



NEW YORK STATE  
DEPARTMENT *of*  
FINANCIAL SERVICES

Andrew M. Cuomo  
Governor

Maria T. Vullo  
Superintendent

**BID QUESTIONS/INQUIRIES AND RESPONSES MEMORANDUM**

**DATE:** October 21, 2016

**PLEASE ADDRESS INQUIRIES TO:**

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**BID NO.:** C000439

**TITLE:** Third Party Administration (TPA) Services

**BID DUE DATE:** November 4, 2016 @ 4:00 PM

**CONTRACT TERM:** Five (5) years, commencing upon approval by State Comptroller's Office

**SUBJECT:** Responses to Questions/Inquiries

**ALL PROSPECTIVE BIDDERS**

In reference to the above bid solicitation, the following questions/inquiries were submitted, thus we are providing answers to each question below:

**QUESTION #1:** We are looking at the pharmacy benefit side only. Is the Department looking for one vendor to provide TPA services for both the medical and prescription benefits, or is it interested in potentially using a different vendor for each side?

**ANSWER:** **It is the Department's intent to contract with a single vendor for the administration of all of the claims, inclusive of pharmacy. However, interested vendors may choose to sub-contract with a PBM to handle pharmacy claims, and such an arrangement is contemplated by the RFP. The vendor must disclose any such arrangement in its proposal.**

**QUESTION #2:** Page 6, Section 1.2: The section states that the Contractor will "Submit an electronic weekly claims register identifying claims for payment and supporting documentation (such as invoices) to the Department in a format acceptable to the Department."

Q. What information is required in the weekly claims register?

**ANSWER:** **The weekly claims register is currently submitted in Excel format and provides the following information: Reference Number (rolling check number), Invoice Number, Enrollee Name, Enrollee DOB, Enrollee ID Number, Payee Information, Amount to be Paid, Date of Service, Type of Service, Claim Received Date, Pricing Method, Adjustments to Billed Amount. For claims outside of the U.S., there should be an indicator of same. In addition, there should be a field or link to identify and source supporting documentation.**

QUESTION #2: (Continued)

Q. In what form is the supporting documentation currently submitted to the Department?

**ANSWER: The supporting documentation is currently submitted to the Department in image format. The file type used by the contractor will be mutually agreed upon but must ensure documentation is easily accessible, readable and searchable by the Department.**

QUESTION #3: Page 8, Section 2.1(a)(1): Q. What kind of claim forms does the Department utilize? Does the Department utilize CMS 1500 and UB04 forms?

**ANSWER: Providers seeking payment from MIF may submit a HCFA 1500 form. Some claims may require different forms, such as reimbursement for travel. For non-standard claims, there is a form available on the MIF website that may be used. Other forms, if acceptable to the claims administrator and Department, may be used when appropriate for the claims involved provided that they contain sufficient information.**

Q. In what non-English languages would the claim forms need to be made available? Does this mean claims are in non-standard claim formats?

**ANSWER: The HCFA 1500 claims form does not need to be made available by the contractor in non-English languages. However, additional claims related forms are available in non-English languages on the MIF website. Any changes to those forms, or other MIF forms, such as updates to the name and address of the contractor, will need to be made by the contractor and approved by the Department. Please refer to the MIF website for languages and additional forms.**

QUESTION #4: Page 8, Section 2.1(a)(2): What is the annual current volume of claims submitted in electronic form and paper form? Please provide a breakdown on the annual volume of claims by claim type.

**ANSWER: The breakdown of claims by paper vs. electronic is not available. A breakdown of annual volume by claim type would take more time than is available to respond to questions for this procurement. Information on the overall volume of claims was provided on page 7 of the RFP.**

QUESTION #5: Page 8, Section 2.1(a)(5): Will the Contractor adjudicate claims based on procedure code or rate code?

**ANSWER: Claims are adjudicated following the requirements of the regulation and generally accepted industry practices. This will include Medicaid rates for some claims and U.C.R. based rates for others.**

QUESTION #6: Pages 8-9, Section 2.1(a)(6): Q. What is the Department's processing policy for claims that fail to have the required prior approval/authorization? Is the Contractor expected to pend the claims for review by the Department?

