
**MIDDLESEX COUNTY JOINT HEALTH
INSURANCE FUND
HEALTH BENEFIT PLAN**

REQUEST FOR PROPOSAL

HEALTH INSURANCE CLAIM ADMINISTRATION AND NETWORK SERVICES

PROPOSALS TO BE RECEIVED BY 12:15 P.M.:

May 24, 2022

I. SCOPE OF WORK

A. OVERVIEW GENERAL SCOPE OF WORK

MCJHIF OVERVIEW

The Middlesex County Joint Health Insurance Fund (MCJHIF) is, as the name implies, a Joint Health Insurance Fund subject to the regulations as outlined by the NJ Department of Banking and Insurance. Middlesex County is in Central New Jersey, north of Trenton and south of Newark. The County building is in New Brunswick, NJ.

MCJHIF currently consists of seven independent entities. There are a total of 2550 active employees, and 1,840 retirees. Participating entities include:

- *Middlesex County Administration*
- *Middlesex County Board of Social Services*
- *Middlesex County Utilities Authority*
- *Middlesex County Improvement Authority*
- *Roosevelt Care Center*
- *Middlesex County College*
- *Middlesex County Mosquito Commission*

There have been no new entities joining the fund and no entities leaving the fund for the most recent 10 years. It is anticipated that there will be no changes to the MCJHIF over the next year as well. There are three carriers currently providing claim administration on a self-funded basis and one conventionally funded option. The plans and breakout of covered lives are as follows:

- *Aetna HMO (431 Active, 370 Retired)*
- *CIGNA HMO (302 Active, 259 Retired)*
- *Horizon Traditional Plan (55 Active, 279 Retired)*
- *Horizon Choice (POS) (1408 Active, 502 Retired)*
- *Horizon PPO (13 Active, 273 Retired)*
- *Horizon Educators Plan (142 Active)*
- *Horizon Garden State Plan (3 Active)*
- *Oxford Insured Plan (133 Active, 152 Retired)*
- *Horizon Omnia (64 Active, 1 Retiree)*
- *Waived Active Employees (315)*

The intent of this RFP is to solicit proposals for Administrative Services Only (ASO) relative to the self-funded options only. It is the intent of the MCJHIF to continue offering four self-funded plan options on a HMO, PPO or POS basis. Please note that the PPO is only available to members residing outside the Central New Jersey geographic area. The Educators and Garden State Plans are only offered to the employees of the Middlesex College. All respondents to this RFP must do so with the understanding that multiple carriers/networks will be offered, and the winning respondent will not be the exclusive administrator for 100% of eligible members.

Reinsurance

Currently, all self-funded plans administered by Horizon, Aetna and CIGNA are covered under one reinsurance policy with a \$550,000 specific deductible. Coverage is written on a 12/24 basis. The winning respondents must provide detailed monthly reporting on all individual claims exceeding 50% of the specific deductible to the Risk Manager and provide appropriate detail to the reinsurance company allowing prompt reimbursement. There is no expectation or need for any quoting carrier or Third-Party Administrator to provide a reinsurance quotation.

Plan Summary

- *Please duplicate the benefits as outlined in the Plan Documents. These documents are posted at www.mcjhif.com under Benefit information/Plan information.*
- *A PPO alternative may be offered rather than Horizon Traditional.*
- *Prescription benefits are provided by an outside PBM for all entities.*
- *Carrier and non-carrier Third Party Administrators are encouraged to submit bids.*
- *Reinsurance is directed by MCJHIF and is not included in this RFP.*
- *The effective date for any changes in administrators will be January 1, 2023.*
- *A decision will be made by the Commissioners of MCJHIF relative to the winning candidates for no later than August 1, 2022.*

Retiree Eligibility

All entities other than Middlesex College offer retiree coverage. Retiree coverage is Premium Free, Direct Billed or based upon Disability Retirement. Those meeting the requirements for Premium Free coverage have no premium contribution requirements other than what is mandated by Chapter 78. Those meeting the requirements to be considered a Direct Bill retiree may continue medical coverage on a premium paying basis. MCJHIF engages a billing service to collect and remit premium. The carriers/administrators will assume no responsibility relative to the premium billing process.

