

**REQUEST FOR PROPOSAL (RFP)  
TO PROVIDE HEALTH INSURANCE BENEFITS  
FOR ELIGIBLE CONTRACT EMPLOYEES  
WORKING IN THE STATEWIDE HOME CARE PROGRAM  
OF THE ALABAMA DEPARTMENT OF PUBLIC HEALTH**

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TO PROVIDE HEALTH INSURANCE BENEFITS**

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OF THE ALABAMA DEPARTMENT OF PUBLIC HEALTH**

**Issued by:**

**BUREAU OF HOME AND COMMUNITY SERVICES  
RSA Tower, Suite 1200  
201 Monroe Street  
Montgomery, AL 36104**

**March 2014**

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## 1. INTRODUCTION

### 1.1 PURPOSE OF REQUEST FOR PROPOSAL (RFP)

It is the intent of the Alabama Department of Public Health, Bureau of Home and Community Services (Department) to enter into a three-year contract to provide health insurance benefits for eligible contract employees working in the Department's statewide Home Care Program. Both individual and family coverage are offered to employees who qualify. State of Alabama Act No. 2001-956 requires that proposals must be solicited from vendors for contracts unless they are specifically exempt from the Act. Health insurance contracts are not exempt, therefore, the Department is seeking competitive, sealed proposals which shall be evaluated in accordance with the selection criteria stated in this RFP. **Note: The Department is seeking proposals only for a fully insured health insurance plan (monthly rates must reflect the total limit of liability of the Department).**

The Department is a Medicare certified home care agency, and provides a wide range of home care services to patients throughout the State. Services are provided by registered nurses, licensed practical nurses, home health aides, social workers, and therapists. The Department hires some of these employees on a contractual basis to provide visits when regular State Merit System staff are not available for various reasons. A contract nurse, aide, social worker or a therapist signs a contract for one year. Most of these contracts are renewed year after year, and the contract employees are available on an as needed based on the volume of visits that must be provided.

Typically, all State Merit System employees receive the benefit of a comprehensive health insurance plan, but contract employees do not. Since 1998, the Department has entered into a contractual agreement to provide a comprehensive health insurance plan for home care contract employees. The Department plans to continue to provide this benefit.

To qualify for eligibility, contract employees must essentially be full-time, as are the State Merit System employees. To be considered full-time, contract employees must work an average of at least 30 hours a week. The Department established criteria to monitor the contract employees, and verify their full-time status.

The Department pays 100% of the contract employee's premium for individual coverage as long as the employee's hours work average the required number of hours. (The employee pays 100% of the premium for family coverage.) When an enrolled employee fails to work the required number of hours, the Department will no longer pay the individual coverage premium. If this happens, the employee is notified, and is given two options. This first option is to cancel the employee's coverage and at that time, offer the employee COBRA. The second option is to allow the employee to pay the premium for individual coverage. When the minimum number of required hours are achieved again, the Department resumes paying the premium for the employee's individual coverage. The employee is allowed to continue to pay the premium for the remainder of the contract term, if the required hours are not met. When the contract is renewed, the supervisor evaluates the number of hours worked by the employee during the

contract period. If the number of hours is not sufficient, the employee's contract is renewed without the option of health insurance.

As of February 2014, there are ten (10) participants with individual coverage and zero (0) with family coverage. Participants in this plan are expected to either remain about the same or decrease in the future, based on the fluctuation of available hours which can be worked by the contract employees.

## **1.2 RFP PUBLICIZING/VENDOR NOTIFICATION**

The RFP to provide Health Insurance Benefits to eligible contract employees will be publicized by sending the RFP to a list of potential vendors via U.S. Postal Service. The list of potential vendors was obtained from State of Alabama, Department of Finance, State Purchasing. The list consists of companies registered with State Purchasing as insurance vendors (Vendor list 962-47). In addition, the current Health Insurance Benefits provider was added to the list by the Alabama Department of Public Health, Bureau of Home and Community Services.

## **2. VENDOR MINIMUM QUALIFICATIONS**

To qualify and have a proposal evaluated, a prospective Vendor must meet the minimum qualifications outlined in this section.

### **2.1 BUSINESS STABILITY**

The Vendors must be ongoing, and must have been providing health insurance services for employer groups on an ongoing basis for more than one (1) year.

