



Gaithersburg

A CHARACTER COUNTS! CITY

**REQUEST FOR PROPOSALS
NO.
2008-018**

**CITY OF GAITHERSBURG
EMPLOYEE HEALTH
INSURANCE BENEFIT SERVICES**

Proposals Accepted Until
Monday, February 25, 2008
at 4 p.m.

City of Gaithersburg
Human Resources Division
31 South Summit Avenue, Second Floor
Gaithersburg, Maryland 20877
301-258-6327
www.gaithersburgmd.gov
hr@gaitthersburgmd.gov

REQUEST FOR PROPOSAL NO. 2008-018

EMPLOYEE HEALTH INSURANCE BENEFIT SERVICES

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OFFEROR MUST RETURN THIS COMPLETED FORM WITH PROPOSAL SUBMISSION

CITY OF GAITHERSBURG

EMPLOYEE HEALTH INSURANCE BENEFIT SERVICES PROPOSAL FORM

PROPOSAL SUBMITTED BY: _____

COMPANY: _____

ADDRESS: _____

US Treasury Department Employers' Identification Number _____

The proposal as submitted includes the Affidavit of Qualification and Attachments A (Cost Proposal), B (Questionnaire), C, D, E, F, and G (Summary of Benefits). I, the undersigned, hereby attest to the truth and completeness of the information and responses provided and certify that my company has met the selection criteria required in the City of Gaithersburg's Request for Employee Health Insurance Benefit Services.

Signature: _____

Submitted By: _____

Title: _____

Date: _____

AFFIDAVIT OF QUALIFICATION TO MAKE PROPOSAL

I HEREBY AFFIRM THAT

1. I am the _____ and the duly
(Title)

authorized representative of the company

(Name of Corporation)

TRADING AS: _____

and that I possess the legal authority to make this affidavit on behalf of myself and the company for which I am acting.

2. Except as described in Paragraph 3 below, neither I nor the above company, nor to the best of my knowledge, any of its officers, directors, or partners, or any of its employees directly involved in obtaining contracts with the State or any county, bi-county, or multi-county agency, or subdivision of the State have been convicted of, or have pleaded nolo contendere to a charge of, or have, during the course of an official investigation or other proceeding, admitted in writing or under oath, acts of omissions which constitute bribery, attempted bribery, or conspiracy to bribe, whether or not in furtherance of obtaining a contract with a public body, under the provisions Md. Code Ann., State Finance and Procurement Article, §16-202 (1995 Repl. Vol.) and Article 27 of the Annotated Code of Maryland or under the laws of any state or the federal government (conduct prior to July 2, 1977 is not required to be reported).

3. State "none" or, as appropriate, list any conviction, plea, or admission described in paragraph 2 above, with the date, court, official, or administrative body; the individuals involved and their position with the company; and the sentence or disposition; if any. _____

4. Neither I, nor the above company, nor to the best of my knowledge any officer, partner, controlling stockholder or principal of the offeror, or any other person substantially involved in the offeror's contracting activities has: (1) been convicted under the laws of the State, another state or the United States of: (i) a criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract, except as provided in Section 16-202 of the State Finance and Procurement Article of the Annotated Code of Maryland; or (ii) fraud, embezzlement, theft, forgery, falsification or destruction of records, or

receiving stolen property; (2) been convicted of a criminal violation of an antitrust statute of the State, another state or the United States; (3) been convicted of a violation of the Racketeer Influenced and Corrupt Organization Act, or the Mail Fraud Act, for acts in connection with the submission of proposals or proposals for a public or private contract; (4) been convicted of a violation of Section 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland; (5) been convicted of a conspiracy to commit any act or omission that would constitute grounds for conviction under any of the laws or statutes described herein; (6) been found civilly liable under an antitrust statute of the State, another state or the United States for acts or omissions in connection with the submission of proposals or proposals for a public or private contract.

I acknowledge that this affidavit is to be furnished to the City Manager for the City of Gaithersburg, Maryland. I acknowledge that, if the representations set forth in this affidavit are not true and correct, the City of Gaithersburg may terminate any contract awarded and take any other appropriate action. I further acknowledge that I am executing this affidavit in compliance with Sections 16-202 and 16-311 of the State Finance and Procurement Article, which provides that certain persons who have been convicted of or have admitted to bribery, attempted bribery, or conspiracy to bribe may be disqualified, either by operation of law or after hearing, from entering into contracts with the State or any of its agencies or subdivisions.

I do solemnly declare and affirm under the penalties of perjury that the contents of this affidavit are true and correct.

Witness Signature

Signature

Date

Date

Notary Attestation: _____
State of Maryland
County of Montgomery

I hereby certify that on this ____ day of _____, _____, before me the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument and acknowledged that same was executed for the purposes contained therein.

Witness my hand and Notarial seal: _____

My Commission expires: _____

Notary Public _____
(Print Name)

**CITY OF GAITHERSBURG
GAITHERSBURG, MARYLAND**

**REQUEST FOR PROPOSAL NO. 2008-018
EMPLOYEE HEALTH INSURANCE BENEFIT SERVICES**

This is a solicitation for proposals only. It is not a contract. The City of Gaithersburg, hereinafter referred to as the "City," will assume no obligation to pay or reimburse any person or Company responding, any costs, fees or expenses incurred in preparation of a response to this Request For Proposal, or for any meetings or travel costs related to such response. The City is under no obligation to any responding party until a contract is executed for the below-described services.

Proposals addressed to the City of Gaithersburg, Maryland for Employee Health Insurance Benefits Services will be received in the City of Gaithersburg Human Resources Division, 2nd Floor, 31 South Summit Avenue, Gaithersburg, Maryland 20877, until 4:00 p.m., Monday, February 25, 2008.

AWARD

Award will be made based on the following factors:

- 1) Maximum cost
- 2) Quality of managed care network
- 3) Network match to current network
- 4) Service reputation (including administration and support services)
- 5) Ability to underwrite and administer the proposed programs

The City of Gaithersburg reserves the right to make an award based solely on the proposal or to negotiate further with the proposing company. The carrier selected will be chosen on the basis of the greatest benefit to the City of Gaithersburg and not necessarily on the basis of lowest cost.

AGREEMENT

The successful Offeror will be required to complete a two party standard form of agreement.

NOTICE TO OFFERORS

Companies not incorporated in the State of Maryland must be in compliance with the State of Maryland Code of Regulations Title 21, State Procurement Regulations, in order to enter into a contract with the City. "Pursuant to 7-201 et seq. of the Corporations and Associations Article of the Annotated Code of Maryland, corporations not incorporated in the State shall be registered with the State Department of Assessments and Taxation, 301 West Preston Street, Baltimore, MD 21201 before doing any interstate or foreign business in this State. Before doing any intrastate business in this State, a foreign corporation shall qualify with the Department of Assessments and Taxation."

Offerors must supply with their proposals their US Treasury Department Employers' Identification Number as such number is shown on their Employer's Quarterly Federal Tax Return (US Treasury Department Form No. 941). This number shall be inserted on the Bid Sheet in the space provided.

Offerors must be qualified in the State in accordance with Section 16-202(a) of the State Finance and Procurement Article of the Annotated Code of Maryland, which ordains that a person is debarred by operation of law from entering into a contract with a public body if the person has been convicted under the laws of the State for bribery, attempted bribery, or conspiracy to bribe, committed in furtherance of obtaining a contract with a public body.

Offerors are hereby on notice that, under Section 16-202(b) of the State Finance and Procurement Article of the Annotated Code of Maryland, a person *may* be debarred from entering into a contract with a public body, if the person: 1) has been convicted under the laws of the State for bribery, attempted bribery, or conspiracy to bribe, committed other than in furtherance of obtaining a contract with any public body; 2) has been convicted under the laws of another state or of the United States for bribery, attempted bribery, or conspiracy to bribe; or 3) during the course of an official investigation or other proceeding has admitted, in writing or under oath, acts or omissions that would constitute bribery, attempted bribery, or conspiracy to bribe, under the laws of the State, another state or the United States.

Offerors are also hereby on notice that offerors may be debarred from entering into a contract with the City if the person, an officer, partner, controlling stockholder or principal of the offeror, or any other person substantially involved in the offeror's contracting activities has: (1) been convicted under the laws of the State, another state or the United States of: (i) a criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract, except as provided in Section 16-202 of the State Finance and Procurement Article of the Annotated Code of Maryland; or (ii) fraud, embezzlement, theft, forgery, falsification or destruction of records, or receiving stolen property; (2) been convicted of a criminal violation of an antitrust statute of the State, another state or the United States; (3) been convicted of a violation of the Racketeer Influenced and Corrupt Organization Act, or the Mail Fraud Act, for acts in connection with the submission of proposals or proposals for a public or private contract; (4) been convicted of a violation of Section 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland; (5) been convicted of a conspiracy to commit any act or omission that would constitute grounds for conviction under any of the laws or statutes described herein; (6) been found civilly liable under an antitrust statute of the State, another state or the United States for acts or omissions in connection with the submission of proposals or proposals for a public or private contract.

THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS IN PART OR FULL AND TO WAIVE ANY TECHNICALITIES OR INFORMALITIES AS MAY BEST SERVE THE INTERESTS OF THE CITY.

ANY INDIVIDUALS WITH DISABILITIES WHO WOULD LIKE TO RECEIVE THE INFORMATION IN THIS DOCUMENT IN ANOTHER FORM MAY CONTACT THE HUMAN RESOURCES DIVISION AT (301)258-6327.

SECTION I INTRODUCTION

A. GENERAL INFORMATION

The City of Gaithersburg requests proposals and competitive quotations of prices to provide health insurance benefit services for employees, their dependents, and retirees.

Policy Situs - Maryland

B. BACKGROUND

The City of Gaithersburg government employs approximately 265 employees and approximately 35 retirees who are eligible for benefits. It is expected that the carrier(s) selected will provide benefit coverage to this group.