Eligibility and Reporting Breakdown

Eligibility must be broken down by the seven Entities and further breakdown is as follows:

- *Active*
- *Active Disabled*
- *Active Disabled with Medicare*
- *COBRA*
- *Direct Bill Retiree*
- *Premium Retiree*
- *Disability Retirement*
- *Disability with Medicare*
- *RCC Pre 97 Direct Bill Retiree*
- *RCC Pre 97 Premium Free Retiree*

The winning respondents must have the capability to break down claims as noted above. Further, retiree claims must be broken down by Medicare and Non-Medicare eligible.

B. GENERAL ADMINISTRATIVE REQUIREMENTS:

Managed Care Networks

If unable to offer an HMO plan, a capitated POS plan will be considered. As noted above, Aetna and CIGNA offer HMO Plans and Horizon offers the Traditional Blue Cross Blue Shield Plan, a capitated POS, PPO, OMNIA, Garden State (DPOS) and Educators (DPOS).

Capitation

Please indicate whether the quoted plan alternative is capitated (Aetna HMO, CIGNA HMO and Horizon Choice are currently capitated). If capitated, please indicate the specific services capitated and the corresponding PMPM cost.

Commission

No commissions, bonuses, overrides or service fees shall be paid to any party.

Compliance with the Request for Proposal

All responses shall be prepared according to the Request for Proposal. Any item (s) your company cannot accommodate are to be disclosed in writing prior to binding acceptance by the Fund Administrator. After a commitment has been made MCJHIF, the Proposer will be held responsible for all items contained within the specifications. Further, the RFP response will become part of the contract.

Effective Date

The effective date of the new contract will be January 1, 2023

Plan Design

Please provide your proposal based on the current CIGNA, AETNA, or Horizon plan designs.

Quoted Fees

A minimum fee guarantee of twelve (12) months is required but it is the desire of MCJHIF to have a three-year rate guarantee for all administrators selected as of January 2023.

Renewal Fees and Underwriting

The selected administrator must deliver any rate adjustment no later than August 15th prior to the anniversary date each year. In addition to communicating any change in the administrative fee, the Carrier will detail claim activity for the past year and project any increase in claim cost for the upcoming plan year.

Ownership of Records

All records, member files and miscellaneous data necessary to administer the plan shall be the property of MCJHIF. The selected carrier will be asked to transfer records to MCJHIF within 30 days

after notice of termination.

Administrator Selection

The selection of the Administrator(s) will be made on or before August 1, 2022.

Right to Audit

MCJHIF reserves the right to audit the claim records and other financial records of its insurers/providers, as they pertain to the employee benefit program whenever it is deemed appropriate using “whatever methodology” MCJHIF may select assuming claim selection is statistically valid and random. Such audits may be performed by outside auditors selected by MCJHIF. By submitting a proposal to MCJHIF, you are agreeing to this provision and agree to **not place any limitation** on MCJHIF with regard to this provision unless stated herein.

Wellness Program Contribution

During the 2020 and 2021 Plan Years, the current Administrators have contributed to the MCJHIF Wellness Fund. These contributions have been used to offset the cost of administering the Fund sponsored wellness programs. Please indicate the level of contribution (if any) your carrier will make to this Fund. Current contributions range between \$5,000 and \$25,000 annually.

Monthly Professional and Commissioners Meetings

Every month MCJHIF holds a Professionals meeting at the County building in New Brunswick, NJ. All Professionals including carrier representatives are expected to attend every month. The schedule is posted in advance of the new year. Please acknowledge the intent of your organization to attend these meetings.

Representatives from each carrier are also invited to attend the monthly Commissioners Meeting. Though attendance is not mandatory every month, there will be certain meetings where your attendance is required.