### **2.2 CONTRACTOR STATUS**

The Vendor must perform 100 % of the work. There will be no subcontracting or assignment of the contract.

### **2.3 ALABAMA LICENSE**

The Vendor must be an Alabama-licensed insurance carrier or managed care organization.

### **2.4 NETWORK ACCESS AND STATEWIDE COVERAGE**

The Vendor will be required to provide adequate primary and institutional care on a statewide basis, regardless of the covered employee's county of residence. (Refer to the *Vendor Access Network Description* section for more information concerning the network.)

### **2.5 CLAIMS PROCESSING**

The Vendor must be able to provide claims paying and other administrative services typical of an insurance carrier or a third party administrator.

## **2.6 CUSTOMER SERVICE**

The Vendor must have an established customer service program. All Vendors must have, as their primary focus, efficient and effective processing of all claims. An important ingredient will be prompt and courteous responses to members' and providers' inquiries regarding claim submissions. A toll-free telephone number shall be available.

## **2.7 INDEMNIFICATION AND INSURANCE**

The Vendor shall hold harmless, indemnify and defend the indemnitees (as hereinafter defined) against any claim, action, loss, damage, injury, liability, cost or expense of whatsoever kind or nature including, but not limited to attorney's fees and court costs arising out of bodily injury to persons including death, or damage to tangible property arising out of or incidental to the performance of the Contract (including goods and services provided thereto) by or on behalf of the Vendor, whether or not due to or caused in part by negligence. The following shall be deemed to be indemnitees: The State of Alabama and its members, officers, and employees.

## **3. GENERAL INFORMATION AND INSTRUCTIONS**

### **3.1 PREPARATION OF PROPOSAL**

All proposals should be complete and carefully worded, and must convey all the information requested by the Department. If significant errors are found in the Vendor's proposal, or if the proposal fails to conform to the essential requirements of the RFP, the Department will be the judge as to whether that variance is significant enough to warrant the rejection of the proposal.

### **3.2 COMPLETE COSTS ONLY**

The Department assumes that all costs are included in the proposal and will pay no costs other than those presented in the Vendor's proposal for the requirements specified in the RFP.

### **3.3 FORMAT FOR PROPOSALS**

Proposals must consist of the thirteen sections described below, and each section must be clearly marked. Responses must be complete. Partial responses will be rejected.

#### **1: TITLE PAGE**

This page should include the subject of the RFP, the name of the vendor, the name and title of the contact person, physical address, mailing address (if different), telephone number, fax number, and date.

#### **2: TABLE OF CONTENTS**

The Table of Contents should include a clear identification of the material by section and by page number.

#### **3: VENDOR'S SUMMARY PLAN DESCRIPTION**

Vendor must submit a Summary Plan Description (SPD) describing all services, deductibles, and copays offered. Vendor's SPD must be in the same order as Appendix B. Information in this section must be sufficiently detailed to substantiate that the services offered **either meet or exceed the plan specifications in Appendix B.**

**4: DEVIATIONS FROM RFP - APPENDIX B**

Vendor must explain any deviation from Appendix B in this SPD. Deviations in the Vendor's SPD must be clearly cross-referenced to Appendix B.

**5: VENDOR'S NETWORK ACCESS DESCRIPTION**

Vendor **must** submit a list of all available and/or contracted health care providers. The list must be detailed by provider name, address, type (i.e., primary care physician, type specialty physician, hospital, etc.), and the county where the provider is located. The **preferred format** is to separate the doctors by county, and indicate whether each doctor is considered to be a Family Practitioner/PCP/General Practitioner (available for typical medical services such as diagnostic office visits) or a specialist. Each doctor should only be listed as one or the other.

Vendor must describe any limitations in the ability to provide all services on a statewide basis. Vendors who are Alabama licensed HMOs must provide a list of authorized service areas, and for participants not located in the HMO's service area, the Vendor must provide a description of the mechanism to provide coverage for these participants.

**6: COMPLETE COSTS AND FEES**

This section must clearly and completely explain all costs and fees to the Department and to participants for the plan offered.