The City is inviting companies to design a health insurance benefit services plan for the City, which delivers benefits equal to or better than our current health insurance benefit services plan(s). It is the intention of the City to contain the cost of health insurance benefit services through innovative plan design and effective management.

The goals of the City are to:

1. Maintain or improve the level of benefits currently provided.
2. Contain the cost of health insurance.
3. Provide employees with high quality, timely customer service to assist in understanding employee benefits, plan administration, status of claims and to assist in resolving claims payment issues.
4. Provide benefits through financially stable organizations offering employees flexibility through a choice of plans.
5. Provide retirees living out of the area with a benefit plan.
6. Provide retirees over age 65 with a Medicare supplement.

The City will accept proposals on the following plans:

- Plan I Health Maintenance Organization (HMO)
- Plan II Point of Service (POS)
- Plan III Fee for Service (PPO) (Indemnity Type)
- Plan IV To be designated by the offeror (self-funded).

The City is inviting proposals under Plan IV in which the offeror designs a specific plan. Plan IV proposals are, in effect, the offeror's indication of what it believes to be the most effective and efficient health care plan for the City based on the City's goals and objectives. The City would be interested in a quote to self-fund its health insurance benefits.

The offeror should specify which, if any, plan(s) (Plan I, II, or III) would be replaced by Plan IV.

Please quote all plans assuming a July 1, 2008 effective date. Quotes should be guaranteed for a minimum of twelve months from the effective date of coverage. Please indicate your ability to provide multiple year rate guarantees, cost increase, etc. Your ability to provide a long-term financial commitment will be reviewed favorably.

C. PROPOSAL SCHEDULE

The following target date schedule is to be observed with respect to the various actions required to conclude arrangements for July 1, 2008 services:

1. Request for proposal published and issued by Thursday, February 7, 2008.
2. Two copies (one original and one copy) of the proposal, including all completed proposal forms, must be returned no later than 4:00 p.m., Monday, February 25, 2008 to the City of Gaithersburg Human Resources Division, 2nd Floor, 31 South Summit Avenue, Gaithersburg, Maryland 20877
3. Contract awarded by May 1, 2008. This is an estimated date only; the City may extend this date in its sole and absolute discretion, or may decide not to award the contract at all.
4. Complete all necessary work and implement by July 1, 2008.

D. LENGTH OF CONTRACT

It is the intent of the City to award a contract for employee's health insurance benefit services for a period of one year with the option to extend. The contractual period shall commence approximately on July 1, 2008 and terminate on June 30, 2009. The contract may be terminated by the City by giving written notice to the other party no later than sixty (60) calendar days before the termination date. This provision may be exercised only after the contract has been in effect for two calendar months. Provided,

however, that during the original term or any renewal term, the City may terminate the contract on thirty (30) days written notice to Offeror should there be a material breach of Offeror's obligations under the contract which is not resolved to the City's satisfaction prior to the date of termination. The Offeror shall commit to providing the services requested at the rate submitted on the Cost Proposal Form (Attachment A) for the term of the contract. Any variation in the cost of services over the term of the contract shall be duly noted on the proposal form (Attachment A).

E. TERMS AND CONDITIONS

1. City's Right to Reject/Binding Nature of Proposal

The City reserves the right to reject any or all proposals and to accept or reject any item or combination of items. Each organization or individual assumes all charges, costs, claims or liability for the preparation and submission of its/his/her proposal. The City is under no obligation to pay or reimburse any organization or individual except pursuant to a written contract expressly providing for the same. The award will be to the Offeror whose proposal, in the opinion of the City, is in the best interests of the City taking into consideration all aspects of the Offeror's responses, including total net costs to the City. In the event that the Offeror to whom the award is made does not execute a contract within 30 days of the notice of award, the City may give notice to such Offeror of intent to award the contract to the next most qualified Offeror, or to call for new proposals and may proceed to act accordingly.

The proposal of the Offeror shall remain binding 60 calendar days after the date of the opening.

2. Accurate Information

The Offeror certifies that all information the Offeror has provided or will provide to the City is true and correct and can be relied upon by the City in awarding, modifying, making payments, or taking any other action with respect to a written agreement entered into with the Offeror pursuant to this request for proposals (hereinafter "The Agreement"). Any false or misleading information is grounds for the City to terminate an award to the Offeror or any written agreement entered into with the Offeror and such termination shall relieve the City of any direct or consequential damages or costs incurred by Offeror.

3. Offeror's Payment Terms

The City will reject as non-responsive a proposal under this solicitation, which is conditioned on payment of proper invoices in less than thirty (30) days. However, this does not preclude a offeror from offering a prompt payment discount for payment of proper invoices in less than thirty (30) days.

4. Errors in Proposals

Offerors shall thoroughly examine and be familiar with the City's specifications. The failure or omission of any Offeror to receive, examine, or understand this document shall in no way relieve any Offeror of obligations with respect to this proposal or the subsequent contract. The submission of a proposal shall be taken as prima facie evidence of compliance with this paragraph. Obvious error(s) in calculations may be corrected with the City's consent or may be cause to reject a proposal, whether or not the City has accepted the proposal.

5. Modifications, Alternate Proposals

Modifications and alternate proposals from the services required can result in the rejection of the proposal as not being responsive to this RFP. Offerors should clearly respond to the requirements of the RFP. Any alternate proposals, which are offered, should be clearly indicated as such.

6. Additional Services

The City reserves the right to evaluate additional or new health benefit insurance services which may be in the best interest of the City from time to time and may negotiate the price of these services with the successful Offeror or another Offeror, whichever is determined to be the most advantageous to the City.

7. Statement of Qualifications

Offerors will submit with their proposal a "Statement of Qualifications" detailing their capabilities to provide the services specified herein. Offerors will list those governmental entities for which they are now providing or have provided health insurance benefit services similar to those being requested by the City. The Offeror's "Statement of Qualifications" will also include the personal qualifications and experience of the personnel that will be directly involved in the delivery of health insurance services to the City. As part of the Statement of Qualifications, the Offeror shall submit other information as may be requested of the Offeror.

8. Questions

Technical and contractual questions pertaining to this request for proposals shall be referred to the Human Resources Director.

9. Non-discrimination Requirements

The Offeror will not discriminate against any employee or applicant for employment because of race, creed, color, sex or national origin, disability, marital status, or presence of children. The Offeror will take affirmative action to ensure that employees shall not be discriminated against on the basis of race, religious creed, color, sex,

national origin, disability, marital status, the presence of children, ancestry and sexual orientation.

10. Conflict of Interest

In accordance with the City's financial disclosure and ethical conduct policy and/or ordinances, a prerequisite for payment pursuant to the terms of this contract is that the Offeror shall furnish explicit statements, under oath, that the City Manager, and/or any other officer, agent and/or employee of the City, and no member of the governing body of the City or any member or employee of a Commission, Board, or Corporation controlled or appointed by the Mayor and Council of the City has received or has been promised directly or indirectly, any financial benefit by way of fee, commission, finder's fee, or in any other manner, remuneration directly or indirectly related to this contract, and that upon request by the City Manager, or other authorized agent, as a prerequisite to payment pursuant to the terms of this contract, the Offeror will furnish to the City

Council of the City of Gaithersburg, under oath, answers to any interrogatories and comply with any request to review documents related to a possible conflict of interest as herein embodied.

11. Warranty Against Use of Broker

The Offeror warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bonafide employees, or bonafide established commercial or selling agencies maintained by the Offeror for the purpose of securing business. For violation of this warranty, the City shall have the right to terminate or suspend this contract without liability by the City or its officials or employees or in its discretion to deduct from the contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

12. Preference

Price and other factors being equal, preference will be given first to resident Offerors of the City, then to resident Offerors of the State of Maryland, except when in the judgement of the City, such services would operate to the disadvantage of the City.

13. Changes

No alterations of variables in the terms of a contract shall be valid or binding upon the City unless made in writing and signed by the City Manager or his/her designee.

14. Assignment of Contract

It is mutually understood and agreed that the Offeror shall not assign, transfer, convey, sublet or otherwise dispose of its contract, or its right, title or interest therein, or its power to execute such contract, to any other person, or corporation, without the

previous written consent of the City Manager or his/her designee, but in no case shall such consent relieve the Offeror from its obligations, or change the terms of the contract. Unless otherwise provided in the contract, the Offeror may not contract with any other party for furnishing any of the materials or services herein contracted for without the prior written approval of the City Manager, and the furnishing to the City of a Release of Liens by the party furnishing the materials or services other than the Offeror.

15. Cancellation

The contract may be canceled or annulled by the City Manager or his/her designee by written notice of default to the Offeror, upon nonperformance or violation of contract terms, and an award made to another Offeror. In any event, the defaulting Offeror shall be liable to the City for costs to the City, including reasonable attorney's fees, which are the proximate result of Offeror's default.

16. Ownership

All materials submitted in response to this RFP will become the property of the City and may be returned at the option of the City.

All materials developed in accordance with the final agreement will become the property of the City. It is agreed that all data, information and material prepared by the Offeror as required by the final agreement, shall be delivered to and remain the property of the City upon completion of the final agreement. The data, information and material shall be put to any use the City sees fit without any compensation or reimbursement to the Offeror other than the fees to be paid under the terms of the Agreement.

17. Confidentiality

The City agrees, to the extent permitted by law, to hold all material information belonging to the Offeror, which it deems to be confidential, in strictest confidence. Offeror must specify in writing, delivered to the City, that information or material which the Offeror deems confidential.

The Offeror agrees to hold all material and information belonging to the City or the City's agents in strictest confidence and not to make use thereof other than for the performance of contractual obligations, and to release it only to employees or agents of the Offeror requiring such information and not to release or disclose it to any other party.

18. Dissemination of Data

During the term of the final agreement, the successful Offeror shall not release any information related to the services or performance of the services under the Agreement nor publish any final reports or documents related to services or performance of services to the City without the prior written approval of the City of Gaithersburg.