II. COST PROPOSAL

The Proposal shall include labor, materials, equipment, supplies and expertise necessary to provide the services as outlined in the Request for Proposal.

The Proposal shall include the costs for the following services. A three-year rate guarantee is requested:

- Claims Administration (claims incurred on or after January 1, 2023)
- Utilization Review Health Info Line
- Case Management and Precertification
- HIPAA Administration
- Network Fee
- Disease Management/Predictive Modeling

- Stop Loss Claim Filing and Accounting
- Costs related to External Appeals as mandated by PPACA.

Please clearly identify what services, if any, you do not provide within your proposal. For services provided, please clearly outline the cost of each or indicate if it is included in other fees.

Please complete the Cost Spreadsheet below:

MCJHIF RFP COST OVERVIEW 2023

	Year One	Year Two	Year Three
Start Up Cost (Flat fee if any)			
Administrative Fee (PEPM)			
Network Access Fee (PEPM)			
Pre-Admission/Concurrent Review (PEPM)			
Case Management (per hour)			
External Appeals Fee (per appeal)			

1. The administrative fee should be based on claims incurred on or after January 1, 2020
2. Please indicate those costs included within the basic administrative fee

III. DISEASE MANAGEMENT

Please provide detail on the Wellness and Disease Management programs offered by your organization. Please distinguish between Standard Services (no additional fee) and Specialty Services (additional fee required). Services of interest include, but are not limited to:

- Chronic/Catastrophic Case Management
- Online Health Screenings (Health Risk Appraisal)
- Online Health Education (Diet, Exercises, Stress Reduction)
- Telephonic Health Coaching
- Fitness Center Discounts
- Onsite Biometric Screenings
- Gym Membership Discounts/Senior Programs

IV. COST PROJECTION REQUEST

The MCJHIF is considering removing the PCP referral requirement for the Horizon Choice, Aetna HMO and CIGNA HMO plans. This change, if implemented will not change any other provisions of the plans as currently in effect. For the in force self-funded plans (Aetna, CIGNA, Horizon POS) use current claim data to project the financial impact of removing the PCP referral requirement. Please express your projection as a percentage of current cost (i.e. Plus 1 % of total claim cost)

V. VENDOR QUALIFICATIONS

The Proposer must demonstrate that it has five (5) consecutive years of experience in the services required in Section I, Scope of Work.

The following elements must be included in each:

- TPA proposal: Description of Company
- Experience
- References
- Answers to Questionnaire

The submittal requirements for each of these elements follow. Please note that proposals must include the information requested here in the manner specified. If the information is not included in the manner specified, the proposal will be considered non-responsive and may be eliminated from consideration.

A. DESCRIPTION OF COMPANY

The Proposer shall describe its company with the following data to be included:

- Name of company; if a joint venture, name of joint venture with affiliates;
- Address of corporate headquarters and New Jersey Area location, if differing;
- Telephone, Email, Website and fax number for New Jersey Service Location;
- Form of company; i.e. sole proprietor, partnership, corporation;
- Provide the Federal Employer Identification number (FEIN);
- Date company formed; date incorporated if a corporation;
- Company principals including President, Chairman, VPs, COO, CFO;
- Licenses (provide a copy of all licenses and/or permits required to do business in the State of New Jersey)

The Proposer will disclose any pending acquisitions or divestitures that could impact this contract.

Please provide information on any current, pending or past lawsuits which have taken place in the last five years.

B. EXPERIENCE/REFERENCES

The Proposer will provide a listing of at least three (3) other government agencies and two (2) Joint Health Insurance Funds located in New Jersey of comparable size for which similar work has been performed by the Proposer. Please provide name of entity, address, phone number, email, contact person, and brief description of services. The Proposer will provide detail regarding experience performing TPA services of comparable scope to the work outlined in Section I of this Request for Proposal.

