

Dependent Eligibility Verification Audit Services

DMS 17/18-002

ADDENDUM # 1

FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 120.57(3), FLORIDA STATUTES (as altered by subsection 110.123(3)(d)4, Florida Statutes), OR FAILURE TO POST THE BOND OR OTHER SECURITY REQUIRED BY LAW WITHIN THE TIME ALLOWED FOR FILING A BOND SHALL CONSTITUTE A WAIVER OF PROCEEDINGS UNDER CHAPTER 120, FLORIDA STATUTES.

1. The Department's responses to timely submitted questions are below.

Question Number	Section	Page Number	Question	Response
1			On 10 of 21, Section 3.4, it states there should be 1 original un-redacted copy and 5 un-redacted bound copies, can you clarify if the 1 original un-redacted copy should be bound or whether it should be lose?	Bound.
2			On age 12 of 21, Section 3.5.9 you state that an irrevocable letter of credit in the amount of \$1,000,000 can be provided on letterhead from a surety company or bonding agent authorized to do business in the state of Florida. Please advise whether or not you will accept from a financial institution such as a bank, since banks can provide an irrevocable letter of	Yes. See Revised Section 12 of the Contract, Attachment B, below.

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			credit to guarantee a buyer's obligations to a seller.	
3			What is the name of the incumbent providing this service existing to the state?	There is currently no incumbent vendor providing this service.
4	Attachment A: Section 1 – Scope of Work	3	Will the scope of dependents include the universities and 8 non-warrants (BENO population)?	The scope of the audit includes all dependents of Enrollees of the State Group Insurance Program.
5			What communications will the Department be issuing to employees regarding this new process? Can these be shared with Contractor?	The Department will provide multiple member and stakeholder communications and will share this information with the Contractor upon request. The provision of communications by the Department will not affect the Contractor's obligations to provide member communications under the contract.
6	Section 1 – Introduction	4	Please clarify if the scope only includes dependents enrolled in medical coverage. If scope is broader, please detail which benefits are to be included	Dependents covered in the State Group Health Insurance Plan will be identified for review in this audit.
7	Section 1 – Introduction	4	Please clarify whether Contractor fees will be contingency based and limited to historical claim costs for the prior 12 months for the dependent populations disenrolled as a result of the Contractor's services, as provided in FL. Stat. Sec. 110.12301(2).	Contractor fees are not contingency-based. Contractor fees may not exceed historical claim costs for the prior 12 months for the dependent populations disenrolled as a result of the contractor's services, per section 110.12301(2), F.S. Contractor fees are capped at \$1,000,000.
8	Attachment A: Section 1 – Scope of Work	2	Please provide a copy of the definition of dependent from the plan document(s).	For purposes of this Contract, the definition of eligible dependents includes the following: 1. Enrollee's legal spouse;

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				<ol style="list-style-type: none"> 2. Enrollee's natural children, legally adopted children, and children placed in the home for the purpose of adoption in accordance with Chapter 63, Florida Statutes; 3. Enrollee's stepchildren, provided the Enrollee is still married to the stepchildren's parent; 4. Enrollee's foster children; 5. Enrollee's children for whom Enrollee has established legal guardianship in accordance with Chapter 744, Florida Statutes, or unmarried children where Enrollee was granted court-ordered temporary or other custody; 6. Enrollee's children with a qualified medical support order requiring Enrollee to provide coverage; 7. A newborn dependent of a covered dependent – a newborn child born to a dependent while the dependent is covered under the Plan. The newborn must be added within 60 days of the birth. Coverage may remain in effect for up to 18 months or until the covered dependent is no longer covered; 8. Eligible children of an Enrollee's surviving spouse; 9. Children of law enforcement, probation, or correctional officers who were killed in the line of duty and who are attending a college or university beyond their 18th birthday; 10. Children over the age of 26 with permanent intellectual or physical disabilities if: <ul style="list-style-type: none"> • They were enrolled before they turned 26 and remain covered or they were over the age of 26 at the time of the Enrollee's initial enrollment; and