**The cost section must include a quote for the "per member per month" price for individual coverage and for family coverage, respectively.**

**Costs must be itemized within the following categories and must include all fees: Administrative Costs, Claims, Reserves, and Pooling Charges.**

**The Vendor must include a guarantee that rates will not be increased for at least twelve (12) months from the effective date of the contract.** Since the Vendor who is selected will be awarded a three-year contract, this section must also contain a statement regarding the period of time the Vendor would guarantee that these fees would not be increased, as well as an explanation of the conditions the Department would be required to meet in order to avoid any increases in fees during the contract period. No costs may be included anywhere else in the proposal.

**The Vendor must state how renewal rates will be calculated (experience versus manual rate/community rated by class.)**

The Department is not liable for any cost incurred by a Vendor in replying to this RFP, including but not limited to travel expense incurred to attend the pre-proposal meeting.

**7: QUESTIONNAIRE**

A questionnaire is included as Appendix C to the RFP, and must be completed and signed by an authorized officer of the Vendor's organization. All deviations must be noted and fully explained.

**8: EMPLOYER GROUP (CUSTOMER) REFERENCES**

Vendor must include the name of the employer group, the name of a contact person, telephone number, and mailing address for at least **five** employer groups having at least 75 or more participating employees, receiving indemnity major medical or managed care plan health care benefits within the last two years. References must be able to respond to Department inquiries of work previously performed by the Vendor for use in evaluating Vendor capabilities.

**9: CUSTOMER SERVICE**

Vendor must explain procedures for providing customer service to covered employees, specifying how questions and complaints are handled, including the time frame for responding to customer inquiries.

**10: PROPOSAL CERTIFICATION FORM**

The Proposal Certification Form is included as Appendix D to the RFP. It must be signed by an authorized officer of the Vendor signifying Vendor's complete compliance with RFP specifications except as specifically noted in any Vendor's descriptions of deviations requested. The form will be binding, and failure to supply the form will render the proposal invalid. Each copy of the proposal must be accompanied by a copy of the form bearing the original, manual signature of an authorized officer.

**11: OVERVIEW OF HIPAA COMPLIANCE PLAN**

Vendor must submit a detailed description of its plan for complying with the Health Insurance Portability and Accountability Act (HIPAA).

**12: FINANCIAL STABILITY RATINGS**

Vendors must provide evidence of its organization's financial solvency by providing all of the following ratings that it has received:

- AM Best - Management
- AM Best - Financial
- Duffs & Phelps
- Standard & Poor's
- Moody's.

If Vendor's organization has not been rated by any of these agencies, then Vendor must provide a copy of the latest annual report.

**13: EVIDENCE OF ABILITY TO PROVIDE HIGH QUALITY SERVICES**

The Department intends to contract only with a Vendor who will provide high quality health care and related services to enrolled participants. Vendor must provide evidence



that substantiates the quality of the services which will be provided. In this section, Vendor must comment on the Vendor's procedures for the following areas:

- Provider credentialing
- Claim processing
- Member services
- Quality assurance processes
- Internal auditing procedures.

### **3.4 NUMBER OF COPIES TO BE SUBMITTED**

Each Vendor must submit **four copies** of the proposal, and **four copies** of the Proposal Certification Form to the Department. Each copy of the proposal should be bound in a single volume where practical. All supporting documentation submitted with the proposal should be bound in that single volume where practical.

### **3.5 SIGNATURES REQUIRED**

All four copies of the proposal submitted must contain the original, manual signature of an Officer or other duly authorized employee of the individual or company making the proposal. Unsigned proposals, including all copies, will be rejected. In addition, four Proposal Certification Forms containing original, manual signatures must be submitted along with the four copies of the proposal itself.

### **3.6 PROPOSAL RETURN DATE, TIME AND LOCATION**

The proposal must be submitted to and received by the Department no later than the deadline date and time specified in Appendix A, RFP Events and Dates in this RFP. Vendors mailing proposals should allow a sufficient mail delivery period to insure timely receipt (i.e. receipt by the deadline date and time) of their proposals by the Department. Proposals received after the stated time and date, whether by U.S. mail, commercial delivery or hand delivery will not be accepted. Delivery of the proposal to the appropriate office by the deadline is the sole responsibility of the proposer. It is the Vendor's responsibility to verify that the Department has received the Vendor's proposal.