VI. QUESTIONNAIRE

Network

1. Indicate % of Inpatient contracts by methodology:
 - a. Per Diem:
 - b. DRG:
 - c. Case Rates:
 - d. % off Charges:
2. What is the fee schedule upon which Outpatient fees are based?
3. Is your network exclusive to your Carrier or TPA?
4. What is your 2022 target per member per month (PMPM) medical cost for your network?
5. What was your historic PMPM medical cost for the PPO network in the Central New Jersey Area?
 - a. 2020
 - b. 2021
6. What was your average inpatient discount in the Central New Jersey Area?
 - a. 2020
 - b. 2021
7. What was your average outpatient discount in the Central New Jersey Area?
 - a. 2020
 - b. 2021
8. What was your average physician discount in the Central New Jersey Area?
 - a. 2020
 - b. 2021

10. What is your average contracted facility discount in the Central New Jersey Area?
- a. 2020
 - b. 2021
11. Are you willing to place guarantees on provider discounts attained? Please provide the structure of the guarantee.

Claim Services

12. Where would the primary claim-paying unit be located for the MCJHIF?
13. For the above-mentioned office, what was your average claim turnaround time in calendar days for:
- a. 2020
 - b. 2021
14. For the above-mentioned office, what was your claim payment procedural accuracy percentage for?
- a. 2020
 - b. 2021
15. For the above-mentioned office, what was your claim payment financial accuracy percentage for?
- a. 2020
 - b. 2021
16. For the above-mentioned office, what percentage of claims were automatically electronically adjudicated in:
- a. 2020
 - b. 2021
17. For which services and to whom, do you outsource the following:
If outsourced, please identify the vendor.
- a. Mental health
 - b. Disease Management
 - c. Laboratory
 - d. Network management
 - e. Utilization management
 - f. Subrogation
 - g. Other services?

18. Identify the supervisor-to-claims examiner ratio.
19. Are claims processors also responsible for answering telephones?
20. Under what circumstances do you deny or pend a claim for COB investigation?
21. Do you produce EOBs for zero pays?

Utilization Review Services

22. To what extent do you involve the patient and/or family in the review process? Be Specific.
23. What percent of all cases are reviewed by a physician and what determines whether a physician becomes involved?
24. What are your standard precertification requirements?
25. Describe your review criteria for:
 - a. Medical necessity for proposed care
 - b. Medical necessity for admission and continued stay
 - c. Length of stay
 - d. Mental health care (inpatient and outpatient)
 - e. Chemical dependency (inpatient and outpatient)
 - f. Necessity for surgical procedures (inpatient and outpatient)
 - g. Case management
 - h. Outpatient services
26. What disease management programs do you provide specific to CHF, COPD, CAD, PAD, and Diabetes?
27. What is the ratio of medical management staff per 1000 members?
28. What is your fee structure? Do you charge on a monthly or case rate?
29. What accreditation do you hold and at what level?
30. What is the ratio of medical management staff to every 1000 members.
What are the various accreditation standards do you follow?
31. Define your concurrent review process?

Member Services

32. Please provide results from the following surveys for both 2019 and 2020.
 - a. Member satisfaction
 - b. Provider satisfaction

33. What are your weekday and weekend hours of operation for telephone member services?
34. What provision do you have for handling after-hours telephone calls or emergency requests?
35. What was the 2020 and 2021 telephone average speed of answer?
 - a. Member Line
 - b. Provider Line
 - c. Combined
 - d. Medical/Utilization Review Line
36. What was the 2020 and 2021 telephone abandonment rate?
 - a. Member Line
 - b. Provider Line
 - c. Combined
 - d. Medical/Utilization Review Line
37. Do members have email access to customer service?
38. Describe the staffing of the MCJHIF member services team (number of processors per 1000 members, number of other accounts in unit, etc.). Will this account be assigned to a specific service unit?
39. What is your staffing ratio of member services representatives to client employees?
40. Identify the supervisor-to-member services representative ratio.
41. Does the member services staff have the ability to make online corrections to the claim systems when additional information is received?