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				<ul style="list-style-type: none"> • They are incapable of self-sustaining employment because of the intellectual or physical disability; and • They are dependent on the Enrollee for care and financial support. <p>11. Children ages 26-30 if:</p> <ul style="list-style-type: none"> • They are unmarried; and • They have no dependents of their own; and; • They are a resident of Florida or a full-time or part-time student; and • They have no other health insurance. <p>All children are eligible for coverage through the end of the calendar year in which they turn 26, except as otherwise provided herein.</p>
9	Attachment A: Section 1 – Scope of Work	2	Please provide a list of acceptable documentation (e.g., marriage certificates, birth certificates, Form 1040, etc.) for each dependent type.	See: http://mybenefits.myflorida.com/health/dependent_eligibility_verification
10	Attachment A: Section 1 – Scope of Work	2	Please confirm Contractor will not be expected to investigate if the provided documentation aligns with any vital records database nor will Contractor be expected to check for document authenticity. Any assessment of dependent status will be made assuming the document provided is current and valid with no errors or misrepresentations.	Respondent should state in its Proposal whether Respondent can and will independently investigate whether provided documentation aligns with any vital records database, or whether Respondent will otherwise verify document authenticity.
11	Attachment A: Section 1 – Scope of Work	2	RFQ states that audits are to be completed by 5/31/2018. Are we correct in assuming this applies to dependents submitted with a 1/1/2018 enrollment date (open enrollments) and not qualified	The Department anticipates providing the Contractor with the entire enrollment file by November 30, 2017, but no later than December 4, 2017. The Department will also provide Contractor with monthly QSC event files for the months of December 2017, January 2018,

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			status changes? If does also apply to qualified status change enrollments, what will be the last enrollment effective date that will be sent for review?	February 2018, and March 2018. The Contractor will receive QSC event files by the fifth day of the month following the QSC events. The last QSC event file will be provided to the Contractor by April 5, 2018.
12	Attachment A: Section 1 – Scope of Work	2	Is a dependent’s enrollment due to the employee’s attainment of initial eligibility to enroll included in the definition of qualifying status change?	No.
13	Attachment A: Section 1 – Scope of Work	2	What would be the latest date we could expect to receive a retroactive open enrollment effective 1/1/2018?	The Department anticipates that it would provide the initial open enrollment file for coverage effective January 1, 2018, to the Contractor no later than December 4, 2017.
14	Attachment A: Section 2 – Contractor Deliverables	3	Item 10, communication materials. How many outreaches to employees/retirees are required before the employee/retiree is reported as no response?	There is no prescribed number of outreaches. Respondents are encouraged to make a recommendation in the Proposal.
15	Attachment A: Section 2 – Contractor Deliverables	3	Item 10, communication materials. Can the employee’s work email be provided and will we be permitted to use the work email to facilitate outreach/contact with the employee?	The Contractor may use an employee’s email address for outreach only if the employee specifically consents to receive notification to that email address.
16	Attachment A: Section 2 – Contractor Deliverables	3	Item 10, communication materials. What communication protocols will apply (e.g., call employees as specific term such as associates or team members, etc)?	There are no prescribed communication protocols. Respondents are encouraged to make a recommendation in the Proposal.
17	Attachment A: Section 2 – Contractor Deliverables	3	Item 10, communication materials. Will initial contact (e.g., written contact) need to be bilingual? If so, what languages will be required?	Respondent should make a recommendation in its Proposal. Communication materials must comply with applicable laws and regulations.