**Proposals will be received at the mailing and physical addresses stated in Appendix A.  
Proposals must be labeled on the outside of the envelope as follows:**

**Proposal Enclosed  
Health Insurance Benefits for Contract Employees  
Due: May 9, 2014**

**3.7 OPENING OF PROPOSALS**

The Contracts Administrator of the Department, Bureau of Home and Community Services shall open the proposals from Vendors in the presence of the Department's State Home Care Director within one week of receipt of all proposals.

**3.8 INCOMPLETE PROPOSALS**

Incomplete proposals, including partial responses to the thirteen sections of the proposal, the omission of the required number of copies and unsigned proposal or copies, will be immediately disqualified from consideration. In addition, proposals will be accepted only for statewide health insurance coverage for contract employees. The Department will not notify Vendors who are disqualified.

**3.9 WITHDRAWALS**

Any proposal may be withdrawn up to the deadline date and time set for the submission of the proposals. Any proposal not so withdrawn shall constitute an irrevocable offer to sell to the Department the services set forth in these specifications for a period of 120 days from the proposal opening date. Withdrawals should be directed in writing to the same address for submitting proposals.

**3.10 CONFIDENTIAL INFORMATION**

Department will not present, or otherwise make available, any documents relating to this RFP to any other person, agency or organization other than those evaluating proposals for the purpose of recommendations for award or until notification of intent to award. Commercial or financial information obtained in response to this RFP which is privileged and confidential and clearly marked as such will not be disclosed. Such privileged and confidential information includes information which, if disclosed, might cause harm to the competitive position of the Vendor supplying the information. All Vendors, therefore, must visibly mark as "CONFIDENTIAL" each part of their proposal which they consider to contain proprietary information.

**3.11 COMMUNICATION RESTRICTIONS**

From the issue date of this RFP until a contractor is selected and the selection is announced, Vendors submitting proposals are not allowed to communicate with any other Vendors submitting proposals, or with any Department staff concerning this RFP except the Bureau of Home and Community Services Contracts Administrator or the State Home Care Director. Vendors shall not attempt to negotiate with Department, any aspects of the procurement until otherwise notified by Department. For violation of this provision, the Department reserves the right to reject the proposal of the violator.

**3.12 VENDOR QUESTIONS ABOUT RFP**

Every effort has been made to insure that all information needed by the Vendor is included herein. If a Vendor finds that it cannot complete a proposal without additional information, there are two opportunities for the Vendor to obtain additional information:

**1: WRITTEN QUESTIONS:** The Vendor may submit written questions either by letter, e-mail or fax to the RFP Contact listed in Appendix A. **No questions will be accepted by Department after the deadline date stated in Appendix A.** All replies to questions will be in writing. When a question received by Department is found to be already answered sufficiently in the RFP, that question will be returned to the Vendor with a reference to the part of the RFP containing the answer. It is also the Vendor's responsibility to verify receipt of questions by Department and receipt of answers submitted by Department.

**2: PRE PROPOSAL CONFERENCE:** Vendors who have questions about this RFP are strongly encouraged to physically attend a pre proposal conference. This conference will provide Vendors an opportunity to discuss and obtain clarification regarding the RFP content and requirements. All travel and related expenses for this meeting will be the responsibility of the Vendor and not the Department.

The pre proposal conference will be conducted at the specified location in Montgomery, Alabama and on the date state in Appendix A. Vendors should register all of their company's participants in the pre proposal conference with the Department no later than three (3) working days prior to the date of the meeting by notifying the RFP Contact.

### **3: QUESTIONS - ANSWERS DISTRIBUTION LIST - - VENDOR NOTIFICATION OF INTENT TO SUBMIT PROPOSAL**

All questions and written replies will be distributed to all Vendors who have indicated an intent to respond to the RFP, or who have responded to the RFP, and will be considered to be supplemental information to the RFP. It is the Vendors' responsibility to notify the Department of their intent to submit a proposal if they wish to be included on the distribution list for questions - answers generated from the written questions and pre proposal conference. Vendors must notify the Department of their intent to submit a proposal no later than the deadline date stated in Appendix A

#### **3.13 AMENDMENTS**

If it becomes necessary to revise any part of the RFP, Department will provide all amendments and interpretations in writing to Vendors who have submitted a Written Notice of Intent to Submit Proposal.

