the Proposer. Include in the letter:
 - I. Name, signature and title of Proposer's authorized representative;
 - II. Name and address of firm;
 - III. Telephone number, and e-mail address of representatives who will be providing Services under this RFP;
 - IV. RFP number and title: ETG0003 Administrative Services for the State of Wisconsin Health Benefit Program; and
 - V. Executive Summary.
- FORM A – Proposal Checklist
- FORM B – Mandatory Proposer Qualifications
- FORM C – Subcontractor Information
- FORM D – Proposer Verification of Data Submission to the Board's Consulting Actuary (*TBD*)

- FORM E – ETG0003 Designation of Confidential and Proprietary Information
- FORM F – ETG0003 Non-Disclosure Agreement (NDA)
- FORM G – DOA-3261 Request for Proposal
- FORM H – DOA-3477 Vendor Information
- FORM I – DOA-3478 Vendor References
- Current Form W-9 Request for Taxpayer Identification Number and Certification (from the Department of the Treasury, Internal Revenue Service: <https://www.irs.gov/pub/irs-pdf/fw9.pdf>)

TAB 2 Response to Sections 6 (GENERAL QUESTIONNAIRE) and 7 (TECHNICAL QUESTIONNAIRE)

Provide a point-by-point response to each and every statement in Section 6 and Section 7. The response must follow the same numbering system, use the same headings, and address each point or sub-point.

2.5 MULTIPLE PROPOSALS

Proposers will submit one Proposal that may include bids for multiple regions as well as statewide/nationwide options as indicated in the submission of the Section 8 Attachments.

2.6 WITHDRAWAL OF PROPOSALS

Proposals shall be irrevocable until the Contract is awarded unless the Proposal is withdrawn. Proposers may withdraw a Proposal in writing at any time up to the date and time listed in Section 1.9 Calendar of Events on the Proposal closing date or upon expiration of three (3) Calendar Days after the Proposal Due Date and time if received by ETF. To accomplish this, the written request must be signed by an authorized representative of the Proposer and submitted to the contact listed in Section 1.4 Procuring and Contracting Agency. If a previously submitted Proposal is withdrawn before the Proposal Due Date, the Proposer may submit another Proposal at any time up to the Proposal Due Date and time.

3 PROPOSAL SELECTION AND AWARD PROCESS

3.1 PRELIMINARY EVALUATION

Proposals will initially be reviewed to determine if Mandatory requirements are met. Failure to meet Mandatory requirements as stated in FORM B - Mandatory Proposer Qualifications, or failure to follow the required instructions for completing the Proposal as specifically outlined in this RFP may result in rejection of the Proposal.

3.2 CLARIFICATION PROCESS

Clarifications from Proposers may be requested by ETF for the purpose of clarifying ambiguities or questioning information presented in the Proposal. Clarifications may occur throughout the Proposal evaluation process. Clarification requests will include appropriate references to this RFP or the Proposal. Clarification responses shall be in writing and shall address only the information requested. Responses shall be submitted to ETF within the time required.

3.3 PROPOSAL SCORING

Proposals that pass the preliminary evaluation may be reviewed by an evaluation committee and scored against predetermined criteria. The committee may review written Proposals, references, additional clarifications, oral presentations, site visits and other information to score Proposals. ETF may request reports on a Proposer's financial stability, and if financial stability is not substantiated, may reject a Proposer's Proposal. ETF may request demonstrations of the Proposer's proposed products(s) and/or service(s), and review results of past awards to the Proposer by the State of Wisconsin.

A Proposer may not contact any member of the RFP evaluation committee.

The evaluation committee's scoring will be tabulated and Proposals will be ranked based on the numerical scores received.

The evaluation committee reserves the right to stop scoring a Proposal at any point during the evaluation. If the committee chooses to do this, the committee would compare each Proposer's score to the highest score. If a Proposer's score is not reasonably apt to exceed the highest score during the rest of the scoring process, no matter how well the Proposer scores, either via that Proposer moving up in the ranking, or the highest scorer moving down in the ranking, the committee may remove the Proposal from further consideration.

3.4 EVALUATION CRITERIA

Proposals will be evaluated based upon the proven ability of the Proposer to satisfy the requirements in an efficient, cost-effective manner, taking into account quality of service. Proposals will be scored using the following criteria:

Table 5 Evaluation Criteria

RFP SECTION	DESCRIPTION	TOTAL POINTS	%
6	General Questionnaire	XXX	XX%
7	Technical Questionnaire	XXX	XX%
8	Cost, Data, Utilization and Network Proposal	XXX	XX%
	Proposal Total	X,XXX	100

Results of reference checks will be used to clarify and substantiate information in the written Proposals. The reference checks may be considered when scoring the responses to the general and technical questionnaires in this RFP.

The points stated above are the maximum amount awarded for each RFP section listed above.

3.5 METHOD TO SCORE THE COST

The lowest Cost Proposal will receive the maximum number of points available for the cost category. Other Cost Proposals will receive prorated scores based on the proportion that the costs of the Proposals vary from the lowest Cost Proposal. The scores for the cost category will be calculated with a mathematical formula.

The method to score Section 8 will be performed by the Board's actuary.