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18	Attachment A: Section 2 – Contractor Deliverables	3	Item 10, communication materials. When initial request for documentation is returned as not deliverable, will an updated address be sent and the process for requesting, receiving and reviewing documentation restarts? Or will the employee/retiree be evaluated as part of the appeal process?	Respondent should make a recommendation in its Proposal as to an effective communication strategy and best practice for undeliverable mail or email.
19	Attachment A: Section 2 – Contractor Deliverables	3	Item 11, appeal and reinstatement period. Is a written notice of failure to provide documentation or sufficient documentation and the appeal process an expected communication to be included in the services or will this be handled by NorthgateArinso or the Department? What other notice will the employee receive when coverage is removed?	It is expected that the Contractor would provide the Enrollee with Department-approved written notice of failure to respond, failure to provide documentation, failure to provide sufficient documentation, and ineligibility, and provide written notice of the appeal process. The employee shall receive a communication from the Department notifying them that coverage will be terminated for the ineligible dependent(s) and advise the employee of their right to appeal the determination.
20	Attachment A: Section 2 – Contractor Deliverables	3	Item 11, appeal and reinstatement period. At what point is the appeal and reinstatement period to commence (e.g., immediately after making a determination that the documentation provided did not substantiate dependent status or after 5/31/2018)?	The Level 1 appeal period commences upon providing notice of termination of coverage for an ineligible or unsubstantiated dependent. The reinstatement period commences during the appeal process after termination has occurred.
21	Attachment A: Section 2 – Contractor Deliverables	3	Item 11, appeal and reinstatement period. How long is the appeal period to remain open (e.g., 4 weeks, 90 days, etc.)?	The total appeal period will be fact-specific based on the particular appeal.
22	Attachment A: Section 2 – Contractor Deliverables	3	Item 11, appeal and reinstatement period. Are there any extenuating circumstances that will permit an employee to be reviewed after the appeal and reinstatement period has concluded (e.g.,	There may be extenuating circumstances that would permit a dependent's eligibility to be reviewed after the appeal and reinstatement period has concluded. Documentation supporting such circumstances would be required.

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			in the hospital, out of the country, etc.)? If so, is documentation to support the extenuating circumstance required?	
23	Attachment A: Section 2 – Contractor Deliverables	3	Item 11, appeal and reinstatement period. What are the Department’s standard operating procedures referenced in this item?	The Department is developing standard operating procedures specific to this audit and will provide those standard operating procedures to the Contractor prior to the commencement of the audit.
24	Attachment A: Section 2 – Contractor Deliverables	3	Item 11, appeal and reinstatement period. Confirm that second level appeals are to be administered by the Department. For example, employee fails to provide documentation in initial solicitation. Employee then provides documentation that is inadequate during the appeal and reinstatement period. If the employee wants to appeal again, will the employee need to appeal to the Department?	Level 2 appeals will be administered by the Department. For a Level 2 appeal, the Enrollee must appeal to the Department.
25	Attachment A: Section 2 – Contractor Deliverables	3	Item 11, appeal and reinstatement period. If documentation is provided but the dependent does not meet the definition of a dependent, please confirm any employee request for a second appeal should be directed to the Department.	Level 2 appeals shall be directed to the Department and will be administered by the Department.
26	Attachment A: Section 2 – Contractor Deliverables	3	Item 12, files schedule. What date would the Department use as an enrollment termination date for individuals failing to meet the definition of a dependent or failing to respond to requests for documentation? For example, would it be a common date (e.g., 5/31/2018), the last day of the	Enrollment termination dates are fact-dependent.

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			month in which the eligibility determination is made, or the date it is determined the documentation demonstrates the individual doesn't meet the definition of a dependent?	
27	Attachment A: Section 2 – Contractor Deliverables	3	Item 13. Indicates a transition plan must be submitted with the implementation plan. However, in Section 6, page 8, the transition plan is not due until 120 days prior to the end of the contract. Please clarify.	Item 13 addresses a plan for the transition of data, which must be submitted to and approved by the Department as part of the implementation plan. Section 6 references a Transition Plan which outlines, at a minimum, the tasks, milestones, and deliverables associated with the Project transition services referenced in Section 6.
28	Attachment A: Section 2 – Contractor Deliverables	3	Item 15. Returned mail. What specific data elements are required on this weekly file?	Name, address, city, state, and ZIP code.
29	Attachment A: Section 2 – Contractor Deliverables	4	Item 17. Costs associated with People First system enhancements. Please provide estimates of this cost	The costs cannot be estimated at this time.
30	Attachment A: Section 3 - Performance Measures	4	Item 2. Please confirm that the 48 hour response is two business days with a business day being Monday-Friday and excludes Contractor holidays.	The 48-hour response is two business days. Business days are Monday through Friday, excluding holidays as designated in section 110.117, F.S.
31	Attachment A: Section 3 Performance Measures	4	Item 2. How many Department personnel and users are anticipated?	The Department has not determined the number of Department personnel and users at this time.
32	Section 6. Transition Plan	8-9	Please advise the disposition of any dependent verifications in progress and not yet completed. Is the expectation that	The Department is currently performing a dependent eligibility verification process based upon monthly Qualifying Status Change ("QSC") events. Any