Customer and Consumer Tools

42. Are provider directories available on your website? How often are they updated?
43. Who is the provider of your web-based health information?
44. What wellness information, such as guides and nutritional information, is available online?
45. What value-added services are provided (i.e. Hearing Aid discounts, Gym memberships, smoking cessation, weight loss)?
46. Do you have disease-specific information online?
47. Are your medical web tools interactive, i.e., do they provide members with specific questions to ask their doctors based on diseases/symptoms with input by the member?
48. Does your website provide market and average network pricing for procedures?

49. Can members request ID cards on your website?
50. Can the employee view his/her dependent claims on the website?
51. Describe the information available to employees regarding claim activity for each of their participating dependents.
52. How quickly are claims processing information available on the website?
53. Can members print EOBs from the website?
54. How often are employee statements mailed?

Management Information

55. Provide the names and experiences of the individuals that would have primary account management responsibility for the MCJHIF?
53. Please provide a sample of your utilization management reports.
54. Are these reports paper or web-based?
55. Are these reports available on a monthly or quarterly basis?
56. What ad hoc capabilities are available on your website?
57. Utilization, large claim and claim lag reports must be submitted to the Fund Administrator on a monthly basis by the 15th of the following month. Please confirm that you can accommodate this requirement. Will there be an additional cost for ad hoc reports?
58. Will these reports be available online? Will they be in a downloadable format that can be manipulated (such as Excel)?
59. MCJHIF tracks claims in numerous ways, including actives, COBRA participants, retirees, over and under 65, for example. Please confirm that you can accommodate this type of claim tracking.
60. MCJHIF has stop loss coverage. Are there any fees associated with coordinating with the stop loss vendor?
61. Describe your banking arrangements and requirements, including any mandatory deposits.

Communication & Administration

62. What communication materials are included in your pricing? Please be very specific.
63. What enrollment meeting support do you provide? Is it included in your pricing?
64. What is your recommended communications method for employees who cannot attend enrollment meetings?

65. What is your deadline to receive eligibility for you to guarantee that ID cards will be received before the effective date?
66. Do you handle the creation of the Plan Document and Summary Plan Description? What is the timeframe of draft to printed copy?
67. Please provide an estimated implementation timeline assuming a 1/1/22 effective date.
68. Please include a draft of your Standard Administrative Services Agreement.
69. Do you offer Performance Guarantees? If so, please provide the guarantee with this proposal.

Eligibility Data Management

70. MCJHIF remits eligibility to all carriers electronically via the Unicorn HRO Eligibility Management System.
 - a. Will your firm accept data electronically on a daily or weekly basis?
 - b. Does your firm currently accept an eligibility feed from Unicorn HRO?
 - c. Will there be any costs charged back to the MCJHIF relative to the electronic connection with Unicorn?
 - d. Is there a specific team assigned to the electronic data transmission process?
 - e. How much lead time is required to affect a smooth transition of data from Unicorn to your system?

**VIII. BIDDER
AFFIDAVIT**

*Invitation To
Bid*

HEALTH INSURANCE CLAIM ADMINISTRATOR & NETWORK SERVICES

The undersigned certifies that he/she is an agent of the company shown and as such agent is authorized to submit this bid on its behalf.

FED TAX ID # _____

COMPANY _____

ADDRESS _____

CITY/STATE/ZIP _____

PHONE () _____

FAX () _____

Authorized
Signature _____

NAME/
TITLE _____

DATE _____

CONFIDENTIALITY & NON-DISCLOSURE AGREEMENT

This Confidentiality & Non-Disclosure Agreement (“Agreement”) is made this day _____, 2022 by and between North American Insurance Management (the “Consultant”) and _____ (the “Administrator”), and their affiliated entities now in existence, or to be formed. The Consultant and Administrator shall be individually referred to as a “Party” and collectively referred to as the “Parties”.

WHEREAS, the Consultant and Administrator are both interested in evaluating certain claim data (the “Evaluation”); and

WHEREAS, both Parties are desirous of protecting their proprietary interests, activities and information connected with the Evaluation; and

WHEREAS, both Parties desire to facilitate ongoing discussions regarding the Evaluation.