3.6 ORAL PRESENTATIONS, DEMONSTRATIONS, AND/OR SITE VISITS

The top scoring Proposers, based on the evaluation of their written Proposal in the general and technical questions of this RFP only, may be required to participate in oral presentations, interviews and/or site visits to supplement the Proposals, if requested by ETF. This may include demonstrations of Proposer's technological solutions, data management and reporting capabilities and interviews with key staff who may interact with ETF program staff, Board members, and Members.

Not all Proposers may be invited for oral presentations, demonstrations, and/or site visits. ETF will make every reasonable attempt to schedule each oral presentation or demonstration at a time and location that is agreeable to the Proposer. Failure of a Proposer to interview or permit a site visit on the date scheduled may result in rejection of the Proposer's Proposal.

By submitting a Proposal in response to this RFP, the Proposer grants rights to ETF to contact or arrange a visit with any or all of the Proposer's clients and/or references.

3.7 CONTRACT AWARD

Based on the results of the evaluation committee and taking into account all of the evaluation factors, the evaluation committee, along with the Board's actuary results, will recommend Proposal(s) to the Board for award. The Proposal(s) determined to be most advantageous to the health benefit program will be selected by the Board for further action. The Board reserves the right not to award a Contract. If contract negotiations cannot be concluded successfully with the awarded Proposer(s), the Board may negotiate a Contract with the other Proposer(s) not selected in the initial recommendation.

3.8 BEST AND FINAL OFFER (BAFO)

ETF reserves the right to solicit a BAFO and conduct Proposer discussions, request more competitive pricing, clarify Proposals, and contact references from the finalists, should it be in the State of Wisconsin's best interest to do so. ETF is the sole determinant of its best interests.

If a BAFO is solicited, it will contain the specific information on what is being requested, as well as submission requirements, evaluation criteria as composed by the Committee, and a timeline with due date for submission. Any BAFO responses received by ETF after the stated due date will not be accepted. Proposers that are asked to submit a BAFO may refuse to do so by submitting a written response, indicating their response remains as originally submitted. Refusing to submit a BAFO will not disqualify the Proposer from further consideration.

3.9 RIGHT TO REJECT PROPOSALS AND NEGOTIATE CONTRACT TERMS

This RFP does not commit the Board to awarding one or multiple contracts, or paying any cost incurred in the preparation of a Proposal in response to this RFP. The Board retains the right to accept or reject any or all Proposals, or accept or reject any part of a Proposal deemed to be in the best interest of the Board. The Board shall be the sole judge as to compliance with the instructions contained in this RFP.

The Board may negotiate the terms of the Contract, including the award amount and the Contract length, with the selected Proposer prior to entering into a Contract. The Board reserves the right to add contract terms and conditions to the Contract during contract negotiations and subsequent renewals.

3.10 NOTIFICATION OF INTENT TO AWARD

All Proposers who respond to this RFP will be notified in writing of the Board's intent to award the Contract as a result of this RFP. All decisions and actions under this RFP are solely under the authority of the Board. This procurement is authorized under Chapter 40 of the Wisconsin State Statutes. Procurement statutes and rules that govern other State agencies may not be applicable.

3.11 APPEALS PROCESS

The appeals procedure applies to only those requests for bids/proposals for Services that are over \$50,000. Notices of intent to protest and protests must be made in writing. The appeal must state the contract number, detailed factual grounds for the objection to the contract award, and must identify any Wisconsin Statutes and/or Wisconsin Administrative Codes that are alleged to have been violated. Protestors can only submit one appeal per award.

The written notice of intent to protest the Notice of Intent to Award of a Contract must be filed with:

Express/Common Carrier Delivery:

Group Insurance Board
c/o Robert J. Conlin, Secretary
Wisconsin Department of Employee Trust Funds
801 West Badger Road
Madison, WI 53713-2526

USPS Delivery

Group Insurance Board
c/o Robert J. Conlin, Secretary
Wisconsin Department of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931

This notice must be received in the ETF office no later than five (5) Business Days after the Notice of Intent to Award is issued. Fax and e-mail documents will not be accepted. The written protest must be received within ten (10) Business Days after the Notice of Intent to Award is issued.

The decision of the Group Insurance Board is final and subjective judgment of evaluators is not appealable.

4 MANDATORY PROPOSER QUALIFICATIONS

This section is pass/fail. (0 points)

Use FORM B – Mandatory Proposer Qualifications to respond.

The following requirements are Mandatory for any Proposer who submits a Proposal. Failure to comply with one or more of the Mandatory qualifications may disqualify the Proposer. A response to each item in FORM B – Mandatory Proposer Qualifications is a Mandatory qualification.

Conditions of the Proposal that have the word “must” or “shall” describe a Mandatory qualification.

- 4.1 Pursuant to Wis. Stat. § 16.705 (1r), the Services must be performed within the United States.
- 4.2 Proposer agrees that any work products developed by Proposer as part of the project described in this RFP (e.g. all written reports, drafts, presentation and meeting materials, etc.) shall become the property of ETF.
- 4.3 The Proposer has no conflict of interest with regard to any other work performed by Proposer for the State of Wisconsin.
- 4.4 The Proposer has not been suspended or debarred from performing federal or State government work.
- 4.5 During the past five (5) years, the Proposer has not been involved with any litigation alleging breach of contract, fraud, breach of fiduciary duty or other willful or negligent misconduct. Or during the past five (5) years, the Proposer has not been in bankruptcy or receivership. If a response of “DISAGREE”, provide details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Proposer.
- 4.6 The Proposer must agree to all terms and conditions of the Contract located in Exhibit 1. The Proposer must not have any assumptions or exceptions to the Contract.

