

**CONNECTICUT HEALTH INSURANCE EXCHANGE d/b/a
ACCESS HEALTH CT**

**REQUEST FOR PROPOSALS (RFP)
FOR
ACTUARIAL SERVICES**

April 8, 2019



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1. BACKGROUND

The primary mission of the Connecticut Health Insurance Exchange d/b/a Access Health CT (“Access Health CT” or the “Exchange”), Connecticut’s official state-based health insurance marketplace, is to increase the number of insured residents in Connecticut, promote positive health outcomes, lower costs, and eliminate health disparities. To accomplish this mission and meet certain requirements of the Patient Protection and Affordable Care Act (“ACA”), Access Health has developed an online shopping and enrollment experience for state residents and small businesses, as well as an extensive marketing and communication infrastructure, to raise awareness of health insurance options and facilitate consumer enrollment into healthcare coverage.

Our Values in Action

At Access Health CT, it is with our customers and our employees in mind that we seek to promote these collective values and to live by these behaviors. Our culture of acceptance welcomes and values everyone. We challenge the status quo to find new ways to grow and improve our community, our company and ourselves. Our people take pride in the service we provide, and in the spirit of the common good that we share.

- ❖ **Authenticity:** Act with sincerity, credibility and self-awareness
- ❖ **Integrity:** Commit to doing the right thing with genuine intention
- ❖ **Excellence:** Aim high and challenge the status quo
- ❖ **Ownership:** Take responsibility and initiative
- ❖ **One Team:** Collaborate to succeed
- ❖ **Passion:** Dedication to creating opportunities for great health and well-being

2. SCOPE OF WORK

Access Health CT will require the selected Respondent to perform the following projects annually during the term of the Contract:

1. Standard Plan Design Development and Actuarial Value Certification

- Calculate the Federal Actuarial Value (AV) of AHCT's current standard plan designs (PY 2020) for both Medical and Standalone Dental to evaluate necessary changes to comply with AV for plan year 2021. Compliance with the Federal Actuarial Value Calculator is required for all Qualified Health Plans (QHPs) offered by Access Health CT under the Affordable Care Act. Additional requirements under Mental Health Parity must also be met by QHPs and are included in analysis for standard plan design development.
- Anticipate, identify and model unique scenarios to show potential viability of alternative plan designs while maintaining compliance with Federal AV requirements.
- Use market trend and utilization analysis to suggest different approaches to plan design to help diversify consumer choice.
- Estimate impact to premium of any changes to standard medical or standalone dental plan designs from 2020 to 2021.
- Prepare and present materials to the Exchange's advisory committees and Board of Directors.
- Present and participate in advisory committee and board of director meetings as requested, and any other meetings with internal staff or carrier representation as necessary.
- Provide medical and dental actuarial value certification reports.

2. Rate Review and Consumer Impact Study

- Review both on- and off-Exchange rate filings, where applicable, for carriers participating on the individual and small group medical insurance markets in Connecticut for the applicable plan year. This includes a review of comments from the Connecticut Department of Insurance regarding current rate filings and any modifications to rate filings, and final rate filings to summarize final rate changes. This process may include dialogue with issuers as appropriate to clarify questions in advance of rate filing finalization.
- Review and analyze trend and consumer premium impact before and after subsidies. Vendor will calculate and summarize rate increases or decreases from plan year to plan year by rating area and plan type on both individual and small group markets.
- Summarize the impact of rate changes on consumers in the individual market who are eligible for subsidies
- Consult with Exchange staff and prepare Consumer Impact report to be presented to the Access Health CT Board of Directors meeting.

The Exchange will provide the following materials to the vendor preparing the report to support analyses for the Rate Review and Consumer Impact Study:

- Rate table templates for plan years

- Plan and benefit templates
- Network templates
- Service area templates (unless all plans are offered state-wide)
- Plan ID Crosswalk template with mapping approach for consumers who will no longer be offered their current plan, if applicable
- Enrollment data by plan to support consumer premium impact analysis.

3. Adverse Selection Study

The Adverse Selection Study is a statutory requirement from Connecticut General Statute § 38a-1084 (25). This statute requires AHCT to:

- *Report at least annually to the General Assembly on the effect of adverse selection on the operations of the exchange and make legislative recommendations, if necessary, to reduce the negative impact from any such adverse selection on the sustainability of the exchange, including recommendations to ensure that regulation of insurers and health benefit plans are similar for qualified health plans offered through the exchange and health benefit plans offered outside the exchange. The exchange shall evaluate whether adverse selection is occurring with respect to health benefit plans that are grandfathered under the Affordable Care Act, self-insured plans, plans sold through the exchange and plans sold outside the exchange.*
- Respondent will be responsible for an in-person presentation to the Exchange’s Board of Directors following the submission of the final Adverse Selection Study Report to the Exchange.