19. Retention of Records

The Offeror shall retain and maintain all records and documents relating to the services for a minimum of three (3) years after payment by the City of the final invoice and shall make them available for inspection and audit by the City, the State of Maryland and any appropriate Federal agency. The accounting records and all supportive documentation shall be maintained in such a manner that will provide for a separation between direct and indirect costs. A similar provision shall be included in all subcontracts.

20. Insurance/Indemnification

Offeror must submit evidence that the Offeror is currently approved by the Maryland Insurance Commission to provide insurance in the State of Maryland.

21. Entire Agreement

There are no promises, terms, conditions, or obligations other than those contained in the Agreement; and the Agreement supersedes all communications, representations, or Agreements either verbal or written, between the parties hereto.

22. Immigration Reform and Control Act

The Offeror warrants that it does not and shall not hire, recruit or refer for a fee, for employment under this Agreement, an alien knowing the alien is an unauthorized alien and hire any individual without complying with the requirements of the Immigration Reform and Control Act of 1986 (the Act), including but not limited to any verification and record keeping requirements. The Offeror further assures the City that, in accordance with the Act, it does not and will not discriminate against an individual with respect to hiring, or recruitment or referral for a fee, of the individual for employment or the discharging of the individual from employment because of such individual's national origin or in the case of a citizen or intending citizen, because of such individual's citizenship status.

23. Governing Law

The Agreement shall be construed in accordance with the laws and regulations of the State of Maryland, and the City of Gaithersburg. The Offeror must, without additional cost to the City, pay any necessary fees and charges, obtain any necessary licenses and permits, and comply with applicable federal, state and local laws, codes and regulations. For purposes of litigation involving this Agreement, exclusive venue and jurisdiction shall be in the Circuit Court for Montgomery County, Maryland, or in the District Court of Maryland for Montgomery County.

SECTION II PROPOSAL INSTRUCTIONS

Two (2) copies of the proposal including all completed proposal forms should be marked **“EMPLOYEE HEALTH INSURANCE BENEFIT SERVICES”** and received no later than 4:00 p.m., Monday, February 25, 2008, by the City of Gaithersburg, Human Resources Division, 2nd Floor, 31 South Summit Avenue, Gaithersburg, Maryland 20877. Proposals received in the City of Gaithersburg, Human Resources Division after the date and time prescribed shall not be considered as received and shall be returned unopened to the Offeror.

The proposal and the required RFP Submission Form should be placed in a clearly labeled package marked as follows *RFP No. 2008-018, Health Insurance Benefit Services*.

Each proposal should include the following:

- A. Completion of the Employee Health Insurance Benefit Services Proposal Form (page 3).
- B. Affidavit of Qualification to Make Proposal (pages 4, 5, and 6).

Each Offeror submitting a proposal must complete and include the Affidavit regarding company identification and ownership disclosures, conflicts of interest, and collusion. The proposal must be signed in the name of the Offeror by the person duly authorized to represent the Company. Failure by the Offeror to include this Affidavit with its proposal will be cause for rejection of the proposal.

- C. Statement of Qualifications (page 12), which is to include a list of other governmental entities for which the Offeror is or has provided services equivalent to those specified in this RFP, and the personal qualifications and experience of the personnel who will be directly involved in the delivery of services to the City.
- D. Statement of any current or potential conflicts of interest (page 13).
- E. Financial Statements for the last three (3) fiscal years.
- F. Financial data as requested in the RFP.
- G. Attachment A (Cost Proposal), Attachment B (Questionnaire), and Attachments C, D, E, and F (Summary of Benefits). If the Company is unable to meet or exceed the requirements as specified, or does not offer a particular service, “N/A” (not applicable) should be placed in the applicable column. If the company does not offer a particular service, then it should so indicate in the applicable column by N/A (not applicable).

SECTION III PROPOSAL FORMAT INSTRUCTIONS

A. EXPERIENCE AND CAPABILITIES

The purpose of this section is to provide the City with an overview description of the Offeror's company, plus the Offeror's commitment to the services set forth in this RFP and/or government clients in general. The Offeror should:

Summarize the organization structure and size of the company plus its date of organization and current principal place of business.

Outline and briefly discuss the scope of services provided and the approximate percentage of the total business devoted to the type of services requested in this RFP.

Describe any local office(s) that will service the City including size, services, area covered, and principal contact person.

The City reserves the right to make such additional investigation as it may deem necessary to establish the competency and financial stability of any Offeror. If, after the investigation, the evidence of competency and financial stability is not satisfactory, in the sole opinion of the City, the City reserves the right to reject the proposal.

B. REFERENCES AND LITIGATION INFORMATION

This section of the Offeror's proposal should:

List or describe representative clients currently served, both nationally and by the local office, focusing on clients similar in nature, size and complexity to the City.

Provide the current name, address, and telephone number of at least three (3) specific references (preferably local government) the company has served either currently or in the past two years (preferably those where the same or similar services as requested herein). Each reference should indicate the scope of services provided to each referenced client.

All solicitors are to provide a descriptive listing including case citation, jurisdiction, and a brief summary of the nature, status and disposition of any litigation in which they are presently involved and litigation claims resolved within the previous twenty-four (24) month period.

SECTION IV SELECTION OF OFFEROR

This Section of the RFP outlines the City's process for selecting the best proposal plus the major elements of the subsequent contract resulting from this selection.

A. SELECTION COMMITTEE

For this RFP, the City Manager, Assistant City Managers, Director of Finance and Administration, and the Human Resources Director will evaluate all proposals received. In turn a recommendation of selection will be made to the Approving Authority.

B. APPROVING AUTHORITY

The Approving Authority for this RFP is the City Manager or his/her authorized designee. The authority to approve acquisition is contingent upon appropriation of funds for the total amount of the Contract within each fiscal year.

C. EVALUATION CRITERIA

An Evaluation Committee will read, review, and evaluate each qualified proposal. The committee will be comprised of the City Manager, Assistant City Managers, Director of Finance and Administration, and Human Resources Director, or their designees will evaluate the proposals.

General Provisions

The provider must agree to waive any and all requirements of insurability for pre-existing conditions and waiting period requirements for all employees, their dependents, and retirees.

Employees

Full-time classified employees, employment agreement employees, department heads, assistant city managers, and the city manager. May include part-time regular employees who work a minimum of 20 hours per week.

Dependents (applies to all plans)

Spouses and eligible unmarried dependent children until age 19. Unmarried children are eligible to remain under family coverage until age 26 if a certified full-time student, or indefinitely if a doctor has certified that a child cannot support himself/herself because of a condition which occurred before 19 years of age.

Effective Dates of Coverage – Open Enrollment

Employees – Date of hire if enrollment is within 30 days of eligibility.

Dependents – Effective date of employee's insurance or date of becoming a family member if enrolled within 30 days of becoming a family member.

Termination of Coverage

Upon termination, the former employee will be entitled to all the rights and privileges guaranteed under the Consolidated Omnibus Budget Reconciliation Act. If the employee opts for the extended coverage, no benefits will be provided for any services or supplies provided on or after the date that extended coverage ceases even though the condition of the participant requires such services or supplies begin before the coverage ceased.

The Committee will base the initial and final evaluation on the following criteria:

Evaluation Criteria	Maximum Points
Financial Strength	15
Ability to Underwrite and Administer Proposed Services	15
Cost Proposal	15
Service Reputation	10
Cost Containment Efforts	10
Physician Network Match to Current Physician Network	10
Available Hospitals	10
References	5
Quality and Qualifications of Managed Care Network	5
Experience	5
TOTAL	100

The Evaluation Committee will evaluate the proposals and quotations from the information at hand and will also ask questions of a clarifying nature from offerors as required. The ability to meet the requirements for services is the prime consideration factor, and financial strength of the offeror, cost of services, and experience in providing the services are the next most important factors. The other evaluation factors are secondary in the evaluation of the proposal.

When the Evaluation Committee has tentatively selected the Offeror, it may request a conference(s) to formulate plans in greater detail, to clarify specific areas and to otherwise complete negotiations prior to the recommendation for award. At any time during these conferences the Evaluation Committee may choose to modify its choice of a selected Offeror, if it determines that such a change is in the best interest of the City.

Proposals should be submitted initially on the most complete and favorable terms from a technical standpoint. Should proposals require additional clarification and/or supplementary information, companies should be prepared to submit such additional clarification and/or supplementary information, in a timely manner, when so requested.

The Human Resources Director may arrange for discussion with companies submitting proposals, if required, for the purpose of obtaining additional information or clarification.

The Approving Authority may make such reasonable investigations as it deems proper and necessary to determine the ability of the company to perform the work.

After review and evaluation, and based on its sole discretion, the City reserves the right to reject any or all proposals received in response to this request and will not compensate or reimburse Offerors for the cost of proposal preparation whether or not an award is consummated.

D. BASIS FOR AWARD

Recommendation and final award will be based on the "Evaluation Criteria" set forth in this RFP. An evaluation based on information set forth in the proposal, past performance, and references of each Offeror shall be conducted.

Based on the results of the preliminary evaluation, the highest number rated company(ies) may be invited to make oral presentations to the Approving Authority. The Approving Authority will then conduct a final evaluation of the companies. The award may be made to the responsible Offeror whose offer conformed to the solicitation and is most advantageous to the City, cost or price and other factors considered. As proposals become more equal in their technical merit, the evaluated cost or price becomes more important.

E. PRIME OFFEROR

The City also reserves the right to contract with more than one company for specific aspects of the RFP if that is in the City's best interest.

F. CONTRACT DEVELOPMENT

Once a company is tentatively selected based on the "Evaluation Criteria," the City reserves the right to negotiate further with the selected company. As a result of this contract discussion and negotiation, the City may propose a contract, which amends the scope of the RFP or the company's proposal to signing the contract. At the same time, this RFP and the company's proposal shall be incorporated by reference directly into the final contract.

The contract, this RFP, and the Offeror's proposal submission in response thereto shall constitute the whole agreement between the parties.