5 PROGRAM SPECIFICATIONS

This section is NOT scored. (0 points)

The Department will execute the State of Wisconsin Contract located in Exhibit 1 with awarded Contractor.

All terms, standards, specifications and conditions listed in the Contract are **Mandatory** requirements.

Failure to comply with any term, standard, specification or condition within the Contract may disqualify the Proposer.

The Department will not allow any assumptions or exceptions within the Proposer's Proposal to the Contract.

6 GENERAL QUESTIONNAIRE

This section is scored. (XXX total points)

The purpose of this section is to provide ETF and the Board with a basis for determining the Proposer's capability to undertake the Contract.

All Proposers must respond to the following by restating each question or statement and providing a detailed written response. Instructions for formatting the written response to this section are found in Section 2.4 Proposal Organization and Format.

The Proposer must be able to perform Services according to the requirements contained in this RFP.

The Proposer must provide sufficient detail for the Board and ETF to understand how the Proposer will comply with each requirement. If the Proposer believes that the Proposer's qualifications go beyond the minimum requirements or add value, the Proposer should indicate those capabilities in each section.

The listing of any dollar amounts related to any service or fee will not be allowed within the Proposer's written Proposal.

6.1 EXPERIENCE

The Proposer's Proposal package, at a minimum, must address the following items, organized as indicated below:

- 6.1.1** Provide a general description of your company including the size of the company, number of years in business, number of employees and primary line of business.
- 6.1.2** Highlight any acquisitions, and/or mergers or other material developments (e.g., changes in ownership, personnel, business, etc.) pending now or that occurred in the past five (5) years at the company. Disclose any potential mergers or acquisitions that have been recently discussed by senior officials, and could potentially take place within the next three (3) years after the Contract start date.
- 6.1.3** Submit your company's audited financial statements for the two (2) most recent fiscal years including the audit opinion, balance sheet, statement of operations, and notes to the financial statements.

- 6.1.4** Complete the tables below illustrating your organization's current enrollment and clients. For clients that are comprised of multiple employer groups, count them as one employer in your response. The range shown in the "Employer Group Size" column represents the total number of eligible employees.

Self-Insured Book of Business:

Employer Group Size	Total # of Subscribers	Total # of Covered Lives	# of Public Sector Employers	# of Private Sector Employers
Less than 500				
≥ 500, < 2000				
≥ 2000, < 10,000				
≥ 10,000, < 50,000				
More than 50,000				

Fully-Insured Book of Business:

Employer Group Size	Total # of Subscribers	Total # of Covered Lives	# of Public Sector Employers	# of Private Sector Employers
Less than 500				
≥ 500, < 2000				
≥ 2000, < 10,000				
≥ 10,000, < 50,000				
More than 50,000				

6.2 STAFF QUALIFICATIONS

- 6.2.1** List the qualifications of the dedicated Account Manager, and their back-up, who would be assigned to the Contract. Include:
- a) Information about their professional qualifications.
 - b) Number of years' experience in managing large accounts.
 - c) Number of other accounts, and their size, for which the dedicated Account Manager will be overseeing.
 - d) A specific example of how the dedicated Account Manager has resolved general administrative problems identified by a client.
- 6.2.2** Provide a list of the key, qualified staff that will assist the Account Manager in fulfilling the requirements of the Contract, including their names, titles and duties. Describe the strengths and experience that each of these staff are able to bring to the project described in this RFP. Provide an organizational chart that shows the reporting structure for the key staff.

6.3 CUSTOMER SERVICE

- 6.3.1** Explain how your company plans to meet the customer service requirements as specified in the Pro Forma State of Wisconsin Contract in Exhibit 1. Provide examples of reports or materials related to meeting these requirements.
- 6.3.2** Describe your organization's policies and procedures for handling member contacts (e.g., calls, emails, etc.) during times of peak volume (e.g., open enrollment, new plan year).
- 6.3.3** Patients demonstrate a wide range of understanding and ability with regard to selecting and using their health coverage, choosing providers, and engaging with care. Describe your organization's efforts to address health literacy issues and promote informed decision-making skills and active patient participation in their health care. Responses should address the following topics:
- Health literacy policies and practices
 - Evaluation of effectiveness of oral, printed, and web communications (including billing statements and enrollment materials)
 - Initiatives to increase patient engagement

6.4 IMPLEMENTATION

- 6.4.1** Submit a detailed implementation plan identifying the tasks necessary to fulfill the requirements of the Contract, such as programming changes, subcontractors involved, timeline, etc. Refer to Exhibit 1, Sections 265 and 315A.

