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## **Request for Proposal: Actuarial Services for Review of Major Medical Insurance, Accountable Care Organizations, and Hospital Budgets**

### **Questions and Answers:**

1. Can references include other Vermont regulatory agencies?

**Answer:** Yes.

2. Why is the work being put out to bid at this time?

**Answer:** The current contract will end on December 31, 2021 and the RFP process is standard per State of Vermont procurement practice. See bulletin 3.5 for further information.

3. Who is currently performing the work?

**Answer:** Lewis and Ellis, Inc. contract #35306. All GMCB contracts are available on our website: <https://gmcboard.vermont.gov/publications/rfps-contracts-grants/contracts>.

4. Do the proposed rates need to include travel expenses? If so, do you happen to have an estimate of the number of in person meetings in Montpelier each year?

**Answer:** Hourly rates should be inclusive of travel. Bidders should plan for in-person rate filing hearings at least once per year.

5. Is the bidder required to have their own claims and utilization data set or can it be assumed, that for the most part, data required for non-rate review analyses will be provided?

**Answer:** Bidders are not required to have their own claims and utilization data sets.

6. If GMCB awards work to more than one contractor, how will the work be allocated between contractors?

**Answer:** GMCB would determine this based on the qualifications and experience of the successful bidders. The selection(s) will be based on how responsive the proposals are to the tasks that are identified.



7. How will the bidders' pricing be scored?

**Answer:** Please refer to section 3.6 of the RFP for full details on the Method of Award. Proposals will be evaluated using the following criteria:

Criteria Weight Experience and Qualifications 45%

Understanding of Work 25%

Accessibility 15%

Price 15%

8. When scoring pricing, will the hourly rates be weighted by a pre-determined number of hours by level?

**Answer:** There are no pre-determined hours for any Service Category/Position Title and scoring for pricing will not be weighted by Category. Bidders should submit proposed number of hours for each Service Category/Position Title along with hourly rates. We have revised the Price Schedule included below and updated in [Addendum 1](#).

## PRICE SCHEDULE

### A. Hourly Labor Rates:

Service Category/Title of Positions	Hourly Rate	Proposed Hours
	1/1/2022- 12/31/2023	
Senior Actuary (FSA-MAAA Designations)	\$	
Actuary (ASA, MAAA Designations)	\$	
Actuarial Analysts (BS, MS degrees)	\$	
Other (specify)	\$	
Other (specify)	\$	
	\$	
	\$	
<b>Total</b>	\$	

9. Can the pricing schedule be filled out with additional and/or a different set of actuarial service categories / positions than the pre-filled values? For example, is it acceptable to distinguish between partners and non-partners at the FSA level?

**Answer:** Yes.

10. In the pricing schedule, do the “Optional Year 2 Increase” and “Optional Year 3 Increase” Not to Exceed percentages apply to the aggregate amount payable over the prior year, or do the percentages apply to the Hourly Labor Rates?

**Answer:** The percentages should apply to the hourly labor rates.

11. How does GMCB intend to establish the maximum amount payable in Attachment B section 7?

**Answer:** The maximum payable amount is determined using the bidder’s response to the scope of work identified in the RFP.

12. Does the maximum amount payable in Attachment B section 7 apply to the “As needed” items from Section 2.3 of “DETAILED REQUIREMENTS AND DESIRED OUTCOMES” in the RFP?

**Answer:** Yes, the bidder’s submission should consider all requirements under the scope of work, included “as-needed” requests identified in the RFP.

13. Is the contractor responsible for performing all such “As Needed” requests in full without exceeding the maximum amount payable?

**Answer:** Yes.

14. How does the GMCB intend to define and limit the scope and potential cost of “As Needed” items such as “1.13. Perform other work as requested by the Board” in Attachment A?

**Answer:** See description of “As Needed” tasks in #15.

15. Please provide descriptions of and the amount payable for “As Needed” tasks performed under the current contract.

**Answer:** The maximum amount payable under the current contract applies to all services specified therein, not to any subset of services.

The following are examples of work performed under the current contract that was not associated with a specific rate review filing or the Medicaid rate case and the amounts invoiced for that work:

- Estimating impacts on enrollment and premiums in Vermont’s individual and small group market resulting from the elimination of the individual mandate penalty. See <https://gmcboard.vermont.gov/sites/gmcb/files/Individual%20Mandate-%20impact%20in%20Vermont.pdf>.

- Cost in CY2018: \$ 19,762.5 (split 50/50 with Vermont Dept. of Fin. Regulation).
- Total hours: 59.5
- Estimating the average impact of the cost shift at Vermont hospitals on rate filings reviewed by the GMCB. For a summary of the analysis, see page 27 of the GMCB’s 2021 Annual Report, available at <https://legislature.vermont.gov/assets/Legislative-Reports/GMCB-2019-Annual-Report-1-15-2020.pdf#page=25>.
  - Cost in CY2019: \$12,087.50
  - Cost in CY2020 and CY2021 to date: \$3,468.75
- General consulting services.
  - Cost in CY2017: \$3,850
  - Cost in CY2018: \$7,875
  - Cost in CY2019: \$700
  - Cost in CY2020: \$3,437.50

Under a new contract, “As Needed” tasks will be assigned under a separate Project Order and/or Work Plan. The contractor will work with the GMCB to determine a scope of work in the Ad-Hoc section of their contract and work cannot begin until the scope and cost are mutually agreed upon in writing.

16. Please provide a summary of performance metrics for the incumbent, as defined in the current contract for this work.

**Answer:** Please refer to the current contact #35306 for performance standards. All GMCB contracts are available on our website: <https://gmcboard.vermont.gov/publications/rfps-contracts-grants/contracts>.

17. Please list any specific “As Needed” tasks that GMCB currently expects may be requested under the contract being bid upon in this RFP.

**Answer:** “As Needed” tasks that the GMCB currently expects *may* be requested under the contract are set out in the RFP. Currently, the GMCB expects that it *will* need the following:

- Annually, an estimate of the average impact of the cost shift at Vermont hospitals on rate filings reviewed by the GMCB. See response to question #15.
- General consulting services (e.g., advising GMCB on considerations regarding the potential re-merging the individual and small group markets).

18. How will GMCB define “full-time and dedicated effort” in section 2.2 of Attachment A? For example, does “full-time and dedicated effort” require key staff to devote a set number of hours per week during specified periods of the year, and if so what are the values by which “full-time and dedicated effort” is defined? Is the expectation that key staff will not perform work for other engagements during certain periods of time while working on this project, and if so, are these periods defined in advance as part of contract negotiation?

**Answer:** Please refer to RFP for response time expectations and description of cyclical work. Contractor shall ensure staff are available during those times to meet the expectations agreed upon in the contract.