If a satisfactorily proposed contract cannot be negotiated with the highest ranked company, negotiation will be formally terminated. Negotiations shall be undertaken with the second most qualified company and so on. Recommendations will be made to the Approving Authority prior to actual award of the contract.

G. CONTINGENCY OF THE CONTRACT AWARD

Award of the contract to the selected company is contingent upon:

The budget and appropriation of funds (if necessary) by the Mayor and City Council, and;

The successful negotiation of contractual terms agreeable to both parties.

Failure to achieve the foregoing will result in no award at this time.

H. STANDARD CONTRACT FOR SERVICES

The City expects to enter into its "Standard Contract for Services" in a form substantially similar to the sample provided herewith (see page 22).

Specific obligations of each party will be specified in the final signed contract.

The City will consider contracts proposed by Offerors. Any contract awarded, however, shall be in a form acceptable to the City and shall incorporate by reference the terms of the RFP.

Offerors are reminded that the proposal will form the basis of the contract negotiations phase between the City and the selected company. Accordingly, the proposal should be written in a concise, forthright manner as described in the RFP. The City reserves the right to incorporate all statements and claims made in the proposal (to include any attachments) in the final contract.

I. TYPE OF CONTRACT

The City expects to award a fixed price type of contract or a contract based on fixed rates with a set contract maximum for specified period based on present assumptions.

SAMPLE

CONTRACTOR AGREEMENT

THIS AGREEMENT, made this ____ day of _____, and effective as of _____, by and between _____ ("Contractor"), and the CITY OF GAITHERSBURG, MARYLAND, a Maryland Municipal Corporation, 31 South Summit Avenue, Gaithersburg, Maryland ("Employer").

RECITALS:

- R1. (City to state intent/reason/purpose for hiring contractor)
- R2. (City to state services to be provided by Contractor generally to accomplish City's purpose)
- R3. NOW, THEREFORE, in consideration of good and valuable consideration, the receipt of which is hereby acknowledged, and in consideration of the mutual benefits and promises herein made, the Contractor agrees to provide the enumerated services, and on terms as more fully described throughout this Agreement, as follows:

SECTION ONE **EMPLOYMENT AS [Identify, i.e. Architect, Consultant, etc.]**

Beginning on the effective date stated above, Contractor shall act as Contractor to Employer. In such capacity, Contractor shall (City to identify duties/services to be produced by Contractor). It is understood that services provided by Contractor pursuant to this Agreement shall be provided as scheduled by the City Manager or his designee.

SECTION TWO **COMPENSATION**

A. For Contractor's availability and services under and pursuant to this Agreement, Contractor shall be paid compensation in the sum of _____ for the term herein after specified, payable in equal installments of _____ as follows:

Payment shall be reduced on a pro rata basis for those days on which Contractor is unable to perform services for Employer under this Agreement. The Employer further agrees to pay Contractor reasonable expenses incurred for completion of services to be performed under this contract. Expenses are in addition to fees and include (i.e. postage, reproductions, long-distance communications).

B. In the event that the project for which Contractor has been hired is abandoned, curtailed, or canceled by the City at any time, the Contractor shall be paid a proportionate part of the fee for work done, services performed, plus expenses incurred to date of termination which are directly attributable to the termination for which the Contractor is not otherwise compensated to the time written notice of abandonment, curtailment or cancellation by the City.

Contractor further agrees that if it shall be necessary to employ or subcontract with competent professional personnel to fulfill its obligations under this Agreement, it shall do so at its own expense.

[Optional]: (1) For the term of this Agreement as hereinafter specified, the Contractor shall also be provided by Employer: [list City personnel, documents, services, etc.] used in connection with the provision of Contractor services to the City.

SECTION THREE **OWNERSHIP OF MATERIALS**

Any documents or materials prepared by the Contractor under this contract are instruments of the Contractor's service for use solely with respect to this project. The Contractor shall be deemed the author of these documents and shall retain all common law, statutory and other reserved rights including copyright. The City shall be permitted to retain copies only, including reproducible copies, of these documents for information and reference and promotion purposes. These documents shall not be used by third parties or others on other projects except by agreement in writing with the Contractor. Submission or distribution of documents to meet official regulatory requirements, or for similar purposes in connection with the project, is not to be construed as publication in derogation of the Contractors reserved rights.

SECTION FOUR **CITY'S RESPONSIBILITIES**

The City/Employer shall:

(List responsibilities. If none other than already contained in the Agreement, i.e. to pay compensation, delete this section).

SECTION FIVE **DURATION AND TERMINATION**

A. This Agreement shall become effective on _____, and shall continue until the _____. In addition to terminating at the end of such period, this Agreement may be terminated pursuant to the following:

(1) Immediately upon the death or total disability of Contractor or upon partial disability to the extent that other insurance coverage provides all or a portion of the compensation provided in Section Two A of this Agreement.

(2) The indictment or conviction of Contractor or any officer or employee of Contractor for any crime.

(3) The bankruptcy, dissolution, assignment for the benefit of creditors or other similar action.

(4) The breach of any confidential matter or release of confidential information by Contractor or involvement in a conflict of interest, as defined by the City Ethics Code.

(5) The breach of any material provision of this Agreement or provision of the RFP or any material representation, omission, or fraudulent conduct by the Contractor.

(6) The breach or violation of any antidiscrimination law, licensing regulation or requirement related to the project or failure to timely pay any employee or subcontractor or supplier of contractor.

(7) Upon thirty (30) days written notice, should Contractor accept any employment or appointment to a full-time governmental position which by law prohibits the continuation of Contractor's relationship with the City pursuant to this Agreement.

(8) Upon mutual consent of the parties.

(9) By either party, for reasons of non-compliance with any of the provisions of this Agreement by the other party, after giving the non-complying party fifteen (15) days to cure the non-compliance from the date of delivery of written notice of non-compliance.

B. Upon termination of this Agreement for any reason, the Contractor shall return to Employer any property of the City, and any documents or records of the City in the possession of Contractor, and shall pay any sums due and owing to the City.

SECTION SIX
INSURANCE

Contractor certifies and agrees that during the term of this Agreement, it has and will maintain in force the following policies of insurance in the following amounts:

_____ Comprehensive personal liability and property damage (Employer to be named as co-insured)	\$
_____ Errors and Omissions Insurance	\$
_____ Workmen's Compensation Insurance	\$
_____ [List other insurance]	\$

The City shall be provided with a copy of each such policy or other indicia of insurance.

SECTION SEVEN
INDEMNIFICATION

Contractor hereby agrees to indemnify and save harmless the City from any loss, damages and other expenses suffered or incurred by the City by reason of the Contractor's negligence, omission, or error in carrying out/providing the following services:

In the event of litigation between the parties to this Agreement arising under, related to, or in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees from the non-prevailing party at the arbitration, trial and/or appellate levels.

SECTION EIGHT
ARBITRATION

All disputes arising under the Agreement, except provisions for termination specified in Section Five of this Agreement, which are not disposed of by agreement of the parties must be decided under procedures 1-4 listed below. Pending final resolution of a dispute, the Contractor must proceed diligently with Agreement performance. A

claim must be in writing for a sum certain, and any money requested must be fully supported by all cost and pricing information.

1. All disputes, claims, questions of fact or interpretations of the Agreement documents not disposed of by agreement or express provision of the Agreement arising between the City and the Contractor after performance of the Agreement has commenced but before final payment and termination of the Agreement, are decided by the City Manager or his/her designee.

2. The City Manager or designee must give the Contractor not less than three (3) working days to submit documentation and written reasons supporting the Contractor's position in the dispute. The City Manager or designee may consider any other information or written submissions from City employees or agents and may conduct an informal, non-record hearing for receipt of testimony, evidence, and argument. The City Attorney may participate in the hearings to protect the City's interest.

3. The City Manager or designee must render a decision, in writing, stating reasons for it and provide copies to the Contractor and the City Attorney. If the decision is mailed to the Contractor, it must be mailed "certified" and dated the date of mailing; otherwise, it must be dated the date of delivery to the Contractor.

4. The written decision of the City Manager must be sent to all parties. Such decision may be submitted to Binding Arbitration by either party under the auspices of an arbitrator appointed by the Montgomery County Bar Association.

SECTION NINE **ASSIGNMENT**

Employer's rights under this Agreement are personal to Contractor, and may not be assigned to any other person, firm or organization without the express written consent of Employer.

SECTION TEN **GOVERNING LAW**

The Agreement shall be construed in accordance with the laws and regulations of the State of Maryland, and the City of Gaithersburg. The Contractor must, without additional cost to the City, pay any necessary fees and charges, obtain any necessary licenses and permits, and comply with applicable federal, state and local laws, codes and regulations. For purposes of litigation involving matters not subject to arbitration under Section Eight of this Agreement, exclusive venue and jurisdiction shall be in the Circuit Court for Montgomery County, Maryland, or in the District Court of Maryland for Montgomery County.

SECTION ELEVEN

NON-DISCRIMINATION REQUIREMENTS

The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex or national origin, disability, marital status, or presence of children. The Contractor will take affirmative action to ensure that employees shall not be discriminated against on the basis of race, religious creed, color, sex, national origin, disability, marital status, the presence of children, ancestry and sexual orientation. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer; recruitment, advertising, layoff or termination; rates of pay or other form of compensation; and selection for training, including apprenticeship.

The Contract will, in all solicitations for employees, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex or national origin, disability, marital status, or the presence of children. The Contractor agrees to use clauses similar to those above in all subcontracts. In the event the Contractor fails to comply with the nondiscrimination clauses of this contract, or fails to include such contract provisions in all subcontracts, as hereinabove provided, this contract may at the option of the City be declared void **AB INITIO**, canceled, terminated or suspended in whole or in part with waiver of any recourse by the Contractor against the City or its officials or employees, and the Contractor may be declared ineligible for further contracts with the City.