6.5 DATA SECURITY

6.5.1 Hosting Environment.

- A. Provide a description of the hardware, software, communication mediums, and other infrastructure necessary to meet the requirements of the Contract at no additional cost to the State, including any licenses that must be maintained.
- B. Provide a description of the physical security safeguards enforced with your private hosted datacenter or datacenters hosted by a third party cloud provider.
- C. Describe in detail how your network is architected to secure the data and thwart unwanted/unknown access to your applications or systems. At a minimum, cover:
 1. Overview of network access control;
 2. Network access controls for administrator access;
 3. Security devices used to protect the infrastructure;
 4. Change control processes for all systems;
 5. Security updates and patch management for all systems;
 6. Host-based firewall and anti-malware protection;

7. Explanation of how much of the infrastructure/systems is owned and managed by the Proposer and if it's hosted, how much control the Proposer has or does not have to change the configuration on each system (servers, switches, routers, firewalls, Security Information Event Management (SIEM), Intrusion Protection Systems (IPS), Intrusion Detection System (IDS), etc.);
8. Encryption between systems and any Public Key Infrastructure (PKI); and
9. Internal wireless and wired networks, whether remote or directly connected, that has privileged network access to the infrastructure or systems that house the applications used to provide the web-portal.

6.5.2 Application Architecture

- A. Provide a description of the high level architecture for the solution, supported with diagrams depicting the interactions among the system components. The purpose of these diagrams is to ensure that ETF understands the essential design of the proposed solution and can determine that the design is generally consistent with the budget, scope, and capabilities represented in this RFP. Diagrams should include architectural views that reflect the application architecture, information architecture and related data models, and corresponding software and hardware architectures.
- B. Include a discussion of the particular industry standards that are incorporated in the application architecture. If proprietary standards or interfaces are used please include the rationale and describe the advantage over current industry standards.
- C. Include a discussion of the standard web technologies, frameworks and software platforms adopted in the development of the web user interface (e.g. JQuery, JavaScript, Hypertext Preprocessor (PHP), Ajax, Python, C#, Java, .Net).
- D. Include a discussion of the Software Development Life Cycle (SDLC) process for the system.
- E. Include a discussion of the how the SDLC incorporates the application security principles outlined by Open Web Application Security Project (OWASP) (<http://www.owasp.org>), also include how the system is protected against common web application vulnerabilities which include but not limited to Cross-site scripting (XSS), Structured Query Language (SQL) injection, Cross-site request forgery (CSRF), and remote code execution.

6.5.3 User Security Awareness Training

- A. Provide details to explain your policies and procedures for user security awareness training for all your staff. At a minimum, cover:
 1. Programs used to train employees and content of the programs;
 2. How often trainings occur; and
 3. Any processes used to validate that employees are retaining what they learned.

6.5.4 Account/Identity Management

- A. Describe how the solution will provide for secure access for participants in the system. Describe the user registration process, the association of user accounts to participant information provided by ETF. Describe how you would prevent users

from intentionally or unintentionally accessing other participants' information. Describe how the solution is designed to prevent accidental or incidental access.

- B. Describe the account management and account recovery process.
- C. Provide details to explain how passwords and user accounts are managed to protect against unauthorized access to any systems or applications. At a minimum, cover:
 - 1. Password complexity requirements for all accounts (web-portal user accounts, Proposer employee accounts, administrator accounts and service/shared accounts);
 - 2. Onboarding process for employees and contractors;
 - 3. Off boarding process for employees and contractors; and
 - 4. Describe the technical solution and the authentication standards that will be implemented to integrate with other third party providers.

6.5.5 Auditing and Logging

- A. Describe in detail your logging and auditing policies and procedures. At a minimum, cover:
 - 1. Record of who did what and when;
 - 2. Log retention;
 - 3. Logging practices;
 - 4. Syslog or SIEM;
 - 5. Auditing practices and procedures in each area of technology (web, application, operating system, database);
 - 6. User and administrator auditing;
 - 7. Service or shared account auditing;
 - 8. Audit history reporting practices to clients, such as ETF; and
 - 9. Cooperation practices with clients to do forensics for security incident response situations.

6.5.6 Vulnerability Management and Penetration Testing

- A. Provide details on your vulnerability management program and penetration testing practices and procedures. At a minimum, cover:
 - 1. Vulnerability scanning practices;
 - 2. Vulnerability scanner tools;
 - 3. Remediation practices;
 - 4. Vulnerability reporting policy and practices to clients, such as ETF;
 - 5. Penetration testing practices;
 - 6. Depth of the penetrating tests, such as, how much is done (social engineering, password cracking, Denial of Service (DOS), etc.); and
 - 7. Penetration testing reporting policy and practices to clients, such as ETF.

6.5.7 HIPAA Security

- A. Describe how your company will maintain confidentiality and comply with HIPAA security, privacy, and electronic data interchange requirements. Address the data security of data centers, networks, the web-portal, vendor to vendor transfers, and at onsite events.

7 TECHNICAL QUESTIONNAIRE

This section is scored. (XXX total points)

The purpose of this section is to provide ETF and the Board with a basis for determining the Proposer's capability to undertake the Contract.

All Proposers must respond to the following by restating each question or statement and providing a detailed written response. Instructions for formatting the written response to this section are found in Section 2.4 Proposal Organization and Format.

The Proposer must be able to perform Services according to the requirements contained in this RFP.

The Proposer must provide sufficient detail for the Board and ETF to understand how the Proposer will comply with each requirement. If the Proposer believes that the Proposer's qualifications go beyond the minimum requirements or add value, the Proposer should indicate those capabilities in each section.

The listing of any dollar amounts related to any service or fee will not be allowed within the Proposer's written Proposal.

7.1 SERVICE REGIONS

The Board is considering a regional approach as described in Section 8. The Board is also interested in statewide and/or nationwide options.