In addition, the Exchange seeks the following functions:

1. Plan management responsibilities as needed
2. Advisory capacity
3. Ad-hoc research requests as needed
 - AHCT may request additional ad-hoc analysis as needed on topics including but not limited to the individual and small group markets, plan design, market stabilization, federal waivers under section 1332, and others. These requests are submitted by AHCT and defined by an additional scope of work to be agreed upon by AHCT and the selected vendor.

The selected Respondent must enter into a contract with the Exchange, substantially in the form of contract set forth in Appendix A (the “Contract”). The term of the Contract will not exceed three (3) years.

3. PRICING PROPOSAL

Respondents to this RFP must provide a separate, detailed Pricing Proposal that includes pricing for the following services and any other related services and pricing Respondent deems necessary to perform the services described in Section 2 ("Scope of Work"):

Project	Project Cost
Standard Plan Design Development and Qualified Health Plan Actuarial Certification	
Rate Review and Consumer Impact Study	
Adverse Selection Study	
Ad-Hoc projects	Pricing based on hourly Rate Card

The Pricing Proposal should reflect any discounted rates available to government, non-commercial or not-for-profit entities. Rates and associated fees set forth in the Pricing Proposal must be valid for the entire duration of the Contract.

Independent Price Determination Certifications

In the Pricing Proposal, Respondents must warrant, represent, and certify the following:

1. The fees and costs proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor.
2. Unless otherwise required by law, the firm has not knowingly disclosed quoted fees directly or indirectly to any other organization or to any competitor prior to the deadline for submission of the Proposal.
3. No attempt has been made, or will be made, by the firm to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

Stability of Proposed Fees

Any fee(s) set forth in the Pricing Proposal must be valid for the entire duration of the Contract. The duration of the Contract will not exceed three (3) years.

4. INSTRUCTIONS TO RESPONDENTS

I. RFP Schedule

Activity	Date
Issuance of RFP	4/8/19
Written Questions Due	4/17/19
Answers Posted	4/24/19
Proposals Due	5/6/19 at 4:00 p.m.

Firms may submit written questions regarding this RFP, by email only, directed to [Alexandra Dowe, Alexandra.k.dowe@ct.gov](mailto:Alexandra.k.dowe@ct.gov), no later than April 17, 2019. The Exchange will post answers by April 24, 2019 only in the form of one or more addenda to this RFP and made available on the Exchange's website, <https://agency.accesshealthct.com/solicitations>. The Exchange may not post answers to questions received after the deadline. Firms are responsible for checking the website for any addenda to this RFP.

The Exchange reserves the right to require an oral presentation from select Respondents. If the Exchange moves forward with oral presentations, selected Respondent's key staff, such as the proposed project partner must be present at the oral presentation. Selected Respondents should limit their staff participation to no more than five (5) members.

From the date that the Exchange issues this RFP until the date that it awards the Contract to the selected Respondent, interested firms should not contact any employee of the Exchange for additional information concerning this RFP except through written questions as set forth above.

II. Submission of Sealed Proposals

Note: Unless otherwise noted, references to "Proposal" includes "Pricing Proposal."

Each Respondent must submit a Proposal that meets the requirements set forth in the "Contents of Proposals" section below, in a SEALED envelope or carton, clearly marked with "RFP –Actuarial Services", the RFP due date, and the name and address of the responding firm. Failure to follow these labeling instructions could delay the opening of a submission and disqualify a Respondent from further consideration.

Respondents must send seven (7) copies of the Proposal, excluding Pricing Proposal) by U.S. Mail or overnight delivery service to:

Connecticut Health Insurance Exchange
d/b/a Access Health CT
280 Trumbull Street
Hartford, CT 06103
Attn: Alexandra Dowe

Respondents must send two (2) copies of the Pricing Proposal by U.S. Mail or overnight delivery service

to:

Connecticut Health Insurance Exchange
d/b/a Access Health CT
280 Trumbull Street
Hartford, CT 06103
Attn: Pamela Roe
ACTUARIAL SERVICES – PRICING PROPOSAL

The Exchange must receive submitted Proposals no later than April 30, 2019, at 4:00 p.m. local time. Proposals sent by U.S. Mail must arrive by 4:00 p.m. on the due date. The Exchange will not consider postmark dates as a basis for meeting the submission deadline. The Exchange will not consider Proposals received after the submission deadline.

A Respondent's submission of a Proposal shall constitute, without any further act required of the Respondent or the Exchange, the Respondent's acceptance of the requirements, administrative stipulations and all the terms and conditions of this RFP, including those contained in the Contract set forth in Appendix A. Proposals must reflect compliance with these requirements. Proposals that do not conform to the requirements set forth herein may result in the Exchange's rejection of such Proposals. The Exchange will reject any Proposal that deviates materially from the specifications, terms or conditions of this RFP. The Exchange may not consider Proposals that contain even minor or immaterial deviations unless the Respondent provides sufficient justification for such deviations.

