



STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

GREEN MOUNTAIN CARE BOARD
89 MAIN STREET
MONTPELIER, VERMONT 05620
802-828-2900

SEALED BID

**REQUEST FOR PROPOSAL FOR
INSURANCE CARRIER RATE REVIEW TECHNICAL ASSISTANCE**

RFP ISSUE DATE: Tuesday, December 4, 2012

WRITTEN QUESTIONS DUE BY: Tuesday, December 18, 2012

WRITTEN RESPONSES TO QUESTIONS: Friday, December 21, 2012

BID DUE ON OR BEFORE: Thursday, January 3, 2013, 4:00pm

DATE AND TIME OF BID OPENING: Thursday, January 3, 2013, 4:30 p.m.

LOCATION OF BID OPENING: Green Mountain Care Board, 3rd
Floor, 89 Main Street, Montpelier,
Vermont

CONTRACTOR SELECTION ANNOUNCEMENT: Thursday, January 17, 2013

CONTRACTOR WORK TO COMMENCE: February 1, 2013

ATTACHMENTS OR SPECIFICATIONS THAT APPLY TO THIS RFP:

➤ State Contract (Exhibit A)

CONTACT AGENTS: Georgia J. Maheras, Esq., Executive Director

MAILING ADDRESS: Green Mountain Care Board
89 Main Street
Montpelier, VT 05620

TELEPHONE : (802) 828-2919

E-MAIL: georgia.maheras@state.vt.us

SEALED BID INSTRUCTIONS

All bids must be sealed and must be addressed to the Green Mountain Care Board, 89 Main Street, Montpelier, Vermont 05620. BID ENVELOPES MUST BE CLEARLY MARKED 'SEALED BID' AND SHOW THE REQUISITION NUMBER AND/OR BID TITLE, OPENING DATE AND NAME OF BIDDER. **ALL BID SUBMISSIONS MUST CONTAIN AN ORIGINAL AND THREE (3) COMPLETE COPIES.** Bidders may also elect to send an electronic copy of the bid to Janet.richard@state.vt.us, however this does not replace the requirement to submit original copies by mail.

All bidders are hereby notified that sealed bids must be in the office of the Green Mountain Care Board (GMCB) by the bid due date and time. Bidders are cautioned that it is their responsibility to originate the sending of bids in sufficient time to insure receipt by the GMCB on or before the bid due date. Hand carried bids shall be delivered to a representative of the GMCB on or before the bid due date and stamped in by the GMCB representative to indicate the date and time of receipt. Bids not in possession of the GMCB by the due date and time will not be considered.

The GMCB may change the date and/or time of bid openings. If a change is made, the GMCB will make a reasonable effort to inform all bidders.

All bids will be opened publicly. Any interested party may attend bid openings. Bid results may be requested in writing and are available once an award has been made.

From the issue date of this RFP until a Contractor is selected and the selection is announced, bidders are prohibited from communicating with any GMCB staff regarding this procurement, except:

- Georgia J. Maheras, Esq., Executive Director

The GMCB shall reserve the right to reject the proposal if this provision is violated.

FAXED BIDS: FAXED bids will NOT be accepted.

ELECTRONIC BIDS: ELECTRONIC bids will only be accepted in addition to mailed bids.

DATE:

**REQUEST FOR PROPOSAL
THIS IS A SEALED BID**

BIDS MUST BE RECEIVED BY Thursday, January 3, 2012, 4:00 P.M.

_____(vendor name)
_____(address 1)
_____(address 2)
_____(address 3)
_____(city state zip)

This form must be completed and submitted as part of the bid for it to be considered valid.

The undersigned has read, understood, and accepted all provisions, terms, and conditions of this bid.

VERMONT TAX CERTIFICATE

To meet the requirements of Vermont Statute 32 V.S.A. § 3113, by law, no agency of the State may enter into, extend or renew any contract for the provision of goods, services or real estate space with any person unless such person first certifies, under the pains and penalties of perjury, that he or she is in good standing with the Department of Taxes. A person is in good standing if no taxes are due, if the liability for any tax that may be due is on appeal, or if the person is in compliance with a payment plan approved by the Commissioner of Taxes, 32 V.S.A. § 3113.