**ANSWER: Certain claims do require prior approval. Claims that require, but have not received, prior approval should be denied. Contractor may choose to pend a claim while verifying whether prior approval was obtained.**

Q. Will the Department and Contractor utilize 278's for prior approval/authorizations? If so, what will be the frequency for the 278 file?

**ANSWER: The program has its own forms for this purpose. The forms are used by enrollees or their representatives to request prior approval for certain services. The contractor will not be collecting or processing these forms, but will direct any inquiries regarding prior approval to the Department or other identified party performing that function. The contractor will be notified by the Department of prior approvals in a manner to be arranged with the contractor.**

QUESTION #7: This section states, “The Contractor shall identify which claims, with reasonable certainty, may be replaced or indemnified from any collateral source as defined by §4545 of the New York Civil Practice Law & Rules (“CPLR”), other than Medicaid or Medicare, which are not considered a collateral source for payments.” Q. Please clarify what services the Department is requesting from the Contractor in this section?

**ANSWER:** The contractor shall identify those claims for which there is another source of payment, such as workers’ compensation insurance, no-fault insurance, negligence of another party that occurs after enrollment, an educational program through an IEP, etc. Claims that are covered by such collateral sources shall be denied as such. Information regarding other sources of payment may come from claims forms, providers, enrollees or their representatives or the Department.

QUESTION #8: Page 9, Section 2.1(b)(1): What is the current volume of calls by month?

**ANSWER:** The Department does not have an estimate of the calls. Since the current contractor also performs case management and other functions of the program, its call volume would not be representative of the limited functions of this procurement.

QUESTION #9: Page 13, Section 2.2(b): Q. What licenses would be required to be submitted with a response?

**ANSWER:** The required license may depend upon the type of entity submitting a proposal, and the place of business for the entity, since licensure requirements vary by state. In addition, as indicated in the RFP, section 2.1(a)(5) may require appropriate licenses, for example to access FAIR Health, Inc. rate data.

Q. Is a TPA Licensure or Independent Adjuster Licensure required for the Contractor to commence work on the services requested in this RFP?

**ANSWER:** NYS does not have a TPA license requirement, and an adjuster license is not required in connection with this program.

QUESTION #10: How will the provider file be shared? In what format and frequency?

**ANSWER:** Please see answers to Questions #11 and #12 of this memorandum. There will be no ongoing transmittal of provider data.

QUESTION #11: Q. What types of providers does the Department utilize?

**ANSWER:** The Department does not utilize providers. Enrollees obtain services directly from any provider who has the appropriate license for the medical service rendered. The Department pays the cost of the claims, which are filed by the provider or a representative of the enrollee.

Q. How many providers are there for each type, i.e. the number of hospitals, the number of PhDs, etc.?

**ANSWER:** There is no network of providers. Enrollees can obtain services from any appropriately credentialed provider.

Q. What is the claim volume for each type of provider?

**ANSWER:** The Department does not have that information.

QUESTION #12: How many contracted and non-contracted providers does the Department currently utilize?

**ANSWER:** Please see answer to Question #11 of this memorandum.

QUESTION #13: Will the Department have the ability to report in an 834 all historical membership data in order for the Contractor to properly process claims (original and appeals) and measure 'filing limits'? How will eligibility updates be shared with the Contractor? In what format and frequency?

**ANSWER: The Department does not currently have the ability to report membership data in an 834 form, though the current contractor may be able to do so. However, once a person is enrolled in MIF, he or she remains in the program for life, and never loses eligibility. The contractor will be notified by the Department electronically when enrollment eligibility is determined in a manner to be discussed with the selected bidder and acceptable to the Department. It is anticipated that enrollment data will be sent via secured email to the contractor unless a more efficient process becomes available.**

QUESTION #14: Page 27: The Equal Employment Opportunity Requirements section states that the Bidder is "required to submit an Equal Employment Opportunity Staffing Plan (Appendix D – Form #2)". Appendix D is not included with the RFP, where can this be located?

