

## **1. Introduction**

### **1.1. Purpose**

The Georgia Department of Community Health (“DCH”) administers the State Health Benefit Plan (“SHBP”) and contracts with third parties to administer claims, provide insurance products and provide other services related to the SHBP. This Direct Award proposal is being issued to establish a contract between DCH and a qualified Offeror who will provide within the Atlanta Service Area a fully insured plan option with in-network only coverage and an integrated, self-insured Health Reimbursement Arrangement (the “Atlanta In-Network Only Option or Atlanta INO Option”, and a fully insured Medicare Advantage Plan (the Atlanta MA), and who will administer wellness programs and associated incentives for those enrolled in the Atlanta INO Option.

DCH provides competitive, high-quality health care benefits through the SHBP while effectively managing costs. DCH recognizes and appreciates the effort required to participate in this process.

This Direct Award document outlines the requirements that must be met and solicits data that will be used to identify the contractor selected by direct award to offer the Atlanta INO Option and Atlanta MA Plan. In order for your organization's response to this Direct Award proposal to be fully considered, it is important that you follow all instructions and respond to this Direct Award proposal no later than 4:30 pm ET on August 28, 2013.

### **About The Georgia Department of Community Health**

SHBP currently provides benefits to approximately 640,000 covered lives. These include active employees, pre-Medicare retirees (under age 65) and Medicare retirees (age 65+), and their dependents. The medical and pharmacy benefits, and the wellness benefits and incentive administration, are currently provided by Cigna and United Health Care on an integrated basis.

### **1.2 Scope of Work**

The selected Contractor(s) shall be responsible for providing the Atlanta In-Network Only insurance coverage for enrolled individuals beginning January 1, 2014 as further described in this Direct Award Proposal and the contract attached as Attachment A. The selected Contractor(s) shall be responsible for providing the Atlanta MA Plan insurance coverage for enrolled individuals beginning January 1, 2014 as further described in this Direct Award Proposal, the contract attached as Attachment A, and Exhibit 6 to the contract.

### **Plan Design**

Beginning in 2014, it is DCH’s intent to offer the Atlanta INO Option and Atlanta MA Plan (together, the “Atlanta Options”) to SHBP-eligible individuals residing in the Atlanta Service Area (as defined in Attachment B ). During open enrollment for the 2014 calendar year, individuals who are eligible for State Health Benefit Plan coverage and reside within the Atlanta Service Area will be able to choose the Atlanta INO Option or the self-insured plan option that is available to all individuals eligible for SHBP. In addition, those Atlanta Service Area residents who are Medicare retirees will be able to choose the Atlanta MA Option or the MA plan option that is available to all Medicare retirees. To ensure consistency, the Atlanta

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INO must mirror the plan designs attached as Attachment C, but must offer coverage only in-network (except for emergencies). Employees (which include all individuals eligible for SHBP coverage as a result of current or past employment) who enroll in the Atlanta INO Option will be given “seed” Health Reimbursement Account (HRA) funds as well as additional incentive dollars for completing certain wellness activities. These HRA contributions are self-funded and will be designed to mirror the HRA contributions to the self-insured plan options.

The selected Contractor must mirror the proposed plan designs set forth in Attachment C for the Atlanta Options, with restriction to In-Network coverage for the Atlanta In-Network Option. It is critical that the Atlanta Options mirror the plan options available to all SHBP-eligible individuals in order to ensure consistency across the system.

General eligibility rules for the plan for State employees, public school teachers, other public school employees and eligible dependents are provided in the Resource Library (Attachment J: Active Employee Eligibility Provisions) and in the eligibility provisions of the Summary Plan Descriptions. An additional eligibility requirement of residence in the Atlanta Service Area will apply to the Atlanta Options.

### **Subsidy Levels**

The Board of Community Health establishes all contribution rates by resolution. DCH expects to implement a defined contribution subsidy approach for 2014, by which all individuals eligible for subsidized SHBP coverage will receive a subsidy that is equivalent to the subsidy provided to similarly situated individuals, regardless of which plan option they elect. Subsidy amounts will vary by coverage tier.

For Medicare retirees (age 65+) the subsidy only applies to Medicare Advantage Plans. If not enrolled in a Medicare Advantage Plan, the retiree pays the full premium cost for a non-Medicare Advantage Plan.

### **1.3 Non-Disclosure Agreement**

In order to get access to certain confidential data that is necessary to complete a proposal in response to this Direct Award Proposal, each Offeror must complete a Non-Disclosure Agreement. The Non-Disclosure Agreement must be in the form provided as Attachment D to this Direct Award document. The Offeror must download and sign the form, and email it to the Issuing Officer ([pgriffiths@dch.ga.gov](mailto:pgriffiths@dch.ga.gov)).