In signing this bid, the bidder certifies under the pains and penalties of perjury that the company/individual is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont as of the date this statement is made.

Quotation Valid for ____ Days	Date: _____	Telephone Number: _____
Name of Company: _____		Fax Number: _____
Federal Identification Number: _____		E-mail address: _____
By: _____		Name: _____
Signature (Bid Not Valid Unless Signed)		(Type or Print)

1. OVERVIEW

SCOPE: The GMCB seeks a contractor who can assist in the development of an efficient rate review process that optimizes the data and information provided to the agency and streamlines the agency's decision-making.

Background:

The Green Mountain Care Board (GMCB) was created by Act 48 of the Vermont Legislature in 2011 to oversee a broad range of health care reforms in Vermont, including the eventual transition to a publicly-financed single payer system known as Green Mountain Care. The reforms mandated by Act 48 are designed to increase Vermonters' access to quality health care services while at the same time containing the rapid rise of health care costs. Although Act 48 will be implemented in coordination with the federal Affordable Care Act, its reforms go significantly beyond those required by federal law, particularly in the areas of payment reform and cost containment.

During the transition to single-payer health care, rate filings for major medical health insurance policies will be reviewed by the Commissioner of Financial Regulation (formerly the Commissioner of Banking, Insurance, Securities and Health Care Regulation). If the Commissioner finds that the proposed rate satisfies the applicable statutory requirements, the Commissioner is required to recommend approval of the rate to the GMCB. The Commissioner can also recommend that the GMCB modify or disapprove the rate. This represents a change from prior statutory procedure, which gave the Commissioner sole discretion to approve or disapprove health insurance rate filings. The GMCB has authority to approve, modify or disapprove any rate filing. Once the Board has acted on the Commissioner's recommendation, the Commissioner is responsible for implementing the Board's decision.

The key inquiry for the Commissioner's review is whether the proposed rates are "excessive, inadequate, or unfairly discriminatory or fail to meet the standards of affordability, promotion of quality care, and promotion of access pursuant to [8 V.S.A. § 4062]." *See, e.g.,* 8 V.S.A. §§ 4512(b), 5104(a)(2). In applying that statutory language, the Department of Financial Regulation has adopted the following interpretation:

The terms "excessive," "inadequate" and "unfairly discriminatory" all have well-accepted definitions that are codified in the insurance laws of most states. Thus, rates are generally considered excessive if they are likely to produce unreasonably high profits for the insurance provided or if expenses are unreasonably high in relation to services rendered. Rates are considered inadequate if they are insufficient to sustain projected losses and expenses in the class of business to which they apply. Finally, rates are unfairly discriminatory if price differentials for groups of insureds fail to reflect equitably the differences in projected losses and expenses for those groups.

See, e.g., Commissioner's Recommendation for Modification and Approval of BCBSVT 2013 Vermont Association of Chamber Executives Rate Filing at 2-3 (Nov. 9, 2012), *available at* http://gmcboard.vermont.gov/sites/gmcboard/files/30_ComRec.pdf. The Department has also adopted definitions for affordability, promotion of quality care, and promotion of access for the purpose of applying those statutory criteria. *See id.*

Consistent with its broad statutory charge to improve access and quality while controlling cost, the GMCB must also ensure that insurance carriers approved rates are affordable, promote access to care, and promote quality of care. *See* 18 V.S.A. § 9371 (adopting principles as a framework for health care

reform, including cost containment, cost transparency, universal access to and coverage for high quality services, and public participation in the design and implementation of reforms); § 9372 (setting out GMCB's broad statutory purposes); § 9375(a) (requiring GMCB to carry out its duties consistent with the principles in § 9371); and § 9375(b)(6) (empowering GMCB to "[a]pprove, modify, or disapprove requests for health insurance rates pursuant to 8 V.S.A. § 4062 within 30 days of receipt of a request for approval from the commissioner of financial regulation, taking into consideration the requirements in the underlying statutes, changes in health care delivery, changes in payment methods and amounts, and other issues at the discretion of the board").

The GMCB oversees several other aspects of the health care system including determining the annual budgets for Vermont's fourteen nonprofit hospitals, approving or disapproving applications for certificates of need for new health care projects by hospitals and other health care facilities, and working with payers and providers on payment and delivery system reforms. These areas provide abundant information about Vermont's health care system and inform decisions made by insurance carriers in determining rates of growth. All of this information should be maximized to support the rate review process.