- 7.1.1 Explain the approach for determining the breadth of the provider network to be offered so that provider access standards are met and the network consists of providers determined to be high quality and cost-competitive.
- 7.1.2 Explain the contract terms and the duration of existing contracts with any major providers, provider groups, and facilities in your network.

7.2 PROVIDER NETWORK MANAGEMENT

The Proposer must provide strong network management that not only provides the necessary network oversight, but that also demonstrates leadership in network development, innovation, collaboration, and overall patient quality of care.

- 7.2.1 Describe the current approach to developing high quality, cost-competitive provider networks, including a description of the specific quality and cost criteria used and plans to expand or enhance.

- 7.2.2** Describe efforts to leverage data and technology and/or collaborate with providers on initiatives and pilot programs to address current population health issues.
- a) Include in the description any collaboration and data sharing with external vendors (e.g., pharmacy benefit manager(s), data warehouse vendor(s), etc.),
 - b) include how you track and evaluate the success of the programs, and
 - c) provide a specific example in which a troubling trend was identified, the action taken, and the results of the action taken.
- 7.2.3** Describe the methods (e.g., provider contracts, benefit design, data and technology, etc.) to steer care toward providers that achieve the best outcomes in terms of quality and cost.
- 7.2.4** Explain the process to track, compare, and provide your feedback to providers regarding practice patterns relative to best practices for each of the following categories:
- a) Prescription drug prescribing patterns relative to peers.
 - b) Rates of diagnostic procedures ordered (e.g., lab, imaging, etc.) relative to peers.
 - c) Rates of high cost procedures relative to peers.
 - d) Repeat procedures within given timeframes relative to peers.
- 7.2.5** Describe your model for engaging primary care providers to improve patients' quality of care. Provide specific outcomes associated with your model.
- 7.2.6** Describe your model for ensuring adequate access to behavioral health services. Provide specific outcomes associated with your model.
- 7.2.7** Describe any innovative approaches to Network Management that you have implemented that were not yet addressed in this Section 7.2, and specifically describe how those efforts have improved the quality of care and/or reduced costs.

7.3 PROVIDER REIMBURSEMENT

- 7.3.1** Describe your current provider contracts that include the reimbursement methods listed below. Describe the reimbursement method in detail, the length of time the reimbursement method has been in force, the number of providers with the applicable contract arrangement, the impact on the quality and efficiency of care delivered, how it is anticipated to impact self-funded plan costs, and if applicable, what measures are being used to determine payment and/or evaluate success. Specify any strategies that are not currently in place, but are planned for implementation prior to January 1, 2018.
- a) Tiered/narrow provider networks
 - b) Bundled payments
 - c) Reference value / pricing
 - d) Pay for performance (describe specific performance measure(s) used)

- e) Patient Centered Medical Homes (PCMH)
- f) Risk sharing
- g) Capitation (partial or global)
- h) Centers of Excellence (COE)
- i) Retrospective episode-based reimbursement strategies
- j) Other

7.3.2 Describe your flexibility to incorporate additional reimbursement methods, such as those described above in 7.3.1, into contracts with network providers and administering such methods. Include a detailed description of any barriers or timing issues.

7.3.3 Describe how and when you negotiate the fee structure and payment for out-of-network reimbursements, such as in emergent and urgent situations, for your self-insured business. Include specific thresholds or criteria used.

7.3.4 Describe any innovative approaches to Provider Reimbursement that you have implemented that were not yet addressed in this Section 7.3 and specifically describe how those efforts have improved the quality of care and/or reduced costs.

7.4 MEDICAL MANAGEMENT

The Board is committed to the concept of effective cost containment for which documented savings can be provided. Each Proposal must contain a detailed description of the medical management programs, which include case management, complex case management, disease management, and utilization management.

7.4.1 Describe all currently administered case, complex case, and disease management programs, including:

- a) How long the programs have been operating.
- b) The elements or triggers to identify and screen potential candidates (e.g., predictive modeling, risk stratification, etc.).
- c) The enrollment and/or outreach process for potential candidates.
- d) The activities and interventions provided to enrollees.
- e) How the program is integrated with behavioral health management.
- f) List the criteria used for discharging/graduating an enrollee from the program.
- g) How the outcomes are evaluated (e.g., percent of enrollment, percent of completion, impact on health status, return on investment (ROI) and how it was calculated, etc.).
- h) Provide one specific example for complex case management and one for disease management.

- 7.4.2** Describe any arrangements with your current clients for a shared savings program in which you are financially rewarded based on the success of your medical management programs. Describe the program in detail.
- 7.4.3** Describe any concerns with a shared savings program similar to the sample in Appendix 11 is implemented? Explain and be specific. Include the rationale for your concern.
- 7.4.4** Provide your HEDIS results for the measures shown in Appendix 11. Results should be for the measures collected in 2015 per NCQA guidelines and for your commercial book of business. Specify whether the results were audited, and if so, by whom.
- 7.4.5** Describe any innovative approaches to Medical Management that you have implemented that were not yet addressed in this Section 7.4 and specifically describe how those efforts have improved the quality of care and/or reduced costs.

7.5 TOTAL HEALTH MANAGEMENT

The Board seeks vendors to assist in further engaging Participants in the management of their health. This includes education and outreach by the Proposer, with transparency tools to help Participants select quality, efficient care.