Upon DCH’s receipt of the Non-Disclosure Agreement, the Offeror will receive:

- Census File (in two parts);
- Active and Pre-65 Retiree Claims Data.

### **1.4 Resource Library**

A resource library is available electronically for potential Offerors to review material relevant to the Direct Award Proposal. Access to the electronic resource library is available via the hyperlink located on the DCH Web Site. The library may be found at:

The following documents or Web access links are included:

- 2013 Current Plan Designs
  - 2014 Proposed PPO/HRA Plan Designs
  - 2014 Proposed Atlanta INO Option and Atlanta MA Plan Option Plan Designs
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- 2013 Summary Plan Descriptions for HRA Plan Options (UnitedHealthcare and Cigna) (see SHBP Plan Documents page of the DCH website)
- State Health Benefit Plan 2013 Wellness Promise
- Eligibility file format

### 1.5 Schedule of Deadlines and Important Dates

Proposals are due August 28, 2013 at 4:30 pm (ET). This schedule represents DCH’s best estimate of the schedule that will be followed. If a component of this schedule, such as the close date, is delayed, the rest of the schedule may be shifted as appropriate.

Action	Date	Time
Release of Direct Award Proposal (DCH Website)	08/07/13	--
Deadline for written questions sent via email to the Issuing Officer referenced in Section 1.3	08/14/13	4:30 pm (ET)
DCH Responses to Written Questions (DCH Website)	08/21/13	--
Responses Due/Close Date and Time	08/28/13	4:30 pm (ET)
Responses Review Completed (on or about)		
DCH Finalizes Contract Terms; Contract is Executed, Notice of Award [NOA] is issued (in order) Appeals Period – 7 days under SHBP Procurement Policy Section 9.9.	On or about 09/09/13	Notice of Award issued on date signed by DCH Commissioner.--
Implementation	Date of Contract execution – 12/31/2013	
Open Enrollment	10/21/2013 – 11/08/2013	
Insurance Coverage Effective Date (“Go-Live” Date)	01/01/2014	

### 1.6 Official Issuing Officer:

**Percival Griffiths**  
**Email: [pgriffiths@dch.ga.gov](mailto:pgriffiths@dch.ga.gov)**

## 1.7 Questions

All questions regarding this Direct Award should be directed in writing via electronic mail to Procurement Officer, Percival Griffiths (pgriffiths@dch.ga.gov).

## 1.8 Restrictions on Communicating with Staff

Offerors are not allowed to communicate with any State staff except through the Issuing Officer, or as provided by existing work agreement(s). Prohibited communication includes all contact or interaction, including but not limited to telephonic communications, emails, faxes, letters, or personal meetings, such as lunch, entertainment, or otherwise. DCH reserves the right to reject the response of any Offeror violating this provision.

## 1.9 Contract Term

The initial term of the contract(s) shall be from the date of execution of the contract and continue until the close of the next calendar year unless renewed. DCH shall possess four (4) options to renew the Contract for an additional term of up to one (1) calendar year, which shall begin on January 1, and end at midnight on December 31, of that year, which options shall be exercisable at the sole discretion of DCH. In the event that the contract(s), if any, resulting from the award of this Direct Award Proposal shall terminate or be likely to terminate prior to the making of an award for a new contract for the identified products and/or services, DCH may, with the written consent of the awarded Contractor(s), extend the contract(s) for such period of time as may be necessary to permit DCH's continued supply of the identified products and/or services. The contract(s) may be amended in writing from time to time by mutual consent of the parties. Unless this Direct Award Proposal states otherwise, the resulting award of the contract(s) does not guarantee volume or a commitment of funds.

## 2.0 Response Submissions

The Offeror is required to submit separately, a technical response (to be added to this document and incorporated in the Contract as Exhibit 1), a cost response for the Atlanta INO Option and for the Atlanta MA Plan. The responses must contain no conditions, qualifiers or language that conflict with or contradict language in the contract. DCH will rely upon representations made in the responses, and there will be no contract negotiation period except as requested by DCH.