Any employee, applicant for employment, or prospective employee with information concerning any breach of these requirements may communicate such information to the City Manager who shall commence a prompt investigation of the alleged violation. Pursuant to such investigation, the Contractor will permit access to their books, records and accounts. In the event the City Manager concludes, on the basis of his investigation, that the Contractor has failed to comply with the nondiscrimination clauses, the City Manager may invoke the remedies hereinabove set out.

SECTION TWELVE

ENTIRE AGREEMENT

This Agreement shall constitute the entire agreement between the parties, and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party, except to the extent incorporated in this Agreement.

SECTION THIRTEEN
MODIFICATION OF AGREEMENT

Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if evidenced in writing, signed by each party or an authorized representative of each party.

SECTION FOURTEEN
CONFIDENTIALITY

Contractor agrees that all knowledge and information that Contractor may receive from Employer or from its officials, employees or other sources, or by virtue of the performance of services under and pursuant to this Agreement which are included or referenced in Section _____, MARYLAND STATE GOVERNMENT CODE ANNOTATED, shall not be directly or indirectly disclosed by Contractor to any person whatsoever unless authorized to do so by the City Manager of the City of Gaithersburg, Maryland. This confidentiality provision shall also apply to any information, activity or record designated to Contractor by Employer as being "confidential" or "privileged."

SECTION FIFTEEN
NOTICES

Any notice provided for or concerning this Agreement shall be in writing and be deemed sufficiently given when sent by certified or registered mail, sent to the respective address of each party or an authorized representative of each party as indicated below:

For the City/Employer:

With a copy to:

For [Contractor]:

With a copy to:

SECTION SIXTEEN
EFFECT OF PARTIAL INVALIDITY

The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

CONTRACTOR:

WITNESS

EMPLOYER:

WITNESS

CITY OF GAITHERSBURG, MD
By James D. Arnoult, Acting City Manager

Cost Proposal

This form MUST be completed and returned with your bid. Fill in the monthly cost for the plan offered for individual, individual+1, family, and for retirees 65 and over w/Medicare supplement. **Please mark N/A in the cost area for those plans and/or features on which you will not be bidding.**

	Plan I - HMO		Plan II - POS		Plan III - PPO		Plan IV - To be designated (self-funded)	
	FEE FOR SERVICE		Point of Service					
	Active	Retired	Active	Retired	Active	Retired	Active	Retired
INDIVIDUAL								
Medical	\$	\$	\$	\$	\$	\$	\$	\$
Dental	\$	\$	\$	\$	\$	\$	\$	\$
Vision	\$	\$	\$	\$	\$	\$	\$	\$
Prescriptions	\$	\$	\$	\$	\$	\$	\$	\$
MONTHLY TOTAL	\$	\$	\$	\$	\$	\$	\$	\$
INDIVIDUAL + 1								
Medical	\$	\$	\$	\$	\$	\$	\$	\$
Dental	\$	\$	\$	\$	\$	\$	\$	\$
Vision	\$	\$	\$	\$	\$	\$	\$	\$
Prescriptions	\$	\$	\$	\$	\$	\$	\$	\$
MONTHLY TOTAL	\$	\$	\$	\$	\$	\$	\$	\$
FAMILY								
Medical	\$	\$	\$	\$	\$	\$	\$	\$
Dental	\$	\$	\$	\$	\$	\$	\$	\$
Vision	\$	\$	\$	\$	\$	\$	\$	\$

	Name of Bidder _____							
Prescriptions	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
MONTHLY TOTAL	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
RETIREES 65 AND OVER W/ MEDICARE SUPP								
	Active	Retired	Active	Retired	Active	Retired	Active	Retired
	Medical	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
	Dental	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
	Vision	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
	Prescriptions	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
MONTHLY TOTAL	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

*DESCRIBE ANY OPTIONAL PRESCRIPTION DEDUCTIBLES AND/OR CO-PAYMENT STRUCTURE WHICH YOU WILL OFFER AND OUTLINE THE FEE REDUCTIONS WHICH COULD BE OBTAINED AS A RESULT. FOR EXAMPLE, IF THE CITY INCREASED THE PER PRESCRIPTION CO-PAYMENT FROM \$2/\$5 TO \$3/\$10 (GENERIC/BRAND NAME, FORMULARY/NON-FORMULARY) THAT WOULD AFFECT THE MONTHLY PREMIUM.

EXAMPLE:

COMPANY NAME

ADDRESS

CITY, STATE, ZIP

TYPED SIGNATURE

AUTHORIZED SIGNATURE

PHONE

DATE

A-2

Attachment B

QUESTIONNAIRE

THIS QUESTIONNAIRE MUST BE COMPLETELY FILLED OUT AND RETURNED WITH YOUR PROPOSAL. FAILURE TO INCLUDE THIS FORM WITH YOUR PROPOSAL MAY BE CAUSE FOR REJECTION OF THE PROPOSAL.

Assume a question should be answered as it applies to each of the Plans your Company is proposing. If additional space is required to answer any of the following questions, additional sheets of blank paper may be attached to this form. Identify the question being answered.

- 1) Please provide an overview of each Plan you are responding to below and complete the attached Summary of Benefits. Please be sure to include maximum calendar year and lifetime benefits, deductibles, maximum out-of-pocket expenses, and any exclusions.

Please define family members.

For adoption, do you consider the child a family member at the time the child is placed with adoptive parents or not until court decree of final adoption? The City prefers that the child be considered a family member at time of placement with adoptive parents.

Administration and Service

- 1) Where is the office that pays claims located? How is the claims office team structured in terms of processors and member services?

- 2) Do you provide EOBs to claimants when in-network services are rendered? If yes, please provide a sample in-network EOB.

- 3) Do you have large case management? Describe how your program works (i.e., actual interface). Identify any additional fees or premiums for this provision.

- 4) For the PPO out-of-network, POS out-of-network, and indemnity benefits, at what percentile do you set your reasonable and customary fees and how often are these fees updated? What is your definition of excessive (i.e., in excess of usual, reasonable and customary charges, and on what basis are the fees set (i.e., HIAA, Book of Business, etc.)?

Name of Offeror _____

- 5) In accordance with Section 125, the City allows employees to have premiums for health care made on a pre-tax basis. For those employees who participate under Section 125 the plan permits changes in coverage upon satisfactory proof that a qualified change in family status has occurred such as divorce, legal separation, change in employment status of spouse, unpaid leave of absence, etc.

When outlining your procedures below indicate if and how your plan will follow the IRS Code Section 125.

a) adding newly eligible employees to the Plan

b) adding newly eligible family members to the Plan

c) canceling employees from the Plan

d) canceling family members from the Plan

- 6) How is student status determined?

- 7) What is the maximum age a full-time student is covered under this plan?

- 8) How is this status verified?

- 9) How often is this status verified?

Name of Offeror _____

- 10) How are students deleted if not eligible? Is this deletion retroactive? Is the City charged for this period? How is the City notified of a change?
- 11) How many months credit can the City receive on our monthly bill if an employee is not deleted from our monthly bill and it is later determined that the individual should have been deleted? Is this period negotiable?
- 12) Since a 90-day COBRA election period is required will you retroactively credit the City for premiums paid if the employee does not elect coverage during that period?
- 13) It is required that each Plan have the appropriate provisions available in accordance with the Public Health Services Act continuation of coverage provisions (similar to COBRA). Does your plan provide for such provisions?
- 14) Do you provide COBRA administrative services? If so, what are your procedures? Are there fees?
- 15) Do you provide HIPPA Certification services? If so, what are your procedures? Are there fees?

Name of Offeror _____

- 16) Who would be responsible for daily service issues and problem resolution? Where are they located?
- 17) Is your company willing to assign one or more **PRIMARY** customer service representatives to answer our employees benefit questions, provide daily assistance in claim resolution, claim payment, etc.? If no, please explain how this service will be handled?
- 18) Please provide your Internet capabilities regarding online directories, resolving claims and checking claim status.
- 19) Please describe your capabilities for online enrollment.
- 20) Please provide a copy of the standard utilization reports that will be provided to the City of Gaithersburg.

Name of Offeror _____

- 21) The City of Gaithersburg would like to receive monthly reports capturing premium claims. What reports will you be able to provide and on what basis? Is there a cost involved for these reports?

Financials

- 1) The successful offeror will agree to reimburse a portion of fees if levels of basic performance are not achieved. These levels will include installment satisfaction, claim turnaround time, experience reports and utilization reports. Please describe the performance guarantees and financial penalties that you would propose for this program.
- 2) Can you provide any multi-year rate guarantee or rate caps for the City of Gaithersburg?
- 3) Are there additional charges for any implementation services that have not been included in your pricing?
- 4) If your company levies an additional charge for late premium payment, at which point after statements are dated will the charge be made?
- ☐ 30 days
- ☐ 60 days
- ☐ 90 days
- ☐ 120 days
- ☐ Other, specify _____

- 5) If the late premium payment charge is equal to interest on the unpaid premium, what is the interest rate?
 - a) If not, what is the charge and how is it calculated?
- 6) What is the renewal methodology utilized by underwriters for first year renewals? In the space provided below, please note the formula for determining the rates for optional years of the contract. Increases shall be equivalent for each tier of a plan. Rate increases shall be submitted in writing to the Human Resources Division.

Hospital/Physician Selection Criteria

General

- 1) Are your PPO, POS, and HMO networks the same? If not, what is the percentage of overlap for each area?
- 2) What is your HMO's/POS's size both in terms of facilities and physicians? Please list separately the number of primary care physicians, OB/GYNS and specialists for each area that you contemplate placing in an HMO or POS plan.
- 3) Please provide the most recent provider directory.

Name of Offeror _____

- 4) What is your PPO's size both in terms of facilities and physicians? Please list separately the number of primary care physicians, OB/GYNS and specialists for the Washington D.C. metropolitan area.
- 5) Please describe any credentials held by your organization such as NCQA accreditation or if you provide data which complies with HEDIS, performance measures.
- 6) Do you own your own Pharmacy Networks? Please describe your pharmacy networks in detail. If you do not own your pharmacy networks, please indicate which card service company you utilize.
- 7) What standards and qualifications do you require for physicians and specialists to work with your organization?
- 8) What incentives are given to physicians and specialists to remain with the Plan?