- 7.5.1** Describe the tools available to participants to support health care decisions, such as self-management, cost estimators, provider selection, quality comparisons, and shared decision making tools. For each tool, provide the following information:
 - a) What percentage of participants that have access to the tools currently use them?
 - b) How is the effectiveness of the tool evaluated?
 - c) For any comparison tool, provide the methodology used.
 - d) Are such tools enabled for mobile devices?
- 7.5.2** Describe the tools and/or types of campaigns that resulted in changes in participant behaviors and impacted engagement rates. Describe how these efforts improved health outcomes.
- 7.5.3** Describe any participant cost-sharing incentives (e.g., lower rates of coinsurance, copayment in lieu of coinsurance, waiver of or provision of lower deductible amounts, etc.) or other incentives to encourage participants to get appropriate and timely care, steer patients to certain providers, or other desired behavior. Describe how these efforts improved health outcomes.
- 7.5.4** Describe the flexibility and barriers to administering benefits that include member cost-sharing variation based upon, for example, members choosing more cost effective providers for selected procedures, participation in wellness, disease management, or other incentives.
- 7.5.5** Describe any innovative approaches to Total Health Management that you have implemented that were not yet addressed in this Section 7.5 and specifically describe how those efforts have improved the quality of care and/or reduced costs.

7.6 DATA INTEGRATION AND TECHNOLOGY

- 7.6.1** Describe the telehealth services that you currently provide.
- a) If you subcontract, who is your subcontractor?
 - b) What types of services, conditions, or specialty consults are available?
 - c) Indicate those services available via text (e.g., questionnaire, etc) or video session.
 - d) Indicate the cost to participants.
 - e) Describe any plans to expand your telehealth services prior to January 1, 2018, and provide details.
 - f) Describe how you evaluate the value and success of telehealth services offered.
 - g) Describe how telehealth services have improved the quality of care and/or reduced costs.
- 7.6.2** Describe the ability to integrate information in electronic medical records (EMR) into the data used for predictive modeling, risk stratification, and identification for medical management services.
- a) Include the percentage of your providers' EMRs that are currently integrated into your data analytics systems.
 - b) Include a description to any barriers to integration and efforts to overcome those barriers.
 - c) How is the information used? Describe how data integration has improved the quality of care and/or reduced costs.
- 7.6.3** Describe the accessibility and compatibility of EMRs across providers in your network and providers you refer to in order to coordinate care for participants. Describe any barriers and your efforts to address them.
- 7.6.4** Describe the accessibility to EMRs outside your network in order to coordinate care for participants (e.g. via partnerships such as the Wisconsin Statewide Health Information Network). Describe any barriers and your efforts to address them.

8 COST, DATA, AND NETWORK SUBMISSION REQUIREMENTS

This section is scored. (XXX total points)

This section contains a number of worksheets and data files required to be submitted by the Proposer. Once the letter of intent and associated disclosures (NDA, Confidentiality, etc.) are received by ETF, procurement will notify Segal to release the data to the Proposer. The process will be initiated through Segal's Secure File Transfer system. The Segal contact is:

8.1 REGION DESIGNATION

ETF has reviewed the service areas of plans in the Wisconsin marketplace and is developing analysis and recommendations based on four regions: Southern, Eastern, Western and Northern. The data will be collected for each county to allow ETF flexibility in final region designations and approval from GIB.

The regions are listed below with the included counties:

Southern	Eastern	Western	Northern
Adams	Brown	Barron	Ashland
Columbia	Calumet	Buffalo	Bayfield
Crawford	Door	Burnett	Florence
Dane	Fond du Lac	Chippewa	Forest
Dodge	Green Lake	Clark	Iron
Grant	Kenosha	Douglas	Langlade
Green	Kewaunee	Dunn	Lincoln
Iowa	Manitowoc	Eau Claire	Marathon
Jefferson	Marinette	Jackson	Oneida
Juneau	Marquette	La Crosse	Portage
Lafayette	Menominee	Monroe	Price
Richland	Milwaukee	Pepin	Sawyer
Rock	Oconto	Pierce	Taylor
Sauk	Outagamie	Polk	Vilas
Vernon	Ozaukee	Rusk	Wood
Walworth	Racine	St. Croix	
	Shawano	Trempealeau	
	Sheboygan	Washburn	
	Washington		
	Waukesha		
	Waupaca		
	Waushara		
	Winnebago		

Note that data will be requested with this regional strategy in mind; however, ETF may recommend combining regions if determined that consolidation will improve plan value. Please designate in Attachment A which regions you are proposing to cover. Please select all regions if offering a statewide option. You are also given the flexibility to select additional border counties if you are proposing these counties to be included in the region you are proposing.

8.2 NETWORK ACCESS

ETF is looking to have a network in place that best meets their long-term needs. This includes a broad network with the least disruption and competitive pricing. It is also encouraged that Proposers include an additional option for a tighter high quality network. This section will address how well the proposed network covers ETF's population with adequate healthcare providers.

8.2.1 Access Reports

Proposers are required to submit an accessibility Report (GeoAccess, or similar software) for each network and region they are proposing. The report must be reported by county within the proposed region, as defined in Section 8.1.