The terms of this Direct Award, the Offeror's responses, and the contract shall be binding on the organization selected by DCH to provide the Atlanta Options. It is not certain how the Atlanta INO Option and Atlanta MA Plan will be subsidized, and DCH makes no guarantees about how many individuals will enroll in the Atlanta Options. Your organization's responses should:

- Assume a January 1, 2014 insurance coverage effective date (go-live date);
  - Assume your plans are offered as an additional choice to Atlanta Service Area residents, alongside the plan options that are available to all SHBP eligible individuals;
  - Assume all eligible active, pre-Medicare and post Medicare retirees in the Atlanta Service Area will be eligible for coverage;
  - All age 65+ retirees must be enrolled in a Medicare Advantage plan in order to receive a subsidy
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## 2.1 Technical Responses

The Offeror's Technical Response must include the following:

- A Table of Contents
- A cover letter, signed by the company's authorized representative
- A brief executive summary of Offeror's company background information, including point of contact
- A Completed Tax Compliance Form
- GEORGIA SECURITY AND IMMIGRATION COMPLIANCE ACT AFFIDAVIT
- A completed, signed Minimum Requirements Form (Attachment E ) for Offeror's acceptance of Terms and Conditions and confirmation of Offeror's capabilities
- GeoAccess report demonstrating that Offeror meets GeoAccess requirements (Attachment I) in the Atlanta Service Area
- Proposed staffing
- List of Subcontractors, with description of services they will provide
- Reference list (at least three)
- Atlanta INO Option and Atlanta MA Plan enrollment materials (Samples)

## 2.2 Cost Response

Each Offeror is required to complete and submit the cost response template provided as Attachment F . The Offeror is to follow the instructions provided with the template for the provision of the following information:

- Blended premium rate by tier for all active and pre-Medicare retiree enrollees;
- Separate rates for Gold, Silver, and Bronze plan designs;
- Separate rates for Medicare Advantage Standard and Premium plan options;
- Rate quote by tier structure and plan options

## 2.3 Hard Copies and Electronic Copies

The Offeror must provide copies of its Direct Award submission as follows:

1. Technical Response:

Two (2) hard copies, bound and tabbed, with one (1) marked "Original" with original signatures; and five (5) electronic copies on a CD, with one (1) designated as the original copy.

2. Cost Response:

Two (2) hard copies, bound and tabbed, with one (1) marked "Original" with original signatures; and Three (3) electronic copies on a CD, with one (1) designated as the original copy.

Technical Response and Cost Response **must be labeled and packaged separately**. Hard copies and CDs must **be received by 4:30 pm (ET)**. **Submissions** should be addressed and mailed or delivered to:

Percival Griffiths  
Direct Award Number: SHBP-DAP-2013  
Office of Procurement Services  
Georgia Department of Community Health  
2 Peachtree Street NW, 35th Floor  
Atlanta, GA 30303

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### **3.0. Selection and Award**

This Direct Award is exempt from Department of Administrative Services rules and regulations. DCH reserves the right to: (a) waive minor irregularities, variances or non-material defects in a response; (b) reject any and all responses, in whole or in part; (c) request clarifications from Offerors; (d) request resubmissions from all Offerors; (e) choose any Offeror or combination of Offerors that DCH determines to provide the best value for the State and be the best suited for providing the Atlanta Options, considering the Responses and the current and anticipated needs of the SHBP and (f) take any other action as permitted by law.

Any contract award resulting from the Direct Award Proposal will be made to the responsive and responsible Offeror meeting all specifications and selected by DCH and with whom the DCH has reached agreement on all contract terms and conditions (acceptance of the attached contract as presented is a requirement, but if DCH requests additional terms, the Parties must reach agreement regarding such terms). It is DCH's intent to award one contract; however DCH reserves the right to award to one or more Offerors, to one or more Offerors, or subcategories of products/services to one or more Offerors when DCH decides that to do so is in the best interests of the State of Georgia.

### **4. Contract Terms and Conditions**

The contract that the DCH expects to award as a result of this Direct Award Proposal is provided as Attachment A. By submitting a response, an Offeror affirms that it accepts all terms and conditions in the contract and this Direct Award document.

No exceptions to the contract will be reviewed or considered, and any responses that contain language that conflicts or contradicts the Direct Award document or contract may result in disqualification.

### **5. List of Attachments**

The following documents make up this Direct Award proposal. Any difficulty locating or accessing the following documents should be immediately reported to the Issuing Officer.

- A. Contract
  - B. Definition of Atlanta Service Area
  - C. Plan Designs
  - D. Non-Disclosure Agreement
  - E. Minimum Requirements Form
  - F. Cost Response Template
  - G. "Sales and Use Tax Registration"
  - H. SPD-SP054 Immigration and Security Form
  - I. GeoAccess Requirements
  - J. Active Employee Eligibility Provisions
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