



CITY OF HOUSTON

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Mayor

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January 8, 2014

SUBJECT: Letter of Clarification No. **11** Request for Proposal for
Human Resources Consulting Services and Data Warehouse

REFERENCE: Request for Proposal No. S37-T24838

TO: All Prospective Proposers

This Letter of Clarification is issued for the following reason:

The following questions and City of Houston responses are hereby incorporated and made a part of the Request for Proposal:

Question:

With regard to # 7.2.1.6 - Just to clarify, is the City asking what information the consulting firm will obtain from the vendors to perform the analysis and then for the consulting firm to provide examples of the reports we use for decision making? Should this be documented as a “2-part” response?

Answer: 7.2.1.6 is one question, your methodology for gathering data and your file attachments should be in that location.

Question: With regard to # 7.2.3.2 - Does City of Houston currently participate in the RDS program? If yes, for how long? If yes, who is the City expecting to conduct the required RDS reconciliation for their applicable plan?

Answer: The City of Houston has participated in the Retiree Drug Subsidy (RDS) program since its inception, January 2006. The reconciliation has been performed by the City in conjunction with its health care vendor but reviewed by a consultant prior to filing with Centers for Medicare and Medicaid Services (CMS).

Question: With regard to # 7.2.3.5 - Has the City conducted this HCC analysis previously? How did the City use the findings following their analysis?

Answer: The City has not independently performed the HCC analysis. The Medicare Advantage Plans vendors provide Hierarchical Condition Categories (HCC) codes on a quarterly basis. We would like a comparative analysis between the codes and some plan providers' claims and facilities to determine that physicians and facilities are providing accurate HCC Codes to ensure proper reimbursement from CMS, as this reimbursement directly impacts the city's premium rates.

Question: With regard to # 7.3.2.1 (Supplemental Insurance), # 7.3.3.2 (Dental), #7.3.4.2 (Vision), # 7.2.1.4 (Medical Benefits Consulting Services) - Can you confirm the timing regarding which months and years are intended. For instance, is city council approving of new contracts in Jan 2014 or Jan 2015?

Answer: The dental and supplemental insurance contracts were implemented May 1, 2011, and will most likely be marketed again in 2015. Council action will be required in January 2016. The vision contract became effective May 1, 2013, so it will likely be marketed until 2017, with Council action required in January 2018. All contracts are for three years with two one year options.

Question: Can you clarify the numbering and order of the Proposal Outline and Minimum Content Requirements defined on pages 36-37 compared to the Contents defined in Section 9.0 on pages 37-38? Can you also clarify the numbering or letter of your exhibits since the exhibits' roman numerals in 9.0 don't match up with the exhibits (that have letters A-V) in the zip file. For example, 9.1 Signed and Notarized Offer and Submittal Form is actually Exhibit A, etc.

Answer: The exhibits identified in 9.0 (Contents for Submitted Proposal) matches the exhibits in the online RFP. The outline in 9.0 (Contents for Submitted Proposal), should be followed for your printed proposal submissions. If additional information is needed, please resubmit the question on Proposal Tech website with more clarification, as the online RFP does not have page numbers.

When issued, Letter(s) of Clarification shall automatically become a part of the proposal documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the proposers to ensure that it has obtained all such letter(s). By submitting a proposal on this project, proposers shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this proposal.

Sincerely,

Gerri R. Walker

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Assistant Director, Human Resources

END OF LETTER OF CLARIFICATION 11