The GMCB also has several datasets available for use in its regulatory processes. These include VHCURES, Vermont's all-payer claims database, and the Unified Hospital Discharge Data Set. These data should also be used as effectively as possible in the rate review process.

With all of these data and tools, the GMCB intends to develop a consistent, administratively simple regulatory scheme governing the functions and regulated entities described above. This scheme should rely on best practices.

In order to achieve this goal, the GMCB seeks a contractor with whom to work on developing a more efficient, effective and integrated rate review process. Our aim is a review process that is not piecemeal, eliminates redundancy and improves transparency. The contractor should review federal requirements and other state regulatory processes, both in Vermont and in other states, to determine best practices in health insurance rate regulation. The contractor should also develop recommendations to the GMCB on additional information needed from the carriers and in what format. Deliverables include procedures and documents that can be used to support the agency operations in the new rate review process.

Specific tasks include:

Phase I:

- Review of existing GMCB rate review process with GMCB staff;
- Review of federal rate review requirements and effective rate review processes in other states;
- Summary and discussion of this information for the GMCB. This should include identification of best practices and documents that can be used to enhance and improve data collection in furtherance of the goals of improving quality and lowering costs.

Phase II:

- Development of recommendations to the GMCB for how to proceed with data collection and rate review analyses. This recommendation should include any statutory, rule, and/or process changes and any additional guidance to insurance carriers that should be developed. The final product should not be a policy white paper, but an operational guide that can be used immediately by the GMCB in its rate review process.

- 1.1. **CONTRACT PERIOD:** A contract arising from this Request for Proposal (RFP) will be for a period of **12 months**. Proposed contract start date will be **2/1/13**.
- 1.2. **POINT OF CONTACT:** All communications concerning this Request For Proposal are to be addressed in writing to the attention of: **Georgia J. Maheras, Esq., Executive Director, Green Mountain Care Board, 89 Main Street, Montpelier, Vermont 05620. Georgia Maheras is the sole contact for this RFP.**
- 1.3. **ATTACHMENTS:**
 Standard State Contract (Exhibit A)
- 1.4. **INVOICING:** All invoices under the contract are to be rendered by the Contractor in duplicate on the Contractor's standard billhead and forwarded directly to: **Janet Richard, Green Mountain Care Board, 89 Main Street, Montpelier, Vermont 05620.**
- 1.5. **REMITTANCE OF PAYMENT:** Specify the address to which payments will be sent.

2. METHOD OF AWARD

- 2.1. **CONTRACT AWARD:** Awards will be made under the provisions of 29 VSA § 903. The GMCB may award one or more contracts and reserves the right to make additional awards to other bidders who submitted bids at any time during the first year of the contract if such award is deemed to be in the best interest of the State.
- 2.2. **EVALUATION CRITERIA:** Proposals that meet the specifications of this RFP, and that are received in this office by the appointed deadline, will be evaluated by a review committee composed of GMCB staff. Proposals meeting the specifications of this RFP will be evaluated based on the following criteria:

<u>Criterion:</u>	<u>Maximum possible points</u> <u>(on a scale of 100):</u>
2.2.1 Bidder's prior experience with similar work (Completed work of similar type and experience working for State regulatory systems.)	30
2.2.2 Organization size and structure of offeror's firm	15
2.2.3 Quality of staff and supervision (Qualifications of staff to be assigned and supervision to be exercised over staff by management.)	20
2.2.4 Bidder's understanding of work to be performed	15
2.2.5 Quality of references.	10
2.2.6 Billable Rate	10

- 2.3. **CONTRACT TERMS:** The selected bidder(s) will sign a contract with the GMCB to provide the services named in the bid, at the price listed. **A copy of the standard State contract is attached. (Exhibit A).** The GMCB may cancel upon discovery that a bidder is in violation of any portion of the agreement, including an inability by the bidder to provide the services, and/or support offered in their bid. Contracts may be amended by mutual agreement of the parties. The contract may be cancelled by the GMCB by giving written notice at least 30 days in advance. The Contractor may cancel the contract by giving 120 days

written notice in advance. If, during the term of the contract, the Contractor cannot provide the required services using the personnel identified in the bid, the Contractor will notify the GMCB and provide assurances that the substitute personnel will in no way diminish the capacity of the Contractor to perform.