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			these would be transferred to the new Contractor?	dependent reviewed or removed by the Department will not be transferred to the Contractor.
33	Attachment A: Section 1 – Scope of Work	2	Please confirm this is an outsourced activity and the Contractor is not expected to perform the services at a State office location	Confirmed.
34	Attachment A: Section 1 – Scope of Work	2	Will the Contractor have access to state resources as needed?	Please refer to the solicitation documents.
35	Attachment A: Section 1 – Scope of Work	2	Can the Contractor assume that we'll have access to the State IT department for all data related needs? (e.g. establishing secure FTP, data file transfers, data retention, systems access, etc.)	No, Contractor will have access to the Department's data via secure FTP and data file transfers.
36	Attachment A: Section 1 – Scope of Work	2	What is the turnaround time of data related requests?	The Department's anticipated turnaround time for a contractor's data-related request is two to ten business days, depending on the nature of the request.
37	Attachment A: Section 2 – Contractor Deliverables	3	Will the Contractor have access to all pertinent P&P's (e.g. appeal and reinstatement policies)?	The Department will provide access to its standard office procedures regarding the current dependent eligibility review.
38	Attachment A: Section 2 – Contractor Deliverables	3	Will the Contractor be responsible for developing new P&P's to support processes specific to this initiative, including call center and mailroom	The Contractor will be responsible for providing policies and procedures to support processes specific to this audit.

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			processes, IT and data processes, and membership/eligibility processes?	
39	Attachment A: Statement of Work	Attachment A p. 2 (Sections 1 and 2)	Will the State please clarify the expected timeline for Contractor activities? In Section 1, the RFP indicates that Audit Implementation begins on December 1, 2017, but item 4 in Section 2 indicates that all implementation activities must be completed by November 30, 2017. If the implementation activities do not begin until December 1, 2017, will the State please describe the Contractor activities to occur between the contract start date (October 1, 2017) and the implementation date (December 1, 2017)?	Contractor's implementation activities will begin upon execution of the Contract. The audit will begin on December 1, 2017.
40	Attachment A: Statement of Work	Attachment A p. 2 (Section 1)	In Section 1, the RFP indicates that the Contractor will perform an ongoing rolling audit of qualifying status change events. Will the State please provide the dates that qualifying status change events will occur that will be included in this ongoing rolling audit? Also, will the State please provide the average number of qualifying status change events on an annual basis, historically?.	The ongoing QSC event audit will be based on the monthly QSC event data file. QSC event data files will be available on the fifth day of the month following the QSC event. The Department anticipates providing the Contractor with monthly QSC event files for the following months: December 2017, January 2018, February 2018, and March 2018. The average number of QSC events are approximately 2,000 per month or 24,000 annually.
41	1.3	4 of 21	Why is the term for this work for 1 year and not a recurring engagement?	The Department has prescribed the duration of this contract as one year.
42	1.3	4 of 21	Is a known issue driving the issuance of this RFP?	Section 110.12301(2), F.S., directs the Division of State Group Insurance to procure these services.

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43	3.5.7	12 of 21	What is the definition of non-overlapping experience?	A Respondent must have at least three separate years of experience. Where Respondent has performed services for three separate clients from January 1, 2016, through December 31, 2016, this would only constitute one year of the three-year experience requirement.
44	3.4	Page 10 of 21	May we submit a CD-ROM with the materials instead of a flash drive?	Yes

2. Attachment B, Contract for Dependent Eligibility Verification Audit Services, is amended as follows:

- a. Page 2, Table of Contents, Section 12, is replaced in its entirety as follows:

Section 12. Performance Bond or Irrevocable Letter of Credit.....13

- b. Page 13, Section 12 is replaced in its entirety as follows:

SECTION 12. PERFORMANCE BOND OR IRREVOCABLE LETTER OF CREDIT

The Contractor must obtain a performance bond or an irrevocable letter of credit in the amount of \$1,000,000.00 for the faithful performance of work under this Contract.