Name of Offeror _____

9) What accreditation is required by your company for laboratory and associated work?

a) How are laboratories certified for mammography screenings?

b) Are laboratory technicians certified in any way?

Physician Access

1) What percentage of participating physicians have limited their practice to current enrollment?

2) Please provide a GeoAccess and Network Zip Match for each area that you offer an HMO, POS, and PPO option. Please use access standards of 2 primary care physicians within 8 miles, 1 specialist within 8 miles and 1 hospital within 15 miles.

3) If an HMO, POS, PPO, how many physicians and hospitals are available in the following areas? How many of these are accepting new patients?

AREA	PHYSICIANS	ACCEPTING NEW PATIENTS	HOSPITALS
Washington DC and surrounding Maryland Counties			
Frederick			
Arlington County, Virginia			
West Virginia			

4) If an HMO, how many and where are your full-service locations? Where are partial-service locations?

5) Are all of your services provided at all locations?

☐ Yes ☐ No If No, explain.

- 6) If an HMO, describe the services NOT available at the primary care centers and how these services are provided when needed.
- 7) Is medical care available during evenings and weekends at all locations?
- ☐ Yes ☐ No If No, explain.
- 8) The City has retirees who move out of the Washington Metropolitan area. The City prefers the ability to cover individuals living out of the area. Can retirees living out of the Plan's service area obtain care? Submit a list of your service locations.
- 9) How does a Medicare-eligible retiree obtain service?
- a) Specifically, will your company file for reimbursement with Medicare on behalf of the retirees and then pay any approved balance?
- 10) What are your company's plans for expansion and opening new service locations?

Operating Systems

- 1) What turnaround time for each program are you currently achieving in the claim office specified for a, b, c?
 - a) In Network (80% in x number of days)
 - b) Out of Network (80% in x days)
 - c) Average speed of answer
 - d) Abandonment rate
- 2) Will you guarantee payment of claims within 15 days after receipt of claim?
- 3) What is your actual average payment turn-around time during the period of July 1, 2007, through December 31, 2007?
 - a) a prescription drug claim
 - b) a major medical claim
 - c) a basic medical claim

Name of Offeror _____

- 4) Will you be having any enrollment or claim system conversions in the next 12-24 months? If so, please describe change and potential dates.

Medical Management

- 1) Do you perform patient satisfaction surveys? If so, describe and provide sample results.
- 2) Do you have a Mental Health network? Is it quoted?
- 3) Do you offer an Employee Assistance Plan? Is it included in the pricing? If not, what is the pricing? What are the parameters for the plan?

Member Services/Patient Satisfaction

- 1) How do you monitor and what is the average waiting time to obtain an appointment for primary care, each major specialty area, non-emergency conditions and routine physical exams?

Name of Offeror _____

- 2) What is the average length of service for your claim processors and member service representatives in the proposed claim office? What is the average education level for the same group? Do you provide an incentive compensation package for strong performers?
- 3) Is the employer notified in case of a specific claim problem (i.e., total claim rejection, an “unreasonable” charge, etc.)? If yes, how?
- 4) Please describe the top three service issues/problems you anticipate encountering during implementation of managed care for the City of Gaithersburg and indicate how you will address them.
- 5) Our open enrollment is July 1 of each year. When will you guarantee to provide new enrollees with appropriate enrollment/plan materials?
- 6) Attach a sample copy of a new member communication package that includes information on benefits, name and location of providers, how to use services and the Member Services department.

Name of Offeror _____

- 7) Do you monitor the average length of time it takes for members to speak directly with a member services representative? What are your answer rate standards?
- 8) How many years has your company been in business under its current name? Has your company worked under a different name within the last ten years? If yes, describe in detail.

Attachment C

Name of Offeror _____

HMO PLAN SUMMARY OF BENEFITS

Plan Features	Current Benefits In Plan	Proposed Benefits In Plan
Deductible		
Individual	N/A	
Family	N/A	
Out-of-Pocket Limit		
Individual	\$4,000	
Two-Person	\$8,000	
Family	\$8,000	
Lifetime Maximum		
	Unlimited	
Benefit	Current Benefits In Plan	Proposed Benefits In Plan
1. Acupuncture	\$30.00 Copayment up to 12 visits per Member per Contract Year and covered only for postoperative and chemotherapy nausea and vomiting, nausea of pregnancy, postoperative dental pain and as part of a comprehensive treatment program for chronic pain.	
2. Chiropractic Services	50% Copayment of Charges up to \$500.00 per Member per Contract Year.	
3. Covered Transplants	Heart, heart/lung, lung, liver, kidney, pancreas, cornea, and all non-experimental bone marrow transplants when deemed Medically Necessary. Requires Preadmission Authorization & Precertification. Member must meet certain criteria. Subject to Applicable Copayment/Deductible.	
4. Diagnostic Lab Tests	Applicable Copayment	
5. Emergency Room Visits (no referral necessary)	\$75.00 Copayment for services that meet the Plan's definition of Emergency Services. Copayment is waived if the Member is admitted to the Hospital, in which case, the Inpatient Hospital Copayment and/or Deductible apply. Services that do not meet the Plan's definition of Emergency Services are not covered.	
6. Eye Refraction Examination (no referral necessary)	\$25.00 Copayment- No referral necessary when seeking care from a Participating Provider.	
7. Hospital Inpatient Stay	20% Copayment of Charges per Admission. Requires Preadmission Authorization.	

Attachment C

Name of Offeror _____

Plan Features	Current Benefits In Plan	Proposed Benefits In Plan
8. Mammography Examinations	Applicable Copayment	
9. Maternity Care	\$30.00 Copayment; all other non-office visit Copayments apply.	
10. Medication management office visit associated with mental health or substance abuse	\$30.00 Copayment	
11. Inpatient Mental Illness, Emotional Disorder, Drug Abuse, and Alcohol Abuse	20% Copayment of Charges per Admission. Requires Preadmission Authorization.	
12. OB/GYN Office Visits (no referral necessary)	\$30.00 Copayment- Female Members may have direct access to a Participating OB/GYN or Participating Certified Nurse Midwife without a referral from the Member's PCP for Medically Necessary OB/GYN care, including, but not limited to, routine care. If the Member requires the services of another Specialty Provider, the Member's PCP must determine the necessity of a referral. No Copayment required for Participating Certified Nurse Midwife services.	
13. Occupational, and Physical Therapy Visits	\$30.00 Copayment up to 60 visits per incident or injury. These limits are combined with the limits stated under Speech Therapy.	
14. Outpatient Hospital Services	\$30.00 Copayment	
15. Outpatient Hospital Surgery	\$50.00 Copayment	
16. Outpatient Mental Illness, Emotional Disorder, Drug Abuse, and Alcohol Abuse	20% Copayment of Charges per visit 1-5; 35% Copayment of Charges per visit for visits 6-30; 50% Copayment of Charges per visit thereafter.	
17. Primary Care Physician Office Visits	\$20.00 Copayment	
18. Routine Physical Exam	\$20.00 Copayment for covered services	

Attachment C

Name of Offeror _____

Plan Features	Current Benefits In Plan	Proposed Benefits In Plan
19. Skilled Nursing Facility	20% Copayment of Charges per Admission up to 60 days per Member per Contract Year.	
20. Specialist Office Visits	\$30.00 Copayment	
21. Speech Therapy	\$30.00 Copayment up to 60 visits per Condition. These limits are combined with the limits stated under Occupational and Physical Therapy. Visit limit does not apply to treatment of cleft lip/cleft palate or both.	
22. Urgent Care Facility Visits	\$35.00 Copayment	
23. Well Child Visits	\$20.00 Copayment for covered services	
24. X-rays	Applicable Copayment	
Additional Benefits:	Current Benefits In Plan	Proposed Benefits In Plan
Ambulance Service	Covered In Full when Medically Necessary. Requires Preauthorization.	
Bilateral Vasectomy Services	\$30.00 Copayment	
Domestic Partner	Coverage for Domestic Partner is provided.	
Durable Medical Equipment	50% Copayment of Charges. Requires Prior Authorization.	
Habilitative Services for Children under Age 19	\$30.00 Copayment for Occupational, Physical and Speech Therapy for the treatment of a child with a Congenital or Genetic Birth Defect to enhance the child's ability to function (coverage not provided if services are delivered through Early Intervention or School Services).	
Hair Prosthesis	50% Copayment of Charges - One Hair Prosthesis will be covered for a Member whose hair loss results from chemotherapy or radiation treatment for cancer when prescribed by the Oncologist in attendance (the cost shall not exceed \$350.00 and is limited to one Hair Prosthesis per lifetime). Requires Prior Authorization.	
Hearing Aids for Children Under the Age of 19	50% Copayment of Charges up to \$1,400 per hearing aid for each hearing-impaired ear every 36 months if prescribed, fitted, and dispensed by a licensed audiologist. Requires Prior Authorization.	
Home Health Care	Covered In Full.	