**ANSWER: This is a typographical error. It should actually read "Attachment #2 – Form #2", which was included with the RFP.**

QUESTION #15: Page 45: Section 6. Proposal Format and Content does not state where in the response to include the Confidentiality Agreement/Certificate of Non-Disclosure. Is there a place in the Bidder's response that the Department would like to see the Confidentiality Agreement/Certificate of Non-Disclosure? Or should it be included as an attachment at the end of the Technical Submittal?

**ANSWER: This form, and all other required forms, can be included with the cost proposal.**

QUESTION #16: Section 1.2: How will the Department notify and pass enrollment data to the contractor?

**ANSWER: The Department will notify the contractor electronically. It is anticipated that enrollment data will be sent via secured email to the contractor unless a more efficient process becomes available.**

QUESTION #17: Section 1.2: (a) Please confirm Case Management services as defined by 10NYCRR 69-10.4 are not included in this RFP? (b) Will the NY State Department of Financial Services be issuing a separate RFP for Case Management Services? (c) If not, who is or will be providing case management services for the contract period? (d) What is the expectation for connectivity and working relationship with the Case Manager and contractor?

**ANSWER: (a) This confirms case management is not part of this procurement. (b) Questions regarding whether the Department may be issuing other procurements will not be addressed as part of this procurement. (c) The Department is not able to answer this question at this time. (d) There is no expectation of connectivity with case managers. However, case managers may provide assistance to enrollees with filing claims, and in that capacity may make phone calls or other inquiries to the contractor on behalf of enrollees concerning claims.**

QUESTION #18: Section 1.2: Are enrollment ID cards to be issued separately for medical and prescription benefits? Please provide a sample card(s)

**ANSWER: There is no requirement that separate ID cards be issued for medical and prescription benefits. A sample ID card is available on the MIF website under Information for Providers.**

QUESTION #19: Section 1.2: Create such statistics and other records, including claims histories, as shall be required by the Department. What are the current requirements? Can we obtain sample copies of the current statistics, record and claim histories requirements?

**ANSWER:** The data requirements can change as the program develops. The capabilities of the contractor to provide data should be described in the bidder's proposal. Among the current reporting requirements are weekly claims registers and quarterly claims summaries. Required data to be maintained by contractor for those reports includes: Enrollee Name, Enrollee DOB, Enrollee SS Number, Enrollee Gender, Primary Diagnosis, Coverage Effective Date, Enrollment Date, Enrollee ID Number, and Name and Address of Enrollee/Parent/Guardian. Claims related data also includes: Reference Number (rolling check number), Payee Information, Amount to be Paid, Date of Service, Invoice Number, Type of Service, Claim Received Date, Pricing Method, Adjustments to Billed Amount, Other Insurance or Coverage, and related information.

QUESTION #20: Section 1.4: Are there enrollees outside of the US? If so please provide their locations/countries of the enrollees

**ANSWER:** There are currently 3 enrollees residing outside the U.S.; United Kingdom, Paraguay and Turkey.

QUESTION #21: Section 1.4: Are there any providers who are paid outside of the United States? If so, what are the requirements for provider payments outside of the US?

**ANSWER:** Yes. Payments to providers outside the U.S. follow the same processes except that it must also be determined whether the claim may be covered by a national health care plan.

QUESTION #22: Section 1.4: RFP shows 47,785 claims processed for all of 2015. Does each claim equal individual hospital, medical, and surgical services, nursing care, dental care, durable medical equipment, and supplies, and other health care bill received?

**ANSWER:** In some instances, some of the 47,785 claims may have been bundled when they were submitted, and may have been grouped together for payment. So the number of "claims" could be a little higher or could be a little lower. For example, a private duty nurse may bill for services provided during the course of a week, while a different agency may bill on a different frequency. As further clarification, for the year 2015, these claims resulted in approximately 11,971 payments by NYS.

QUESTION #23: Section 1.4: Please provide the number of claims processed in each quarter: a. 1Q 2015; b. 2Q 2015; c. 3Q 2015; d. 4Q 2015.

**ANSWER:** Here is an approximate breakdown of the claims processed by quarter for 2015:

1 – 10,479

2 – 11,513

3 – 11,238

4 – 14,511

QUESTION #24: Section 1.4: RFP shows 4,984 pharmacy claims in 2015. Does each claim equal individual prescription and non-prescription medication bill received?