#### **3.14 SELECTION CRITERIA**

Pricing is very important, but is not the sole criterion by which a Vendor will be selected. Consideration will be given to coverage enhancements that go beyond the requirements of the specifications, the reputation and financial strength of the Vendor, and the Vendor's past performance with the State of Alabama particularly with regards to claims handling. The contract will be awarded to the Vendor offering the insurance plan deemed to be in the best interest of the Department. Proposals will be evaluated and weighted based on, but not limited to, the following criteria:

<b>Minimum Qualifications</b>	<b>Points</b>
(a) Plan provisions and benefits (Vendor's Summary Plan Description)	10
(b) Network access to Participants (Vendor's Network Access Description)	10
(c) Costs to Department and costs to Participants for Dependent Premiums	40
(d) Vendor response to the Questionnaire Form (Appendix C)	10
(e) Past performance with Employer Groups (References)	10
(f) Customer Service	10
(g) Financial Stability	5
(h) Ability to provide High Quality Services	5
<b>Maximum Total Points</b>	<b>100</b>

## 4. PLAN SPECIFICATIONS

### 4.1 OPERATIONAL FRAMEWORK

The Department will utilize a private health care delivery organization to provide benefits and services, and will accept either an indemnity plan or managed care plan. The selected plan will be a fully insured plan (monthly rates must reflect the limit of liability of the Department). The selected Vendor will be required to perform, including but not limited to, the following:

- (a) Furnish certificate of coverage and ID cards
- (b) Member service responses to claims inquiries
- (c) Claims certification, investigation, adjudication, and internal appeals process
- (d) Claims processing and distribution of benefit payments to beneficiaries
- (e) Appropriate and accurate fee administration
- (f) Strict financial and accounting reconciliation
- (g) Effective management of access to networks
- (h) Effective medical and pharmacy management
- (i) Production of claims, contract, and other legal forms as required
- (j) Establishment and maintenance of appropriate banking arrangements
- (k) Continuous and accurate electronic transmission of all data
- (l) Provide statewide coverage, since eligible employees are located throughout the State of Alabama.
- (m) Provide statewide access to primary providers in reasonable proximity to members' home counties.
- (n) Other special services that may be required from time to time.

### 4.2 PARTICIPANT ELIGIBILITY

An individual's eligibility to participate in the plan will be determined by the Department. **Vendor must accept all participants enrolled in Department's current plan as of August 1, 2014 without any break in health insurance coverage, and without any requirement to meet a waiting period for preexisting conditions, since covered individuals have already met this requirement with current coverage.** No individual will be denied eligibility for enrollment based on a preexisting medical condition, and the proposed plan must adhere to this provision. Preexisting conditions will not apply to newborns enrolled within 30 days of birth or adopted

children under age 18 enrolled within 30 days of the date of adoption or placement for adoption. Preexisting conditions will not apply to pregnancy.

Vendor must honor Department's unique eligibility criteria, in which employees may become eligible from month to month, depending on the number of hours they work. Vendor must accept and be able to serve newly hired contract employees on a monthly basis if they meet Department's eligibility criteria, regardless of the employee's county of residence.

#### **4.3 PARTICIPATION REQUIREMENTS**

All quotes should be net of any participation requirements.

#### **4.4 BENEFITS**

An individual's benefits are effective the first day of the month following application. **A Summary Plan Description detailing the benefits the Department wishes to offer members is included with this RFP as Appendix B. Successful Vendors must be able to offer these services as a minimum.** Vendors must review and outline any deviations (if applicable) from what is currently offered.

#### **4.5 CLAIMS ADJUDICATION**

The successful Vendor must: ensure procedure/treatment codes are appropriate for the diagnoses and diagnoses code; accurately enter charge, diagnosis, procedure/treatment and provider information; and reprice and process the claims. The Vendor will be liable for all legitimate claims from providers. In processing claims, care must be taken to generate claim cost savings through: effective application of plan provisions and quick payment, Reasonable and Customary profiles for non-network services, the concept of medical necessity and other plan provisions incorporated for cost containment.