Attachment C

Name of Offeror _____

Plan Features	Current Benefits In Plan	Proposed Benefits In Plan
Hospice Services	Covered In Full. Requires Preadmission Authorization.	
Infertility Treatment – Artificial Insemination	50% Copayment of Charges (limited to 6 cycles per lifetime).	
Infertility Services – In Vitro Fertilization	50% Copayment of Charges (limited to 3 attempts per live birth, not to exceed a maximum lifetime limit of \$100,000); the Member must meet certain criteria.	
Initial Allergy Consultation	Applicable Copayment	
Norplant Services	Applicable Copayment	
Orthopedic Braces	50% Copayment of Charges. Requires Prior Authorization.	
Partial Hospitalization for Mental Health Care/Substance Abuse	\$30.00 Copayment up to 60 days per Member per Contract Year.	
Orthopedic Braces	50% Copayment of Charges. Requires Prior Authorization.	
Tubal Ligation Services	\$50.00 Copayment	
Prescription Drugs:	Current Benefits In Plan	Proposed Benefits In Plan
1. Tier 1	\$10.00	
2. Tier 2	\$25.00	
3. Tier 3	\$50.00	
4. Injectables	Same as Copayments	
5. Mail Orders	One (1) Copayment per 31 day consecutive supply for retail drugs and three (3) Copayments per 90 day supply for mail order drugs. Oral contraceptives at three (3) Copayments for three-cycle supply.	
6. Ancillary	Member must pay the difference between the cost of a Tier 3 or Tier 2 drug when a Tier 1 drug is available. You are responsible for paying the lower of the applicable Copayment or the retail Network Pharmacy's Usual and Customary Charge, or the lower	

Attachment C

Name of Offeror _____

Plan Features	Current Benefits In Plan	Proposed Benefits In Plan
	of the applicable Copayment or the Home Delivery Pharmacy's Prescription Drug Cost.	

Attachment D

Name of Offeror _____

POS PLAN SUMMARY OF BENEFITS

Plan Feature	CURRENT BENEFITS		PROPOSED BENEFITS	
	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
Deductible				
Individual	N/A			
Out-of-Pocket Limit				
Individual	\$4,000			
Two-Person	\$8,000			
Family	\$8,000			
Lifetime Maximum	Unlimited	\$1,000,000		
Benefit				
1. Acupuncture	\$30.00 Copayment up to 12 visits per Member per Contract Year and is covered only for postoperative and chemotherapy nausea and vomiting, nausea of pregnancy, postoperative dental pain and as part of a comprehensive treatment program for chronic pain.	80% up to 12 visits per Member per Contract Year and is covered only for postoperative and chemotherapy nausea and vomiting, nausea of pregnancy, postoperative dental pain and as part of a comprehensive treatment program for chronic pain. Services count toward limit stated under In-Plan Benefit.		
2. Chiropractic Services	50% Copayment of Charges up to \$500.00 per Member per Contract Year.	50% up to \$500.00 per Member per Contract Year. Services count toward limit stated under In-Plan Benefit.		
3. Circumcision	Covered In Full.	80%		
4. Diagnostic Lab Tests	Applicable Copayment.	80%		

Attachment D

Name of Offeror _____

Plan Feature	CURRENT BENEFITS		PROPOSED BENEFITS	
	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
5. Emergency Room Visits	\$75.00 Copayment for services that meet the Plan's definition of Emergency Services. Copayment is waived if the Member is admitted to the Hospital, in which case, the Inpatient Hospital Copayment and/or Deductible apply. Services that do not meet the Plan's definition of Emergency Services are not covered.	Services received at an Emergency Room that meet the Plan's definition of Emergency Services are payable In-Plan.		
6. Eye Refraction Examinations	\$25.00 copayment – No referral necessary when seeking care from a Participating Provider.	80%		
7. Hospital-Inpatient Stay	20% Copayment of Charges per Admission. Requires Preadmission Authorization.	80% for Out-of-Plan Hospital when Preauthorized.		
8. Infertility Treatment – Artificial Insemination	50% Copayment of Charges (limited to 6 cycles per lifetime).	50% limited to 6 cycles per lifetime). Services count toward limit stated under In-Plan Benefit.		
9. Infertility Treatment – In Vitro Fertilization	50% Copayment of Charges (limited to 3 attempts per live birth, not to exceed a maximum lifetime limit of \$100,000); the Member must meet certain criteria.	80% (limited to 3 attempts per live birth, not to exceed a maximum lifetime limit of \$100,000); the Member must meet certain criteria.		
10. Initial Allergy Consultation	Applicable Copayment	80%		
11. Mammography Examinations	Applicable Copayment	80% Not subject to annual deductible		
12. Maternity Care	\$30.00 Copayment; all other non-office visit Copayments apply.	80%		

Attachment D

Name of Offeror _____

Plan Feature	CURRENT BENEFITS		PROPOSED BENEFITS	
	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
13. Medication Management Office Visits Associated with Mental Health/Substance Abuse	\$30.00 Copayment	80%		
14. Mental Illness, Emotional Disorder, Drug Abuse, and Alcohol Abuse—Inpatient	20% Copayment of Charges per Admission. Requires Preadmission Authorization.	80% for Out-of-Plan Hospital when Preauthorized.		
15. Mental Illness, Emotional Disorder, Drug Abuse, and Alcohol Abuse – Outpatient	20% Copayment of Charges per visits 1-5; 35% Copayment of Charges per visit for visits 6-30; 50% Copayment of Charges per visit thereafter.	80% per visit for visits 1-5; 65% per visit for visits 6-30; 50% thereafter.		
16. OB/GYN Office Visits	\$30.00 Copayment – Female Members may have direct access to a Participating OB/GYN or Participating Certified Nurse Midwife without a referral from the Member's PCP for Medically Necessary OB/GYN care, including, but not limited to, routine care. If the Member requires the services of another Specialty Provider, the member's PCP must determine the necessity of a referral. No Copayment required for Participating Certified Nurse Midwife services.	80%		

Attachment D

Name of Offeror _____

Plan Feature	CURRENT BENEFITS		PROPOSED BENEFITS	
	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
17. Occupational and Physical Therapy Visits	\$30.00 Copayment up to 60 visits per incident or injury. These limits are combined with the limits stated under Speech Therapy.	80% up to 60 visits or 60 days for treatment of incident or injury. These limits are combined with the limits stated under Speech Therapy. Services count toward limit stated under In-Plan Benefit.		
18. Outpatient Hospital Services	\$30.00 Copayment	80% Certain procedures must be precertified.		
19. Outpatient Hospital Surgeries	\$50.00 Copayment	80% Certain procedures must be precertified.		
20. Primary Care Physician Office Visit	\$20.00 Copayment	80%		
21. Routine Physical Exams	\$20.00 Copayment for covered services.	80%		
22. Skilled Nursing Facility	20% Copayment of Charges per Admission up to 60 days per Member per Contract Year.	80% up to 60 days per Member per Contract Year. Requires Preadmission Authorization.		
23. Specialist Office Visits	\$30.00 Copayment	80%		
24. Speech Therapy	\$30.00 Copayment up to 60 visits per Condition. These limits are combined with the limits stated under Occupational and Physical Therapy. Visit limit does not apply to the treatment of cleft lip/cleft palate or both.	80% up to 60 visits or 60 days for Treatment of Conditions. These limits are combined with the limits stated under Occupational and Physical Therapy. Visit limit does not apply to the treatment of cleft lip/cleft palate or both. Services count toward limit stated under In-Plan Benefit.		
25. Urgent Care Facility Visits	\$35.00 Copayment	80%		
26. Well Child Care	\$20.00 Copayment for covered services	80% Not subject to Annual Deductible.		

Attachment D

Name of Offeror _____

Plan Feature	CURRENT BENEFITS		PROPOSED BENEFITS	
	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
27. X-rays	Applicable Copayment.	80%		
Additional Benefits:	HMO Benefits	POS Benefits		
Ambulance Service	Covered in full when Medically Necessary. Requires Preauthorization.	80% when Medically Necessary.		
Bilateral Vasectomy Services	\$30.00 copayment	80%		
Domestic Partner	Coverage for Domestic Partner is provided.	Coverage for Domestic Partner is provided.		
Durable Medical Equipment	50% Copayment of Charges. Requires Prior Authorization.	50% Requires Precertification.		
Habilitative Services for Children Under the Age of 19	\$30.00 Copayment for Occupational, Physical and Speech Therapy for the treatment of a child with a Congenital or Genetic Birth Defect to enhance the child's ability to function (coverage not provided if services are delivered through Early Intervention or School Services).	80% Same criteria as In-Plan Benefit.		
Hair Prosthesis	50% Copayment of Charges – One Hair Prosthesis will be covered for a Member whose hair loss results from chemotherapy or radiation treatment for cancer when prescribed by the Oncologist in attendance (the cost shall not exceed \$350.00 and coverage is limited to one Hair Prosthesis per lifetime). Requires Prior Authorization	50% One Hair Prosthesis will be covered for a Member whose hair loss results from chemotherapy or radiation treatment for cancer when prescribed by the Oncologist in attendance (the cost shall not exceed \$350.00 and coverage is limited to one Hair Prosthesis per lifetime). Requires Precertification.		

Attachment D

Name of Offeror _____

Plan Feature	CURRENT BENEFITS		PROPOSED BENEFITS	
	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
Hearing Aid for Children Under the Age of 19	50% copayment of charges up to \$1,400 per hearing aid for each hearing-impaired ear every 36 months if prescribed, fitted, and dispensed by a licensed audiologist. Requires prior authorization.	50% up to \$1,400 per ear every 36 months, if prescribed, fitted and dispensed by a licensed audiologist. Requires Precertification.		
Home Health Care	Covered in Full.	80%		
Hospice Services	Covered in Full. Requires Preadmission Authorization.	80% Requires Preadmission Authorization.		
Norplant Services	Applicable Copayment	80%		
Orthopedic Braces	50% Copayment of Charges. Requires Prior Authorization.	50% for Orthopedic Devices, Braces, and Prosthetic Devices. Requires Precertification.		
Partial Hospitalization Mental Health and Substance Abuse	\$30.00 copayment up to 60 days per Member Contract Year.	80% up to 60 visits per Member per Contract Year.		
Transplants	Heart, heart/lung, lung, liver, pancreas, kidney, cornea and all non-experimental bone marrow transplants when deemed Medically Necessary. Requires Preadmission Authorization and Precertification. Member must meet certain criteria. Subject to Applicable Copayment/Deductible.	Heart, heart/lung, lung, liver, pancreas, kidney, cornea and all non-experimental bone marrow transplants are covered when deemed Medically Necessary by the Plan. Requires Preadmission Authorization and Precertification. Subject to Applicable Copayment/Coinsurance.		
Tubal Ligation Services	\$50.00 copayment	80%		
Prescription Drugs:	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
Tier 1	\$10.00 Copayment	80%		
Tier 2	\$25.00 Copayment	80%		

Attachment D

Name of Offeror _____

Plan Feature	CURRENT BENEFITS		PROPOSED BENEFITS	
	HMO Benefits	POS Benefits	HMO Benefits	POS Benefits
Tier 3	\$50.00 Copayment	80%		
Injectables	Same as Copayments			
Mail Order	One (1) Copayment per 31 day consecutive supply for retail drugs and three (3) Copayments per 90 day supply for mail order drugs. Oral contraceptives at three (3) Copayments for three-cycle supply.			
Ancillary	Member must pay the difference between the cost of a Tier 2 or Tier 3 drug when a Tier 1 drug is available. You are responsible for paying the lower of the applicable Copayment or the retail Network Pharmacy's Usual and Customary Charge, or the lower of the applicable Copayment or the Home Delivery Pharmacy's Prescription Drug Cost.			