For each region, and statewide, the vendor will be required to provide a summary of members with and without access to network providers/facilities within the established mileage parameters listed below:

Provider Type	Urban	Non-Urban
Facilities		
<i>Hospitals</i>	<i>1 within 20-mile radius</i>	<i>1 within 35-mile radius</i>
<i>Ambulatory Surgical Centers</i>	<i>1 within 20-mile radius</i>	<i>1 within 35-mile radius</i>
<i>Urgent Care facilities</i>	<i>1 within 20-mile radius</i>	<i>1 within 35-mile radius</i>
<i>Imaging Centers</i>	<i>1 within 20-mile radius</i>	<i>1 within 35-mile radius</i>
<i>Inpatient Behavioral Health Facilities</i>	<i>1 within 20-mile radius</i>	<i>1 within 35-mile radius</i>
Professional Services		
Primary Care		
<i>General/Family Practitioner (includes Internal Medicine, Family Medicine, and General Medicine)</i>	<i>2 within 10-mile radius</i>	<i>2 within 20-mile radius</i>
<i>OB/GYN (female members, age 12 and older)</i>	<i>2 within 10-mile radius</i>	<i>2 within 20-mile radius</i>
<i>Pediatrician (birth through age 18)</i>	<i>2 within 10-mile radius</i>	<i>2 within 20-mile radius</i>
Specialists		
<i>Endocrinologist</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>Urologist</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>Cardiologist</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>Dermatologist</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>Allergist</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>Psychologist/Psychiatrist</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>General Surgeon</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>Hematologist/Oncologist</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>
<i>Chiropractor</i>	<i>2 within 20-mile radius</i>	<i>2 within 35-mile radius</i>

The submitted access reports (mapping and accessibility analysis) must demonstrate provider availability for EACH provider group type listed above in the network access standard table. In the production of the reports, please note the following:

- Proposer must utilize Optum™ GeoAccess® GeoNetworks, or comparable software.
- The access report must indicate those members with access and those without access according to network access standards above, by county.

- The access reports should include providers under contract as of July 1, 2016, and may also include providers that have entered a legally binding Letter of Intent or Letter of Agreement with the bidder.
- Provide separate reporting for each network proposed, including narrow network alternatives.

Proposer must submit the summary grids, included in Attachment B, for each proposed network, along with the actual access report(s). The summaries are separate for counties defined as Urban or Non-Urban.

8.2.2 Providers By County

Proposers are required to submit a summary of the number of providers by county and category, consistent with the accessibility reports from 8.2.1 in Attachment B.

8.2.3 Provider Listing

Proposers are required to submit a listing of their entire proposed network in Attachment B. The file should contain information on each network proposed, identifying whether each provider is currently under contract or has entered a legally binding Letter of Intent with the Proposer.

8.3 NETWORK PRICING

ETF is looking to contract with an organization(s) that have proven success in managing provider costs and can submit data timely in the required formats. The RFP submission was designed with knowledge of the capabilities of the marketplace, and it is expected that each proposer will comply with these requirements. ETF has provided sufficient time to accomplish this request. If any issues or complications are expected, proposers should submit questions as directed in Section 1.6.

8.3.1 Repricing File

Once a letter of intent and confidentiality form is signed by the proposer, a repricing file containing ETF member claims experience for the most recent 12-month period will be made available through a secure file transfer protocol. No data will be made available prior to these forms being signed, and no modifications will be accepted.

The layout of the fields that will be included in the repricing file are detailed in Attachments C. This attachment also contains supporting descriptions of the Service Category Codes contained in the file that are consistent with currently reported Financial and Utilization Data for ETF renewal submissions (Appendix 10).

Using the repricing file above, vendors are to provide the contracted allowed amount for each service in the file. Vendors are expected to reprice these files to most accurately represent the contractual arrangement in place.

The file contains three fields to populate:

- Network Status – Y/N/L
 - Y – Currently under contract

- L – Letter of Intent
 - N – Not under contract or Out-Of-Network provider
- Contract Amount
 - Type of Contract – (F, D, B, O)
 - F – fee schedule
 - D – discount off submitted charges
 - B – bundled payment
 - O – other contract arrangement

The file should be repriced for each network being offered by the vendor, including narrow network alternatives.

Proposers are required to complete and submit summary results of the repricing file in the exact formats requested. The tabs have been pre-populated with the repricing data provided and will require proposers to supplement the fields identified. Vendors should complete the following:

- **Repricing by Service Category Summary – Attachment D:** Vendors should provide aggregate information on the contractual amounts for each county and detailed service category, identified by the Service Category Codes in the Repricing file.
- **Repricing by Provider Summary – Attachment E:** Vendors should provide aggregate allowed information for each provider listed. No provider-specific line item data will be required for submission during the initial evaluation.
- **Repricing by Type of Contract – Attachment F:** Vendors should provide aggregate information on provider contracting arrangement types for each county and major service category.
- **Contract Improvements – Attachment G:** A worksheet is available for proposers to provide any known contract improvements.

It is imperative the proposers return data in the exact formats prescribed. Failure to do so will cause the bid to be rejected.

If vendors are selected as finalists, a validation process of the submitted summary data will be initiated. At that time, the Proposer may be required to submit the entire repricing file. Failure to comply will cause the bid to be rejected.

8.3.2 Market Pricing

The Uniform Data Specifications workgroup, facilitated by Milliman and Red Quill Consulting, is a collaborative effort between many major insurance carriers and consulting firms. The intent is to discuss and reach consensus on the definition of financial terms, claims categories, and general methodology of data files provided to consulting firms for discount comparison.