#### **4.6 FINANCIAL ACCOUNTING**

Each year, a report detailing and justifying proposed fees for the coming plan year must be presented. All records, documents and information collected and/or maintained by others in the course of the administration of the agreement shall be made accessible to the Department and Federal funding/audit agencies for purposes of inspection, reproduction and audit without restriction.

### **5. STATE OF ALABAMA TERMS AND CONDITIONS**

#### **5.1 RECYCLING**

The State of Alabama encourages and supports the purchase of and use of items containing recycled materials, energy efficient and environmentally safe products.

#### **5.2 SALES TAX EXEMPTION**

Pursuant to the Code of Alabama, 1975, Title 40-23-4 (a) (11), the State of Alabama is exempt from paying sales tax. Upon request, an exemption letter will be furnished.

**5.3 INVOICES**

Invoices must be submitted in a format acceptable to the Department and the State of Alabama, Department of Finance. Inquiries concerning payment after invoices have been submitted to the Department's Bureau of Home and Community Services are to be directed to the receiving agency, specifically the Bureau's Budget Administrator, not the State of Alabama, Department of Finance, Division of Purchasing.

**5.4 FOREIGN CORPORATION - CERTIFICATE OF AUTHORITY**

Alabama law provides that a foreign corporation (an out-of-state company/firm) may not transact business in the State of Alabama until it obtains a Certificate of Authority from the Secretary of State. Section 10-2B- 15.01, Code of Alabama 1975. To obtain forms for a Certificate of Authority, contact the Secretary of State, Corporations Division, (334) 242-5324. The Certificate of Authority does not keep the Vendor from submitting a response to this RFP.

**5.5 ASSIGNMENT OF CONTRACT**

Vendor agrees not to assign, sublet or transfer any contract resulting from this solicitation.

**5.6 CONTRACT PERIOD**

The Vendor winning the award and the Department will establish a three (3) year contract. The contract will become effective the date specified in Appendix A.

**5.7 REQUESTED INFORMATION**

Any additional information requested from the Vendor must be furnished to the Department within five (5) working days from the date of the Department's request.

**5.8 EQUAL EMPLOYMENT OPPORTUNITY**

It is the policy of the Department to ensure equal employment opportunity for all, and that no one discriminates against any employee or applicant for employment because of race, color, religion, ethnic or national origin, age, gender, or disability.

**5.9 CONTRACT DOCUMENT PRIORITY**

The RFP and the complete proposal in response to the RFP shall be appended to the contract, and shall be incorporated as an integral part thereof. In the event of a discrepancy among the contract, the RFP, and the proposal, the order of priority of the documents shall be as follows:

- (a) The language in the contract;
- (b) The language in the proposal;
- (c) The language in the RFP.

## 6. CONTRACTUAL AND REIMBURSEMENT REQUIREMENTS

- (a) State of Alabama laws, rules, and regulations specifically govern the format and all other requirements of contracts between State agencies and Vendors, including contracts for health insurance. Vendor agrees to abide by all State of Alabama laws, rules, regulations, and requirements pertaining to contracts between Vendors and State of Alabama agencies. **Vendor agrees to include all State of Alabama required clauses in the contract (see Appendix E) and agrees to omit any non allowable clauses** Contractual requirements and negotiations specifically detailing the responsibility of the Vendor and Department will be provided by Department's Office of General Counsel as appropriate.
- (b) Reimbursement under a contract shall be made upon submission by Vendor of an invoice in a format acceptable to the Department and the State of Alabama, Department of Finance. Funds expended under a contract shall be in accordance with the services specified by the contract, and any changes must meet the approval of the Department.
- (c) Vendor is not eligible and cannot be compensated under this contract for any other expenses or costs other than those detailed in the contract.

## 7. FINAL AUTHORITY

The State Health Officer is Department's final authority on all requests for purchases and contractual services.

Approval of the State Finance Director is necessary for certain purchases.

Approval of the State Finance Director and the Governor of Alabama are necessary for State of Alabama contractual agreements.