**ANSWER:** That number represents the number of prescription drug transactions.

QUESTION #25: Section 1.4: Please provide the number of pharmacy claims processed in each quarter: a. 1Q 2015; b. 2Q 2015; c. 3Q 2015; d. 4Q 2015.

**ANSWER: That information is not available.**

QUESTION #26: Section 2.1(a)(1) & (b)(1): Please provide the non-English languages required for the claim forms and customer service phone line provided by the contractor? Please provide the approximate percentage of active enrollees that comprise each language?

**ANSWER: The contractor must be able to translate languages either directly or through a service for customer service purposes. Examples of the forms available for enrollees and their representatives, and the languages they have been translated in are available on the MIF website.**

QUESTION #27: Section 2.1(a)(4): Is the contractor required or recommended to use the current pharmacy benefit management company? Who is the current pharmacy benefit company?

**ANSWER: The contractor is not required to use any particular pharmacy benefit management company, though the arrangement chosen by the contractor requires approval by the State. The current PBM is CVS Caremark.**

QUESTION #28: Section 2.1(a)(5): Services, supplies and equipment for which there is a Medicaid fee or rate available must be paid at that fee or rate. The Department will facilitate access to Medicaid rates where necessary and the Contractor will not be responsible for any licensing fees or other fees related to accessing those rates. Please confirm the process to obtain the Medicaid Rates from the Department?

**ANSWER: Medicaid rates are generally publicly available through eMedNY online. However, there may be instances where particular codes or services require clarification. In those instances, the contractor can contact the Department or designated Medicaid staff for guidance. If Medicaid permits direct access to any of its pricing tools or data, the Department will facilitate such access.**

QUESTION #29: Section 2.1(b)(1): Does the Department or the current vendor have a estimate call volume to the toll-free customer service line?

**ANSWER: The Department does not have an estimate of the calls. Since the current contractor also performs case management and other functions of the program, its call volume would not be representative of the limited functions of this procurement.**

QUESTION #30: Section 2.3(a): Timelines: What is the scheduled date the Department will award the contract? How many days has the Department estimated for transition/implementation?

**ANSWER: There is no scheduled contract award date. After a bidder is selected, a contract must then be signed by the selected bidder and the Department, then the Office of the Attorney General and Office of the State Comptroller must both approve the contract. The timing for an effective transition of the program will be discussed with the selected bidder, and will consider the capabilities of the selected bidder and needs of the program.**

QUESTION #31: Section 4.4(f): Suspension of Work, has there been any suspensions of new enrollment in the past? If so, how long did each suspension last?

**ANSWER: The section referred to (4.4) is not related to suspension of enrollment in the program. A suspension of enrollment in the program does not affect enrollment already in the program. A suspension of enrollment is limited to new enrollment. There has not been an enrollment suspension since the program began in 2011.**

QUESTION #32: Is the contractor to contemplate a data conversion of open and historical matters into their electronic system? If there is to be a data conversion, how many sources of data are to be converted? What system(s) does the MIF data currently reside? Are there document images that need to be converted? Is there a separate database for pharmacy/prescription benefits?

**ANSWER: It is anticipated that program data will be transferred from the current contractor directly to the new contractor. In addition, the Department will share any necessary data currently in its possession or obtained at that time from the current contractor. Whether a data conversion will be required depends upon the respective systems in use by the parties and how they propose to perform the duties specified in the RFP.**

QUESTION #33: Please provide sample of all required reports and forms that the contractor will be required to produce/provide as part of the contract.

**ANSWER: Samples are not available.**

Lastly, a typographical error appears on Page 41 of the RFP, under Section 7.1(b). The third paragraph currently reads:

“The following **Mandatory Requirements** apply to this RFP:

\*Must be able to provide Executive Secretaries who meet the minimum level of qualifications as outlined in Section 2.1(b) of the RFP.”

Please delete “Executive Secretaries” and replace with “Third Party Administrative Services”; and “Section 2.1(b) shall read “Section 2.1”.

All other terms and conditions of the bid solicitation remain the same.

**This Memorandum is to be signed, submitted and made a part of your bid.**

VENDOR: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

SIGNATURE OF BIDDER: \_\_\_\_\_

DATE: \_\_\_\_\_