



CITY OF HOUSTON
FINANCE DEPARTMENT
 Strategic Procurement Division

Annise D. Parker

Mayor

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September 11, 2015

SUBJECT: Letter of Clarification No. 3
REFERENCE: RFP: S69-T25540 Dental – DHMO and Indemnity/DPPO
TO: All Prospective Proposers

CLARIFICATION NO. 3

FOR

REFERENCE: SOLICITATION: S69-T25540
REQUEST FOR PROPOSAL (RFP) FOR Dental – DHMO and Indemnity/DPPO

For which responses for clarification are scheduled to be received to the Finance Department Strategic Procurement Division, 2:00 p.m., Central Time on September 18, 2015.

The following changes and/or revisions are incorporated into the above referenced RFP Document a noted. All other provisions and requirements as originally set forth remain enforce and are binding.

1. To Replace Exhibit 2A with Exhibit 2A **“UPDATED”** DHMO Experience (3 Years)
2. To Replace Exhibit 2B with Exhibit 2B **“UPDATED”** Indemnity DPPO Experience (3 Years)
3. To Add Exhibit 13A – Additional DHMO Procedure Codes
4. To Add Exhibit 13B – DHMO Procedure Codes Not Covered by Plan
5. The following questions and requests for clarification were submitted in accordance with the instructions provided, Communications between the City and Respondents. The City’s response (**in bold italics**) follows each question or request for clarification in the table below:

CLARIFICATIONS TO QUESTIONS

Question 1:	Please provide one more year of claims experience for both plans.
COH Response:	<i>Plan year 2012 – 2013 claims experience has been published for both plans under the “Manage Documents” section on Proposal Tech.</i>

	<p>The updated exhibit names are:</p> <ul style="list-style-type: none"> • Exhibit 2A “UPDATED” DHMO Experience (3 Years) • Exhibit 2B “UPDATED” Indemnity DPPO Experience (3 Years)
Question 2:	Please advise if the DHMO CDT codes have been updated since 2007 (date on the schedule). If so when was the last update?
COH Response:	Additional procedure codes were added to the plan effective May 1, 2015. Exhibit 13A – Additional DHMO Procedure Codes has been posted under the “Manage Documents” section on Proposal Tech.
Question 3:	Please confirm all CDT codes not listed on the DHMO copayment schedule are not covered.
COH Response:	A listing of procedure codes not covered by the DHMO Plan has been posted under the “Manage Documents” section on Proposal Tech as Exhibit 13B – DHMO Procedure Codes not Covered by Plan. If a procedure code does not appear on Exhibit 11 – DHMO Copayment Schedule or on Exhibit 13A – Additional DHMO Procedure Codes, the procedure is not covered.
Question 4:	Explain the reason for the May 1, 2015 rate increase.
COH Response:	The Managed Care (DHMO) contract provided a constant premium rate for the first three years of the contract, with designated maximum rates for each of the two optional years. No increase was implemented in the first option year; however, beginning the second option year, an increase, which was less than the maximum allowed by the contract, was implemented.
Question 5:	On page 12 of the RFP, number 9 under paragraph A) Selection Process, the RFP states, “Carriers will be evaluated on the “Reasonableness and extent of contract exceptions taken by Proposer.” Do “contract exceptions” refer to exceptions from the terms and conditions of the RFP?
COH Response:	“Contract exceptions” are applicable to the terms and conditions, indemnification and release language, and the insurance requirements, all of which are outlined in the RFP.

END OF CLARIFICATION NO. 2

Should you have any additional questions or request further clarification regarding this proposal, please contact Regina Spencer at regina.spencer@houston.tx.gov or at (832) 393-8707.

Sincerely,

Regina Spencer

Regina Spencer
Sr. Procurement Specialist

CH/rrs

cc: File

Partnering to better serve Houston