## Appendix A

### KEY RFP EVENTS AND DATES

1. **Deadline To Register to Attend the Pre proposal Conference:**  
Wednesday, April 9, 2014 - 5:00 PM, Central Time. See contact information below.
2. **Pre proposal Conference:** Wednesday, April 16, 2014 - 1:30 PM, Central Time.  
Location: See physical address below.
3. **Deadline To Receive Vendors' Written Questions:**  
Wednesday, April 16, 2014 - 5:00 PM, Central Time. See contact information below.
4. **Deadline To Receive Vendors' Notification of Intent to Submit Proposal To Be Included On The Questions-Answers Distribution List:**  
Wednesday, April 9, 2014- 5:00 PM, Central Time. See contact information below.
5. **Deadline To Receive Vendors' Proposals: Friday, May 9, 2014 - 5:00 PM, Central Time.**
6. **Effective Date of 3-Year Contract for the Provision of Health Insurance Coverage:**  
August 1, 2014 to July 31, 2017.

### CONTACT INFORMATION

#### MAILING ADDRESS:

Alabama Department of Public Health  
Bureau of Home and Community Services  
Attn.: Jemekia Walker-Brown, Contract and Personnel Manager  
P. O. Box 303017  
Montgomery, AL 36130-3017

#### PHYSICAL ADDRESS:

Alabama Department of Public Health  
Bureau of Home and Community Services  
RSA Tower, Suite 1200  
201 Monroe Street  
Montgomery, AL 36104

#### RFP CONTACT:

Jemekia Walker-Brown  
Phone: 334-206-5713; 334-206-5341; 800-225-9770  
E-mail: jemekia.walker@adph.state.al.us  
FAX: 334-206-7013.



**Appendix B****SAMPLE SUMMARY OF HEALTH BENEFITS**

This table is a summary of benefits and is subject to all other terms and conditions of the Plan:

<b>INPATIENT HOSPITAL BENEFITS</b>			
<b>Benefit</b>	<b>Maximum Benefit Amounts</b>	<b>Deductible</b>	<b>Copay</b>
<b>Participating Hospital***</b>	365 days of care during each hospital confinement; 30 days of care each 12 consecutive months for mental and nervous disorders	\$100 per admission	No copay
<b>Preadmission Certification</b>	Required for all admissions except maternity; emergency admissions require notification within 48 hours of admission		

\* If you are discharged from and readmitted to a hospital within 90 days, the days of each stay will apply toward your 365 day maximum; inpatient hospital days are limited to a combined Participating and Non-Participating maximum of 365 days for each confinement; mental and nervous disorders are limited to a combined Participating and Non-Participating maximum of 30 days; no coverage is available for mental and nervous disorders under Major Medical after the 30 days are used.

\*\* The deductible is due for each admission or readmission; however, only one deductible is due per pregnancy, during transfers from one hospital to another, or when two or more family members are admitted as inpatients as a result of injuries received in one accident.

\*\*\* The listed maximums, deductibles and/or copayments also apply to Non-Participating facilities. Also, when using a Non-Participating facility you can incur additional significant out-of-pocket expenses as the facility may bill you for charges in excess of the Allowed Amount (see Allowed Amount in the Definitions section of this booklet). In Alabama, benefits for Non-Participating hospitals are available only in cases of accidental injury.

<b>OUTPATIENT HOSPITAL BENEFITS</b>			
<b>Benefit</b>	<b>Maximum Benefit Amounts</b>	<b>Deductible</b>	<b>Copay</b>
<b>Preferred Outpatient Facility:</b>			
<b>Accidental Injury</b>		No deductible	No copay
<b>Surgery</b>		No deductible	\$50
<b>Medical Emergency</b>		No deductible	\$50
<b>Non-Preferred Outpatient Facility**:</b>			
<b>Accidental Injury: (within 72 hours)</b>		No deductible	No copay
<b>Surgery</b>		No deductible	\$50
<b>Medical Emergency</b>		\$200 calendar year Major Medical deductible	20%

\* Outpatient hospital services will be processed as Major Medical Services rather than as Outpatient Hospital Benefits If (1) the facility bills for an emergency room visit but the patient's condition does not meet the definition of a medical emergency (this includes any lab and X-ray exams, diagnostic tests and other services or supplies associated with the emergency room fee), or (2) the services or supplies you receive are not listed in the table above.

\*\* The listed deductibles and/or copayments also apply to Non-Participating facilities. Also, when using a Non-Participating facility you can incur additional significant out-of-pocket expenses as the facility may bill you for charges in excess of the Allowed Amount. In Alabama, benefits for Non-Participating hospitals are available only in cases of accidental injury.