PPO PLAN SUMMARY OF BENEFITS

Plan Features	CURRENT BENEFITS		PROPOSED BENEFITS	
	Preferred Option	Non-Preferred Option	Preferred Option	Non-Preferred Option
Deductible				
Individual	N/A			
Family	N/A			
Out-of-Pocket Limit				
Individual		\$2,500		
Family		\$5,000		
Lifetime Maximum	Unlimited	\$1,000,000		
Benefit				
1. Acupuncture	100% after \$20.00 copayment up to 12 visits per Contract Year and covered only for postoperative and chemotherapy nausea and vomiting, nausea of pregnancy, postoperative dental pain and as part of a comprehensive treatment program for chronic pain.	75% Same criteria as Preferred Provider Option; Services count toward limit stated under Preferred Provider Option.		
2. Bilateral Vasectomy Services	100% after \$20.00 copayment	75%		
3. Chiropractic Visits	50% up to \$500.00 per Member per Contract Year.	50% up to \$500.00 per Member per Contract Year. Services count toward limit stated under Preferred Provider Option.		
4. Circumcision	90%	75%		
5. Diagnostic Lab Tests	100% after \$20.00 copayment	75%		

Attachment E

Name of Offeror _____

Plan Features	CURRENT BENEFITS		PROPOSED BENEFITS	
	Preferred Option	Non-Preferred Option	Preferred Option	Non-Preferred Option
6. Emergency Room Visits	100% after \$50.00 Copayment. Copayment is waived if the Member is admitted to the Hospital. All Emergency Admissions must be reported to the Plan within 48 hours. NOTE: Emergency Services must meet the Plan's definition of an emergency for coverage to be payable.	100% after \$50.00 Copayment. Same criteria as Preferred Provider Option.		
7. Eye Refraction Exam	100% after \$20.00 Copayment.	75%		
8. Hospital – Inpatient Stay	90% Requires Preadmission Authorization for Non-Emergency Admissions	75% Requires Preadmission Authorization for Non-Emergency Admissions.		
9. Infertility Treatment – Artificial Insemination	50% Limited to 6 cycles per lifetime.	50% Services count toward limit stated under Preferred Provider Option.		
10. Infertility Treatment - In Vitro Fertilization	100% after \$20.00 Copayment (limited to 3 attempts per live birth, not to exceed a maximum lifetime limit of \$100,000); Member must meet certain criteria.	75% Services count toward limit stated under Preferred Provider Option.		
11. Mammography Examinations	100% after \$20.00 Copayment in accordance with the intervals set forth in the Contract.	75% Same criteria as Preferred Provider Option; Services count toward limit stated under Preferred Provider Option.		
12. Maternity Care	100% after \$20.00 Copayment	75%		
13. Occupational and Physical Therapy Visits	100% after \$20.00 Copayment for up to 60 visits per incident or injury. These limits are combined with limits stated under Speech Therapy.	75% Same criteria as Preferred Provider Option; Services count toward limit stated under Preferred Provider Option.		
14. Outpatient Surgeries and Services in a Hospital or Free Standing Surgical Facility	100% after \$10.00 Copayment for Outpatient Surgeries. All other Outpatient Services are covered at 100%.	80%		
15. Physician Services	100% after \$20.00 copayment	75%		

Attachment E

Name of Offeror _____

Plan Features	CURRENT BENEFITS		PROPOSED BENEFITS	
	Preferred Option	Non-Preferred Option	Preferred Option	Non-Preferred Option
16. Skilled Nursing Facility	90% up to 60 days per Contract Year provided such services are not Custodial Care.	75% Same criteria as Preferred Provider Option; Services count toward limit stated under Preferred Provider Option.		
17. Speech Therapy	100% after \$20.00 Copayment up to 60 visits per Condition. Visit limit does not apply to the treatment of cleft lip/cleft palate or both. Visit limit combined with limits stated under Occupational and Physical Therapy.	75% Same criteria as Preferred Provider Option; Services count toward limit stated under Preferred Provider Option.		
18. Mental Illness, Emotional Disorder, Drug Abuse, and Alcohol Abuse – Inpatient	90% Requires Preadmission Authorization for Non-Emergency Admissions.	75% Requires Preadmission Authorization for Non-Emergency Admissions.		
19. Mental Illness, Emotional Disorder, Drug Abuse, and Alcohol Abuse – Outpatient	80% for visits 1-5; 65% for visits 6-30; 50% thereafter.	75% for visits 1-5; 65% for visits 6-30; 50% thereafter.		
20. Tubal Ligation Services	100%	75%		
21. Urgent Care Services	100% after \$20.00 copayment	75%		
22. Well Child Care	100% after \$20.00 copayment	75%		
23. X-rays	100% after \$20.00 copayment	75%		
Additional Benefits:				
Domestic Partner	Coverage for domestic partner is provided.	Coverage for domestic partner is provided.		
Durable Medical Equipment	50% Requires Precertification.	50% Requires Precertification.		

Attachment E

Name of Offeror _____

Plan Features	CURENT BENEFITS		PROPOSED BENEFITS	
	Preferred Option	Non-Preferred Option	Preferred Option	Non-Preferred Option
Habilitative Services for Children Under the Age of 19	100% after \$20.00 Copayment for Occupational, Physical, and Speech Therapy for the treatment of a child with a Congenital or Genetic Birth Defect to enhance the child's ability to function (coverage not provided if services are delivered through Early Intervention or School Services).	75% Same criteria as Preferred Provider Option; Services count toward limit stated under Preferred Provider Option.		
Hair Prosthesis	50% One Hair Prosthesis will be covered for a Member whose hair loss results from chemotherapy or radiation treatment for cancer when prescribed by the Oncologist in attendance (the cost shall not exceed \$350.00 and is limited to one Hair Prosthesis per lifetime). Requires Precertification.	50% Same criteria as Preferred Provider Option. Services count toward limit stated under Preferred Provider Option. Requires Precertification.		
Hearing Aid for Children Under the Age of 19	50% up to \$1,400 per ear every 36 months if hearing aid is prescribed, fitted, and dispensed by a participating licensed audiologist. Requires Precertification.	50% up to \$1,400 per ear every 36 months if hearing aid is prescribed, fitted, and dispensed by a licensed audiologist. Requires Precertification. Services count toward limit stated under Preferred Provider Option.		
Home Health Care	90%	75%		
Medication Management Office Visits Associated with Mental Health or Substance Abuse	100% after \$20.00 copayment	75%		
Norplant Services	100% after \$10.00 copayment	75%		
Partial Hospitalization	100% after \$20.00 Copayment up to 60 visits per Contract Year. Requires Precertification.	75% Services count toward limit stated under Preferred Provider Option. Requires Precertification.		

Attachment E

Name of Offeror _____

Plan Features	CURENT BENEFITS		PROPOSED BENEFITS	
	Preferred Option	Non-Preferred Option	Preferred Option	Non-Preferred Option
Transplants	Heart, heart/lung, lung, liver, pancreas, kidney, cornea and all non-experimental bone marrow transplants when deemed Medically Necessary. Requires Preadmission Authorization and Precertification. Member must meet certain criteria. Subject to Applicable Copayment/Coninsurance.	Heart, heart/lung, lung, liver, pancreas, kidney, cornea and all non-experimental bone marrow transplants when deemed Medically Necessary. Requires Preadmission Authorization and Precertification. Member must meet criteria set forth in the Group policy. Subject to Applicable Copayment/Coninsurance.		
Prescription Drugs				
Tier 1	\$10.00 Copayment	80%		
Tier 2	\$25.00 Copayment	80%		
Tier 3	\$50.00 Copayment	80%		
Injectables	Same as Copayments			
Mail Order	One (1) Copayment per 31 day consecutive supply for retail drugs and three (3) Copayments per 90 day supply for mail order drugs. Oral contraceptives at three (3) Copayments for three-cycle supply.			
Ancillary	Member must pay the difference between the cost of a Tier 3 or Tier 2 drug when a Tier 1 drug is available. You are responsible for paying the lower of the applicable Copayment or the retail Network Pharmacy's Usual and Customary Charge, or the lower of the applicable Copayment or the Home Delivery Pharmacy's Prescription Drug Cost.			

VISION PLAN BENEFITS*

SUMMARY OF BENEFITS

*The City does not currently offer a vision plan.

Plan Features	CURENT BENEFITS	PROPOSED BENEFITS	
		In Plan	Out Of Plan
Calendar Year Deductible			
Individual			
Two-Person			
Family			
Out-of-Pocket Limit - Does Not Include Deductible			
Individual			
Two-Person			
Family			
Calendar Year Maximum			
Lifetime Maximum			
Preventive Care			
Routine Examination			
Additional Benefits			
Physicians			
Additional Benefits			
Emergency Services			
Additional Benefits			
Eyewear			
Frames			
Lenses			
Contacts			
Additional Benefits			

Attachment F

Name of Offeror _____

Limitations and Exclusions			
Other Covered Services			