3. **BACKGROUND** The GMCB seeks a contractor who can assist in the development of an efficient rate review process that optimizes the data and information provided to the agency and streamlines the agency's decision-making.

Background on the Green Mountain Care Board

The Green Mountain Care Board was created by the Vermont legislature in 2011 to oversee the design of Green Mountain Care, a comprehensive health care system to serve the health care needs of every Vermonter. Through the coordinated efforts of this independent board, state government, and the citizens of Vermont, and with valuable input from health care professionals, and the business community, the Board will offer implementation strategies and innovative systems to keep Vermont among the leading states in expanding quality, affordable health care to all Vermonters while reducing waste and controlling costs.

The Green Mountain Care Board is empowered by Act 48 of the Acts of 2011 to:

Improve the health of Vermonters

Reduce the rate of growth of Vermont's health care costs

Enhance the quality of care and experience of patients and providers

Recruit high-quality health care professionals to practice in Vermont

Simplify and streamline administrative and claims processes to reduce overhead and enhance efficiency

To achieve these goals, the Board's overall health care priorities will focus upon:

- Overseeing a new health care payment and delivery system designed to improve quality of care and reduce costs
 - Reviewing and approving BISHCA recommendations for new insurance rates, hospital budgets and major capital expenditures by health care providers
 - Approving benefit plans for Vermont's health care exchange
 - Developing programs to assess and enhance quality and safety in the health care system
- Approving a plan for an information technology system to Vermont's evolving health care

4. **SCOPE OF WORK AND CONTRACTOR RESPONSIBILITIES:**

The GMCB seeks a contractor with whom to work on developing a more efficient, effective and integrated rate review process. Our aim is a review process that is not piecemeal, eliminates redundancy and improves transparency. The contractor should review federal requirements and other state regulatory processes, both in Vermont and in other states, to determine best practices in health insurance rate regulation. The contractor should also develop recommendations to the GMCB on additional information needed from the carriers and in what format. Deliverables include procedures and documents that can be used to support the agency operations in the new rate review process.

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Phase II:

- Development of recommendations to the GMCB for how to proceed with data collection and rate review analyses. This recommendation should include any statutory, rule, and/or process changes and any additional guidance to insurance carriers that should be developed. The final product should not be a policy white paper, but an operational guide that can be used immediately by the GMCB in its rate review process.

5. INSTRUCTIONS FOR BID PREPARATION

- 5.1. The bid is the GMCB's primary vehicle for obtaining essential information upon which contract award decisions are based. Instructions contained in the RFP must be met in order to qualify for consideration for award. Bids that do not meet or comply with all instructions may be considered non-responsive and may be discarded. **Mere reiterations of RFP-stated services are discouraged as they do not provide insight into the bidder's understanding of the required tasks and responsibilities, nor the uniqueness of the bidder's performance capabilities.**

Bidders must submit an original and three (3) copies of their bid to the GMCB (see page 1 for address and submission deadline).

- 5.2 Transmittal letter and bidder general information summary sheet:

The transmittal letter must be signed by an individual in the organization authorized to bind the organization to the proposal. The information sheet should include the name and mailing address of the company, the street address for purposes of overnight/express mail delivery, the direct phone number, FAX number, and E-mail address. If the organization has a business account number with the Vermont Department of Taxes, that should be included.

- 5.3 Each copy of the bid must be submitted in one volume (where practical), divided into three easily identifiable sections as described in 5.4 - 5.6 and preceded by a table of contents, and must include the Vermont Tax Certificate (see page 3 of this RFP).
- 5.4. **Section 1 - Technical Bid:** This section must describe the bidder's approach and plans for accomplishing the work outlined in the Scope of Work and Contractor Responsibilities section of this RFP. These plans and approaches must be described in sufficient detail to permit the GMCB to fully evaluate them. Further, the bidder must describe the effort and skills necessary to complete the project. The section must contain at least the following information:

- 5.4.1 A brief introduction outlining the bidder's overall technical approach to complete the requirements. The narrative must demonstrate to the GMCB an understanding of the process that is to be implemented, and persuade the GMCB that the bidder understands the nature of the required work, and the level of effort required.
- 5.4.2 A description of how the work will be accomplished. Simple statements that a task will be completed, or a reiteration of the RFP are not helpful. **Section 4** of this RFP (**Scope of Work**) shows the interface between the GMCB's responsibilities and the Contractor's responsibilities. Using Section 4 as a guide, the bidder must describe how it will fulfill these responsibilities.
- 5.4.3 A summary of the problems that the bidder might reasonably expect and its solution to those anticipated problems must be provided.
- 5.4.4 Enough information must be provided so that the GMCB is assured that the Contractor will be prepared to establish fully effective and efficient operations on the contract's effective start date.
- 5.4.5 The bidder must supply detailed information concerning any subcontractors proposed to be used during the performance of the responsibilities under the contract.
- 5.5. **Section 2 - Organizational Experience:** This section of the bid must contain pertinent information relating to the bidder's organization, personnel, and experience, including references together with a contact name and telephone number that will substantiate the bidder's qualifications and performance record. The bid must contain at least the following:
 - 5.5.1. Location of the bidder's headquarters and offices.
 - 5.5.2 If applicable, the bidder must provide the following information about itself and any parent corporation and all subsidiaries and affiliates: (1) an organizational chart by ownership of all affiliated entities; (2) the names and addresses of owners/partners/shareholders of each entity; and (3) the names and addresses of members of the governing board of each entity.
 - 5.5.3 The bid must include a description of the bidder's background and experience in healthcare, and general understanding of the health care system and health insurance in Vermont. Documentation that clearly shows the bidder's experience in performing similar projects must be included. Bidders must include a list of references that reflect this experience.
 - 5.5.4 The bidder must offer such documentation as it believes sufficient to show proof of the bidder's financial capacity to undertake the responsibilities required under this contract.
 - 5.5.5 The bidder must be free of actual or apparent conflict of interest.
 - 5.5.6 The bidder shall procure and maintain professional liability insurance for any and all services performed under the contract, with minimum coverage of \$1,000,000 per occurrence.
- 5.6 **Section 3 - Cost Bid**
 - 5.6.1 The bidder should offer a cost proposal, distinct from the technical proposal, to provide **one hourly rate for each staff class identified in the proposal**. A blended rate, whereby a proposal identifies one hourly rate for all categories of services, is not

acceptable. The GMCB will also not accept a range of hourly compensation for the same staff level or function. Any contract written will require receipts for all expenses other than vehicle mileage or will use per diem rates specified in the "General Service Administration (GSA) Per Diem 2000 study" for lodging, meals and incidentals. Vehicle mileage will be reimbursed at a rate determined at the time the contract is executed. The Contractor must bill the GMCB for work performed at least once a month.

5.6.2. Cost bids must be related to the functions and responsibilities outlined in Section 4.

6. QUESTION AND ANSWER PERIOD: Any bidder requiring clarification of any section of this RFP or wishing to comment on the RFP must submit specific questions or comments in writing no later than **Tuesday, December 18, 2012**. Questions may be e-mailed to: Georgia.maheras@state.vt.us or sent through the mail to: **Georgia J. Maheras, Esq., Executive Director, Green Mountain Care Board, 89 Main Street, Montpelier, VT 05620**. At the close of the question period a copy of all questions or comments and the GMCB's responses will be sent to those persons who submitted written questions or comments and to those who request a copy of the GMCB's RFP. The GMCB's response(s) will be emailed or postmarked no later than **Friday, December 21, 2012**.

7. BID SUBMISSION

7.1 **CLOSING DATE:** The closing date for the receipt of bids is **Thursday, January 3 at 4:00 p.m.** Bids must be delivered to **Green Mountain Care Board, Attn: Georgia J. Maheras, Esq., Executive Director, 89 Main Street, Montpelier, Vermont 05620** prior to that time. Bids submitted after that time will not be accepted and will be returned to the bidder. Bidders are cautioned that it is their responsibility to originate the mailing of bids in sufficient time to ensure receipt prior to closing time on the date specified at the appointed place of the bid due date. Failure of an agent, such as an express delivery service or the U.S. Postal Service, to deliver bids by the deadline shall not excuse the bidder from the requirement for timely filing of the bid. **FAXED BIDS WILL NOT BE ACCEPTED. ELECTRONIC BIDS WILL NOT BE ACCEPTED.**

The bid opening will be held at 89 Main Street, Montpelier, VT (3rd floor) at the date and time listed on page one and is open to the public.