**PREFERRED HOME HEALTH HOSPICE BENEFITS**

Benefit	Maximum Benefit Amounts	Deductible	Copay
Preferred Home Health and Hospice Care		No deductible	No copay

PMD PHYSICIAN BENEFITS			
Benefit	Maximum Benefit Amounts	Deductible	Copay
Emergency Room Care		No deductible	\$20 per visit
Office Visit and Outpatient Consultations		No deductible	\$20 per visit
Surgery and Assistant Surgery		No deductible	No copay
Anesthesia			
Laboratory and Pathology			
X-rays			
Chemotherapy and Radiation Therapy			
Second Surgical Opinion			
In-Hospital Medical Care			
In-Hospital Consultation			

PMD PREVENTATIVE BENEFITS			
Benefit	Maximum Benefit Amounts	Deductible	Copay
In-Hospital Routine Newborn Care		No deductible	No copay
Routine Well Child Care	Nine visits for the first two years of a baby's life and one each year for ages two through six	No deductible	\$20 per visit
Routine Immunizations		No deductible	No copay
Routine Pap Smears	One each year for females	No deductible	No copay
Routine Mammogram	One baseline for females ages 35-39 and one each year for ages 40 and over	No deductible	No copay
Routine Prostate Specific Antigen	One each year for males ages 40 and over	No deductible	No copay
Colorectal Cancer Screening – Ages 50 and over	Fecal occult blood test (FOBT) once per calendar year;  Flexible sigmoidoscopy once every three calendar years;  Double-contrast barium enema once every five calendar years;  Colonoscopy once every 10 calendar years	No deductible	No copay  NOTE: Claims for facility charges will be processed under your Outpatient Hospital Benefits and subject to any applicable outpatient copayments

\* PMD copays are required for each office visit per person; PMD copays are not covered expenses.

NON-PMD PHYSICIAN BENEFITS IN ALABAMA
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Benefit	Maximum Benefit Amounts	Deductible	Copay
<b>Emergency Room Care</b> <b>Office Visit and Outpatient Consultation</b> <b>Surgery and Assistant Surgery</b> <b>Anesthesia</b> <b>Laboratory and Pathology</b> <b>X-rays</b> <b>Chemotherapy and Radiation Therapy</b> <b>Second Surgical Opinion</b> <b>In-Hospital Medical Care</b> <b>In-Hospital Consultation</b>		\$200 calendar years Major Medical deductible	50% of the PMD Fee Schedule plus any difference between the PMD Fee Schedule and the provider's actual charge

\* The amount you must pay the Non-PMD physician in Alabama does not count toward your \$400 out-of-pocket Major Medical maximum.

MAJOR MEDICAL BENEFITS			
Benefit	Maximum Benefit Amounts	Deductible	Copay
<b>Office Visits, Ambulance Service, etc.*</b>	\$1,000,000 in a lifetime	The first \$200 of the Allowed Amount per member each year (\$600 per family)**	20% of the Allowed Amount, plus the Major Medical deductible, until your \$400 out-of-pocket maximum*** has been met (\$1,200 per family); thereafter, covered expenses are paid at 100% for the remainder of the calendar year
<b>Physician's Treatment for Inpatient Mental and Nervous/Substance Abuse</b>		\$200 calendar year Major Medical deductible	20%
<b>Outpatient Mental and Nervous/Substance Abuse</b>		\$200 calendar year Major Medical deductible	50%
<b>Chiropractic Services****</b>	\$400 per person each calendar year	\$200 calendar year Major Medical deductible	<b>Participating Chiropractors in Alabama:</b> 20% of the Participating Chiropractors Fee Schedule; subject to the calendar year deductible  <b>Non-Participating Chiropractors in Alabama:</b> 50% of the Allowed Amount; subject to the calendar year deductible  <b>Chiropractors Outside of Alabama:</b> 20% of the Allowed Amount
<b>Durable Medical Equipment (DME)****</b>		\$200 calendar year Major Medical deductible	20% of the Allowed Amount; subject to the calendar year deductible  <b>Non-Preferred DME Supplier in Alabama:</b> 50% of the Allowed Amount; subject to the calendar year deductible

Benefit	Maximum Benefit Amounts	Deductible	Copay
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