

State of Delaware

Request for Proposal (RFP) Updates







July 27, 2020

































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Today's discussion

- Current RFP timeline
- Specific updates for the following RFPs:
 - Employee Assistance Program (EAP)
 - Audit (medical and prescription drug plans)
 - Vision
 - Prescription Benefits Manager (PBM)

Current RFP timeline

 RFP Posted	 Scoring Meeting
 Bid Deadline	 Presentation to SEBC / Award
 Finalist Interviews	 Contract Effective Date

	2020						2021		
RFP	July	August	September	October	November	December	January	February	July
EAP	 7/13	 8/3  8/17					 1/1/2021		
Audit	 7/20	 8/24	 9/14 or 10/12	 10/12	 11/1/2020				
Vision		 8/10  8/24	 9/14 or 10/12	 10/12					 7/1/2021
PBM		 8/7		 10/5 & 10/6	 10/26	 12/14			 7/1/2021
Data Warehouse	 7/27	 8/21		 10/19	 11/16	 12/14 or 1/11	 1/11		 7/1/2021
Dental		 8/17	 9/11			 12/7	 1/5	 1/11 or 2/22	 7/1/2021

Employee Assistance Program (EAP) RFP

- Background:
 - The State provides EAP and work/life services to State employees, non-State participating group employees and non-Medicare pensioners and their dependents enrolled in the GHIP
 - The State's contract with Health Advocate was originally set to expire on 6/30/2020 but was extended through 12/31/2020 due to COVID-19 causing a delay in the RFP finalist interviews
 - During this time, the State made the decision to extend access to the EAP temporarily to all State employees including temporary, casual seasonal and benefit eligible employees not enrolled in the GHIP through September 30, 2020
- 2020 EAP RFP status:
 - RFP was issued on January 6, 2020, with bids due on January 24, 2020
 - Four (4) bidders submitted proposals, and two (2) were advanced to the finalist stage
 - Proposals were received from BHS, ComPsych¹, Health Advocate¹ and Workpartners
 - Finalist interviews were scheduled in March 2020, but were postponed until July 13, 2020
- Next steps:
 - PRC will reconvene to score finalists on August 3, 2020
 - PRC recommendation will be presented for a vote at the August 17 SEBC meeting

1. Denotes finalist.

Audit RFP (for GHIP medical and prescription drug plans)

- Background:
 - Following a recommendation from the Health Plan Task Force and as an outcome of the subsequent RFP issued by the SEBC, the SBO has contracted with a third party auditor to review medical and prescription drug plan payments and operations since the FY15 plan year
 - The State's contract with Claim Technologies, Inc. (CTI) expired on 6/30/2020
- 2020 Audit RFP status:
 - RFP was issued on March 12, 2020, with bids due on April 15, 2020
 - Six (6) bidders submitted proposals, and three (3) were advanced to the finalist stage
 - Claim Technologies, Inc.¹
 - Healthcare Horizons
 - Healthcare Management Systems¹
 - Myers and Stauffer¹
 - Sagebrush Analytics
 - Tiber Creek (bid on Rx audit only)
 - Finalist interviews were held on July 20, 2020
 - As an outcome of those interviews, the PRC determined further information is required from the finalists before scoring can take place and a recommendation can be put forth to the SEBC
- Next steps:
 - PRC will reconvene to score finalists on August 24, 2020
 - PRC recommendation will be presented for a vote at the September 14 SEBC meeting

1. Denotes finalist.

Vision RFP

- Background:
 - The State provides vision insurance benefits to State employees, pensioners and their dependents
 - This is an employee-pay-all benefit that is not subsidized by the State
 - The State's contract with EyeMed expires on 6/30/2021

- 2020 Vision RFP status:
 - RFP was issued on April 20, 2020, with bids due on May 15, 2020
 - Six (6) bidders submitted proposals, and three (3) were advanced to the finalist stage
 - EyeMed¹ (incumbent)
 - National Vision Administrators (NVA)
 - Highmark
 - Superior Vision¹
 - MetLife¹
 - Vision Benefits of America (VBA)

- Next steps:
 - Finalist interviews are scheduled for August 10, 2020; PRC will reconvene to score on August 24
 - PRC recommendation will be presented for a vote at the September 14 SEBC meeting

SEBC input requested: Opportunity to expand eligibility for the State's vision insurance benefit to participating group employees and retirees (see next slide)

1. Denotes finalist.

Vision RFP (continued)

- Historically, the vision insurance benefit had only been approved for active State of Delaware employees and retirees, not participating groups
 - Consistent with other supplemental benefits offered by the State
 - This was reaffirmed by the SEBC effective July 1, 2011
- Since then, the SBO and the Office of Pensions have received numerous inquiries from employees and retirees of participating groups expressing interest in obtaining vision coverage
- Some participating groups, such as the University of Delaware, offer their own vision coverage and would not be included in the potential group of newly eligible plan participants
- Vision RFP includes questions about the impact of expanded eligibility on vision premiums to help the PRC evaluate the cost implications on current plan participants; bidders were informed of the following:
 - Proposed premium rates for the participating groups must match the group rates offered to State of Delaware employees and retirees
 - State of Delaware employees and retirees cannot absorb any of the cost associated with expanding eligibility to participating groups
- Considerations regarding participating group employees and retirees:
 - As of December 2019, there are approximately 7,400 participating group members (includes spouses and other dependents) who aren't currently offered any other vision coverage and would be included in the potential group of newly eligible plan participants
 - Due to administrative limitations, participating groups that wish to offer vision benefits to their benefit-eligible population would need to set up direct-pay arrangements with the vision insurance carrier
 - This process exists within the participating groups today with the State's dental insurance administrators

Prescription Benefits Manager (PBM) RFP

Administered in two (2) phases

- **Phase I** – requested interested bidders confirm agreement to minimum bid requirements
 - Minimum bid requirements included, but not limited to:
 - Experience providing PBM services for large and complex clients similar to the State
 - Willingness to provide various pricing proposals (transparent, acquisition cost) upon request
 - Willingness to provide the State with right to audit all aspects of its pharmacy program including ability to view pharmaceutical contracts and all transparent pass-through components including rebates
 - Agreement to comply with all laws related to prescription drug dispensing in Delaware and other State-mandated contracting terms (e.g., indemnification language, data and technology requirements)
 - Received responses from six PBMs: CapitalRx, CVS Health, Express Scripts (incumbent), Highmark Delaware, MedImpact Healthcare Systems, OptumRx
 - All except CapitalRx were advanced to Phase II
- **Phase II** – requested bidder financial proposals and responses to RFP questionnaire – responses due Friday, August 7, 2020
 - Finalist selection will be based primarily on the competitiveness of their financial proposals
 - Finalist interviews scheduled for October 5-6, 2020

SEBC input requested: Are Committee members interested in participating alongside your PRC designee in the evaluation and interviews with finalists?