Segal will utilize this approach as an additional comparative point to analyze the cost proposal for this procurement. The process has been streamlined in order to simplify reporting requirements. The data is to be aggregated by county for the three main service categories:

- **Inpatient Facility:** by diagnosis related groups (DRGs)

- **Outpatient Facility:** by encounter categories – ER, OP Surgery, Observation Unit, Pathology, Radiology and All Other
- **Professional:** by procedure codes

Detailed instructions and the required formats are included in Attachment H. The data should represent the network being proposed and be reported separately for each network alternative.

Two additional tabs require input from the proposer. The first requires the proposer to input their membership numbers for the network submitted. This will provide support on the credibility of the information and any necessary adjustments while normalizing the data. The second requests that a proposer provide their level of physician reimbursement as compared to Medicare levels.

8.4 ADMINISTRATIVE FEES

For the current combined contracts of approximately 111,000 (246,000 total members), provide the monthly administrative fee per contract, broken out by service item. The total should include all costs except actual claim payments to covered members.

Below is a listing of the required inputs for the first year of the contract:

Administration Fee PEPM	
Administrative Component	1/1/18 – 12/31/18
Claim Administration	
Utilization Review Fees	
Network Access Fees	
MHSA Claims Administration	
Standard Reports	
Specific/Customized Reports	
Claims Data Extracts	
Telecom (other program resource links, reporting, special usage or access requirements)	
Disease Management (by condition)	
Large Case Management	
Care Management	
Member Communication Material	
Assume Claims Fiduciary Liability	
Routine ID Cards	
Non-Routine ID Cards (cost per card)	
Other Administration Cost*	
Total (PEPM)	

Proposers are required to provide an administrative fee for each of the years in the initial 5-year contract period. An exhibit with detailed instructions is in Attachment I.

An additional section allows vendors to bid fees based on membership levels. The membership ranges are under 5,000, 5,000–10,000, 10,001–20,000 and over 20,000. There is no requirement that the fees vary; however, this section must be populated in the response.

If there are additional fees to be charged based on per service costs, please list in the appropriate section. This would include items that are not predictable and may be variable, such as underwriting for the LAHP and local programs.

The last required component of this attachment includes questions allowing the proposer to provide provider fee guarantees. This worksheet should be completed and should provide details on recommended levels and amount of fees at risk.

8.5 CAPITATION

We understand there may be capitation arrangements that could be in the best interest of ETF to maintain, such as primary care services or labs. We will require the vendor to identify which services would be capitated, and provide the proposed capitation rate to be charged to ETF for those services.

Vendors proposing capitation arrangements should fill out Attachment J.

8.6 SELF-INSURED PROJECTION

This section allows the Proposer to estimate the cost for a region that ETF should expect with the offered network, based on the ETF specific claims experience provided in the repricing file. The summary projection requires minimal inputs at a very high level, recognizing that a detailed projection would be performed differently for each proposer. It is expected that the Actuary doing the certification under Section 8.7 would have sufficient data to reasonably project the proposer's anticipated costs.

The worksheet in Attachment K also requests a summary of the methodology used for the projection and supporting documentation.

8.7 ACTUARIAL CERTIFICATION

There is a required certification of all information submitted, including data, guarantees, pricing worksheets, etc. ETF will be making decisions and recommendation based on this information. We would expect the plan actuary to sign the certification in Attachment L, but will also accept signature by either the CFO or CEO of the proposing entity.

8.8 ATTACHMENTS FOR SECTION 8

The following attachments are specifically for Section 8.

- Attachment A – Regional Bid Designation
- Attachment B – Network Access
- Attachment C – Repricing Layout
- Attachment D – Repricing – Service Category

- Attachment E – Repricing - Providers
- Attachment F – Repricing – Contract Types
- Attachment G – Contract Improvements
- Attachment H – Market Pricing
- Attachment I – ASO Fees
- Attachment J – Capitation
- Attachment K – Self Insured Projection
- Attachment L – Actuarial Certification

9 CONTRACT TERMS AND CONDITIONS

This section is NOT scored. (0 points)

The Department will execute a State of Wisconsin contract with awarded Contractor. A pro forma contract is located in Exhibit 1 (144 Pages).

The Contract and any subsequent renewal(s) will incorporate all terms and conditions in this Section 9 including the following documents:

- Exhibit 2 - Standard Terms and Conditions (DOA-3054) (3 Pages);
- Exhibit 3 - Supplemental Standard Terms and Conditions for Procurement for Services (DOA-3681) (1 Page); and
- Exhibit 4 – Department Terms and Conditions (10 Pages).

9.1 BOARD AND DEPARTMENT AUTHORITY

The Department is acting as an agent of the Board in carrying out any directives or decisions relating to this RFP, Contract and subsequent awards. All references to the “Department”, “ETF”, “State of Wisconsin”, “State” or “Board” in any term, condition, or specification shall have the same authority as one entity.

The Department is the sole point of contact for Board contracting.

9.2 PAYMENT TERMS

- Invoices must be itemized by cost categories of expenses actually incurred.
- Invoices shall include the purchase order number when issued.
- Invoices will be submitted in accordance with ETF direction.
- ETF anticipates invoices will be received monthly.