An **original and three (3) copies** are required. All bids shall be submitted in a sealed package and must be clearly marked as follows:

Bid for Rate Review Technical Assistance

If bids are being sent via an express delivery service, be certain that this designation is clearly shown on the outside of the delivery envelope or box.

8. ADDITIONAL RFP PROVISIONS

8.1 **Statement of Rights:** The State of Vermont reserves the right to obtain clarification or additional information necessary to properly evaluate a bid.

8.2 **Non Collusion:** The State of Vermont is conscious of and concerned about collusion. It must therefore be understood by all that in signing bid and contract documents they agree that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitor company. If there is sufficient evidence to warrant investigation of the bid/contract process by the Office of the

Attorney General, all bidders must understand that this paragraph might be used as a basis for litigation.

- 8.3 **Confidentiality:** The successful bid will become part of the contract file and will become a matter of public record as will all other bids received. If a bid includes material that is considered by the bidder to be proprietary and confidential under 1 VSA, Chapter 5, the bidder shall clearly designate the material as such, explaining why such material must be considered confidential. The bidder must identify each page or section of the bid that it believes is proprietary and confidential with sufficient grounds to justify each exemption from release, including the prospective harm to the competitive position of the bidder if the identified material were to be released. The GMCB will determine if such designated information meets statutory requirements pertaining to materials exempted from Vermont's public records law. Under no circumstances can the entire bid or price information be marked confidential. Bids so marked may not be considered.

EXHIBIT A

STATE OF VERMONT
STANDARD CONTRACT FOR SERVICES

Contract #:

1. **Parties.** This is a contract for services between the **State of Vermont, Green Mountain Care Board** (hereafter called “**State**”), and _____, (hereafter called “**Contractor**”) with principal place of business at _____. Contractor’s form of business organization is _____. It is the Contractor’s responsibility to contact the Vermont Department of Taxes to determine if, by law, the Contractor is required to have a Vermont Department of Taxes Business Account number.

2. **Subject Matter.** The subject matter of this contract is development of a data analytic plan. Detailed services to be provided by the Contractor are described in Attachment A.

3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$ _____. The State does not guarantee the assignment of any minimum number of hours or any other work under the contract.

4. **Contract Term.** The period of Contractor’s performance shall begin on _____ and end on _____.

5. **Prior Approvals.** If approval by the Attorney General’s Office, Secretary of Administration or the CIO/Commissioner DII is required (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by any or all such persons.

- Approval by the Attorney General’s Office is required.
- Approval by the Secretary of Administration is not required.
- Approval by the CIO/Commissioner DII is not required.

6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. **Cancellation.** This contract may be canceled by the State by giving written notice at least 30 days in advance. The Contractor may cancel this contract by giving 120 days written notice in advance.

8. **Attachments.** This contract consists of _____ pages including the following attachments which are incorporated herein:

- Attachment A - Specifications of Work to be Performed
- Attachment B - Payment Provisions
- Attachment C – Standard State Contract Provisions
- Attachment D - Other Provisions.

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

By the State of Vermont:
Date: _____

By the Contractor:
Date: _____

Signature: _____
Name: Anya Rader Wallack,
Green Mountain Care Board

Signature: _____
Name:
Company:

**EXHIBIT A
ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED**

The GMCB seeks a contractor who can assist in the development of an efficient rate review process that optimizes the data and information provided to the agency and streamlines the agency's decision-making.

Background:

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- Review of existing GMCB rate review process with GMCB staff;
- Review of federal rate review requirements and effective rate review processes in other states;
- Summary and discussion of this information for the GMCB. This should include identification of best practices and documents that can be used to enhance and improve data collection in furtherance of the goals of improving quality and lowering costs.

Phase II:

- Development of recommendations to the GMCB for how to proceed with data collection and rate review analyses. This recommendation should include any statutory, rule, and/or process changes and any additional guidance to insurance carriers that should be developed. The final product should not be a policy white paper, but an operational guide that can be used immediately by the GMCB in its rate review process.