NOW, THEREFORE, in consideration of the foregoing, the receipt and sufficiency of which are hereby acknowledged, the Consultant and Administrator hereby agree as follows:

1. The term “Confidential Information” shall mean any and all information concerning the Evaluation and the individuals involved with each Party, directly and indirectly, and shall include but not be limited to, all information whether communicated in writing, orally, electronically or otherwise, and whether or not prepared by the Parties, its members, employees, attorneys, representatives, consultants or agents. Confidential Information shall not include information which is (i) known by either Party without an obligation of confidentiality, (ii) publicly known or becomes publicly known through no unauthorized act of the Parties, (iii) rightfully received from a third party, (iv) independently developed without the use either Parties information, or (v) approved by the other Party for disclosure. The foregoing shall not prevent either Party from disclosing information which is required to be disclosed pursuant to governmental or legal mandate so long as both Parties agrees to provide the other Party with notice of such requirement prior to any such disclosure.
2. Both Parties agree that all Confidential Information it receives shall remain strictly confidential. Both Parties agree not to use any Confidential Information except as otherwise provided herein. Both Parties agree to not disclose Confidential Information to any third party, except as provided herein or without the prior written consent of the other Party. Both Parties also agree to not disclose to any third party the fact they are discussing the Evaluation or the content of any of their discussions.
3. Each Party shall have the right to communicate Confidential Information to its principals, officers, employees, attorneys and other professionals only to the extent necessary for each Party to evaluate a data and for no other purposes. All third parties receiving Confidential Information shall agree to be bound by the terms and conditions of this Agreement.
4. Both Parties acknowledge and agree that they shall acquire no rights, title or interest in the Confidential Information by virtue of this Agreement.
5. Both Parties agree to take such steps as may be reasonably necessary to prevent any unauthorized disclosure of Confidential Information to any third party.
6. Upon completion of the discussions or evaluation, both Parties may request and hereby agree to promptly return all Confidential Information, including all copies, to the disclosing Party.

7. Both Parties agree that in the event of a breach of the terms of this Agreement, such breach will cause irreparable injury and harm. Accordingly, in the event of breach of this Agreement by either Party, the non-offending Party shall be entitled to injunctive relief, plus reasonable attorney fees and expenses, without the necessity of posting a bond, which relief shall be in addition to any and all other remedies available at law, including damages.

8. This Agreement constitutes the entire Agreement between the Parties relative to the subject matters contained herein and all prior and contemporaneous understandings, representations and agreements are hereby merged into this Agreement.

9. This Agreement may be changed, amended, modified or rescinded only by a written instrument signed by both Parties.

10. Except as expressly set forth herein, the failure of any Party, at any time, to require performance of this Agreement shall in no manner affect either Parties right at a later time to enforce the same.

11. This Agreement shall bind and inure to the benefit of the Parties and their respective successors and assigns.

12. With respect to any provision of this Agreement finally determined by a Court of competent jurisdiction to be unenforceable, the Parties agree that such Court shall have jurisdiction to reform this Agreement so that it is enforceable to the maximum extent permitted by law. If an unenforceable provision cannot be reformed, such a provision shall be deemed to be severed from this Agreement, but every other provision of this Agreement shall remain in full force and effect.

13. This Agreement shall be governed and construed under the laws of the state of Michigan. The Parties agree that any appropriate Court shall have venue and exclusive subject matter and personal jurisdiction and consent to service of process by registered mail, return receipt requested, or by any other manner provided by law.

14. This Agreement may be executed in counterparts, and upon the execution of this Agreement and counterparts, shall become a binding and enforceable agreement between the Parties. The Parties acknowledge the authority of the undersigned to legally bind each respective Party to this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the aforementioned date.

Dated: _____

CONSULTANT:

By: _____

Its: _____

Dated: _____

ADMINISTRATOR:

By: _____

Its: _____