

HSA RFP questions solicitation #100364

Due July 21, 2011

1. *Is the contract effective date set for September 1, 2011? And is this the same as the go-live date?*

Yes.

2. *The due date is August 4th by 3:00. Is that Central Time?*

Yes.

3. *Currently the OSEEGIB has 92 qualified HSA compatible plans. Will the OSEEGIB, be offering this plan as an option to all 35,000 employees?*

Currently OSEEGIB has 92 persons enrolled in the only High Deductible Health Plan offered. The High Deductible Health plan will be offered to OSEEGIB's entire population 113,000 primary members including the 35,000 state employees.

4. *Would you possibly have the RFP in WORD format?*

Yes, and it's presently posted at the OSEEGIB website.

5. *I was looking through the RFP you sent in and was slightly confused about the number of members you are looking to get a quote for. One section says you provide benefits for 35,000 state employees and the other was 92 primary members. Are you only wanting a quote on the primary members? Please provide this further detail at your convenience.*

Currently OSEEGIB has 92 persons enrolled in the only High Deductible Health Plan offered. The High Deductible Health plan will be offered to OSEEGIB's entire population 113,000 primary including the 35,000 state employees.

6. *We understand that you use Hewlett Packard Administrative Services as the software for TPA services. Is the administration done internally or is it outsource to a different company?*

HP is administered internally at HP office in Oklahoma City and is not outsourced.

7. *What is the planned pricing to your employees for your QHDHP compared to your PPO plan? Are you planning on contributing to employees HSAs and if so has an amount been determined?*

The pricing is presently being addressed by the actuaries. OSEEGIB is not planning to contribute to the HSA.

8. *Who does the comparability testing at this time?*

The employer.

9. *Of the approximately 35,000 member population:*

How many are employees of school districts?

The 35,000 are state employees and not employees of school districts. School district employees are included in the remainder of the population mentioned in questions 4 and 6 above.

How many of the school districts have S125 plans other than a January-December plan year?

Although OSEEGIB is aware that several of the more than 540 school districts covered under the plan have alternative plan years, the exact number is not known.

How many of the schools have a 2-1/2 month grace period?

OSEEGIB does not know the individual details of the more than 500 Section 125 plans for schools.

How will the State educate those members about HSA eligibility during open enrollment?

The State is looking for a proposal from the vendor as to the best means to educate members about the HSA.

How many are employees of other state agencies?

All of the 35,000 mentioned above are employees of other state agencies.

Does the State's S125 have a 2-1/2 month grace period?

All employees of state agencies are covered under a single Section 125 plan, which includes a grace period.

10. *Of the 92 members currently enrolled in the HSA qualified HDHP:*

How many currently have an HSA?

It is believed 100%.

How will the State educate those members on what they can do with their current HSA and what it means by providing a different HSA provider?

OSEEGIB intends to promote the HSA vendor in its option period materials.

11. *How long has the State offered an HSA qualified HDHP?*

Since 2008.

12. *Will the State be offering any incentives to the members for selecting the HSA qualified HDHP by making a contribution to their HSA?*

The State is not the employer for the entire eligible population and will not be contributing to the HSA.

13. *Does the State anticipate an increase in the number of members who will enroll in the HSA qualified HDHP? If yes, what is the anticipated percentage increase over the next 5 years?*

It is OSEEGIB's intent to promote the HDHP and facilitate the ease of this option for its members by contracting with an HSA vendor. OSEEGIB cannot anticipate an increase in participation at this time.

14. *A.7 indicates that 92 members are currently covered through the HDHP. Is there a three year forecast of the number of members that are expected to participate?*

Not at this time.

15. *Approximately how many different employers/payroll feeds would be needed to serve these existing member.*

State employees are covered under a single payroll system. However, the other employers (approximately 900) have separate and individual payroll systems. Some of these employers include as many as a thousand members, while some local government employers may contain as few as 1-3 employees.

16. *D.1.12 states that the HSA Administrator shall provide advice regarding the HDHP. Is this limited to HSA-specific issues or cover the broader spectrum of plan design for the actual HDHP?*

At a minimum, the HSA Administrator must provide advice on HSA-specific issues and on regulatory developments which will require changes to the design of the HDHP for it to remain compliant. The HSA Administrator may also provide advice over a broader spectrum regarding plan design.

17. *Section D.3 covers items related to Termination. Since HSAs are individually owned by the account holders, compliance with D.3.1 and D.3.2 is not possible. Accounts are established by the account holder with their chosen custodian and account holders have the choice to maintain their HSA with their chosen custodian after termination. Please clarify these requirements.*

The Agencies understand that the HSAs are individually owned by the account holders. The Agencies seek to preserve certain rights, the extent of which are

dependent upon the degree of involvement the Agencies have in providing member information to the HSA Administrator during the course of this contract.

18. *D.7 and D.8 presents similar issues as D.3. The banking arrangement exists principally between the account holder and the administrator. Will the audit and data ownership requirements be adjusted to reflect audit and data ownership specifically related to the transactions between OSEEGIB and the administrator versus individual account holders?*

The Agencies seek to preserve certain rights, the extent of which are dependent upon the degree of involvement the Agencies have in providing member information to the HSA Administrator during the course of this contract.

19. *In response to requirements E.1.1 and E.1.2, if the HSA administrator does not establish a staffed physical office in Oklahoma City will the administrator be disqualified from the bidding process? Is this requirement specifically for the provision to providing open enrollment support versus ongoing customer service?*

Preference will be given to administrators who have local offices or who can demonstrate the resources necessary to deal with the issues of hundreds of Oklahoma employers operating under a unified health plan program but containing hundreds of distinct Section 125 plans having a variety of effective dates.

20. *How many employees will be using HSA?*

This is unknown. The purpose of this RFP is to produce a process which will simplify the ability of employees to obtain an HSA account and thereby increase enrollment.

21. *Will the HSAs be funded by OSEEGIB?*

No. Individual employers within OSEEGIB's program may, however, choose to fund HSAs for their employees.

22. *Can you please send us a Microsoft Word version of the RFP? Since this is a scanned PDF, we are unable to copy information for our response.*

The Microsoft Word version has been posted on the OSEEGIB website.

23. *Is this a new option or do you have an existing HSA plan?*

The existing HSA plan has been in effect since 2008.

24. *If new, what is driving you to implement an HSA plan?*

The intent is to attempt to increase enrollment in the HDHP by reducing the barriers for members to set up HSA accounts.

25. What will you contribute into the accounts, if anything?

The Agencies will not be contributing to the accounts. Individual employers among the 900 groups represented may choose to do so.

26. What is your education strategy?

Given the description of the employer situation and different Section 125 plans involved, the Agencies seek an Administrator who can provide an organized and comprehensive education strategy. The Agencies will choose among the vendors as to who provides a comprehensive, efficient and workable plan, given the circumstances involved.

27. Why did you include Wells Fargo in the RFP and what do you know about us?

In an attempt to obtain the best possible response for this program, the list of vendors to which this RFP was sent included the largest HSA banks in the country.