**EXHIBIT A
ATTACHMENT B
PAYMENT PROVISIONS**

1. The maximum amount payable under this contract for service and expenses shall not exceed \$ _____. The State does not guarantee the assignment of any minimum number of hours or other work under this contract. The hourly rates for assigned staff are as follows:
2. Payments for subcontractors will only be made upon approval (See Attachment C, #15).
3. The State shall reimburse Contractor for travel expenses utilizing the most current General Services Administration Per Diem Study for lodging, meals and incidentals. Expenses will not be reimbursed without prior written approval from the State.
4. Contractor will submit an invoice on a monthly basis to the State for services provided and expenses incurred during the previous month. Invoice must include unique invoice number, dates of service, itemized hours being invoiced, a list of allowable expenses incurred and the address for remittance of payment. A billing for mileage shall include the points of origin and destination and the number of miles traveled. Only actual charges will be paid.
5. Invoices shall be submitted to:

**Janet Richard
Green Mountain Care Board
89 Main Street
Montpelier, VT 05620**

EXHIBIT A
ATTACHMENT C: STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS

1. **Entire Agreement:** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. **Applicable Law:** This Agreement will be governed by the laws of the State of Vermont.
3. **Definitions:** For purposes of this Attachment, “Party” shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
4. **Appropriations:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, and in the event federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.
5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
6. **Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit.

After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.

The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the

Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$ 50,000 Fire/ Legal/Liability

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

- 8. Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.
- 9. Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a single audit is required for the prior fiscal year. If a single audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

A single audit is required if the subrecipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a single audit is required.

- 10. Records Available for Audit:** The Party will maintain all books, documents, payroll papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the Agreement and for three years thereafter

for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this Agreement.

11. Fair Employment Practices and Americans with Disabilities Act: Party agrees to comply with the requirement of Title 21V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.

12. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

13. Taxes Due to the State:

- a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
- b. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
- c. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
- d. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

14. Child Support: (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:

- a. is not under any obligation to pay child support; or
- b. is under such an obligation and is in good standing with respect to that obligation; or
- c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

- 15. Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of his Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in all subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.
- 16. No Gifts or Gratuities:** Party shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.
- 17. Copies:** All written reports prepared under this Agreement will be printed using both sides of the paper.
- 18. Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.
- Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>
- 19. Certification Regarding Use of State Funds:** In the case that Party is an employer and this Agreement is a State Funded Grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

(End of Standard Provisions)

**EXHIBIT A
ATTACHMENT D
OTHER CONTRACT PROVISIONS**

1. Confidentiality

Contractor agrees to keep information related to the State and all agencies and companies related to this contract confidential and agrees not to use any information obtained in relation to the services performed under this contract for any purpose other than as authorized by the State. Contractor agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form or authorize or permit others to do so. Contractor will take reasonable measures as are necessary to restrict access to confidential information in the Contractor's possession to those employees who must have the information to perform their job. Contractor agrees to immediately notify, in writing, the State's authorized representative in the event Contractor determines or has reason to suspect a breach of this requirement.

2. Obligations Regarding Protected Information

Contractor shall assure compliance by the State and Contractor of any and all obligations the State or Contractor may have under HIPAA and any other applicable state or federal law regarding protected health, personal, or otherwise confidential information.

3. Security

Contractor shall maintain security and confidentiality policies and procedures consistent with industry standards with regard to the information obtained from regulated entities. Contractor shall have recovery procedures in place to handle replacement of data in the event of a disaster.

4. Conflicts of Interest

If the State determines that a conflict of interest, as defined by the State, exists between a regulated entity and a member or members of the Contractor's staff, the Contractor shall substitute similarly qualified individuals for the conflicted members. If the State determines that a conflict of interest, as determined by the State, exists between Contractor and a regulated entity, the State may immediately remove that assignment from the Contractor, or may invoke its right to terminate this contract pursuant to paragraph 7 on page 1 of this contract. The State reserves the right to make the ultimate determination as to whether a conflict of interest exists.

5. Protection of Personal Information

Contractor agrees to establish and maintain policies and procedures designed to ensure compliance with 9 V.S.A. Chapter 62 (Protection of Personal Information) with respect to data collected in connection with Contractor's activities pursuant to the Contract.