No additions or changes to any Proposal will be allowed after the Proposal due date unless the Exchange specifically requests the addition or change. The Exchange may seek Respondent retraction and/or clarification of any discrepancy or contradiction found during the review of Proposals.

III. Contents of Proposals

Proposals must include all the following:

1. All information and responses requested by this RFP (including those in the "Responses Required in the Proposal" section below). Concise answers are encouraged. Responses should be prepared on 8 ½ x 11-inch paper using at least 12-point type with standard margins.
2. A Certificate of Insurance that meets the Insurance requirements laid out in the Contract attached as **Appendix A**.
3. Completed forms a – e, listed below.
 - a. IRS Form W-9
 - b. Ethics Form 5 – Consulting Agreement Affidavit, attached as **Appendix C** (
 - c. Ethics Form 7 – Iran Certification, attached as **Appendix D**
 - d. SEEC Form 10 – Acknowledgement of Receipt of the State Elections Enforcement Commission's Notice of Campaign Contribution and Solicitation Limitations, as attached

in **Appendix E**

- e. Nondiscrimination Form A (Affidavit by Individual) or Nondiscrimination Form C (Affidavit by Entity), attached as **Appendix F**. Respondents should only submit the applicable form, not both.
4. Pricing Proposal must contain the **Independent Pricing Determination Certifications** described in Section 3 – Pricing Proposal.
5. **Offer of Gratuities Certification**: Respondents must represent that no elected or appointed official or employee of the State of Connecticut or the Exchange has, or will, benefit financially or materially from the Contract. The Contract may be terminated by the Exchange if it is determined that gratuities of any kind were either offered to, or received by, any state officials or employees from the firm, the firm's agent(s), representative(s) or employee(s). Such action on the part of the Exchange shall not constitute a breach of contract by the Exchange.
6. **Validation of Proposals**: Each Proposal (including each Pricing Proposal) must be signed by an authorized official and shall be a binding commitment that the Exchange may incorporate, in whole or in part, by reference or otherwise, into the Contract. The proposal must also include evidence that the person submitting the proposal has the requisite power and authority on behalf of the firm to submit and deliver the proposal and subsequently to enter into, execute and deliver, and perform the Contract.
7. A **USB flash drive** containing all documents in a format compatible with Microsoft Word and/or Excel and affording the user the capability of searching its contents, except that signature pages and forms that are not conveniently available in Word format may be provided in PDF format.

IV. Responses Required in the Proposal

1. Name the primary contact for the Proposal and the names of the primary individuals who would work with the Exchange, and an explanation of their experience, relevant background and anticipated duties. Include brief resumes for each.
2. Explain the firm's qualifications and provide a summary of any past projects that would enable your firm to perform the work described in Section 2 ("Scope of Work"). Include experience in the healthcare insurance industry, related to state agencies or the public health sector.
3. Disclose any past or present assignments, relationships or other employment that your firm or any employee of your firm has or has had that may create a conflict of interest or the appearance of a conflict of interest in provided the services set forth herein to the Exchange.
4. If you find any term or provision of the proposed draft Contract in Appendix A unacceptable, identify the term, explain why it is unacceptable, and state whether failure to modify this term would result in your firm's failure to execute a contract for this engagement.
5. Discuss any pending complaints or investigations, or any made or concluded within the past five (5) years, to or by any regulatory body or court regarding the conduct of your firm or its predecessors, or any of its present or former members, employees, attorneys and/or associates.

6. Provide three (3) client references. Include the reference's name, company or organization, title, telephone phone number, email address, a description of the work performed (should be reasonably comparable to services sought in this RFP), and the dates of the work performed. Include references that illustrate work *exclusively* in the healthcare industry, related to state agencies or the public health sector, and/or that illustrate understanding of recent developments in state and federal healthcare reform.

V. Conformity and Completeness of Proposals

To be considered acceptable, Respondents must submit Proposals that are complete and conform to all material RFP instructions and conditions. The Exchange, in its sole discretion, may reject in whole or in part, any Proposal if in its judgment the best interests of the Exchange will be served.

VI. Presentation of Supporting Evidence

Respondents must be prepared to provide evidence of experience, performance, ability, financial resources or other items that the Exchange deems necessary or appropriate concerning the performance capabilities represented in its Proposals.

VII. Misrepresentation or Default

The Exchange may reject a Proposal and void any award resulting from this RFP to a firm that makes any material misrepresentation in its Proposal or other submission in connection with this RFP.

VIII. Disqualification

Any attempt by a Respondent to influence a member of the evaluation committee during the Proposal review and evaluation process will result in the elimination of that Respondent's Proposal from consideration.

IX. Oral Agreement or Arrangements

Any alleged oral agreements or arrangements made by firms with any state agency, the Exchange, or an employee of a state agency or the Exchange will be disregarded in any proposal evaluation or associated award.

5. ADDITIONAL TERMS AND CONDITIONS

I. Ownership of Proposals

All Proposals (including Pricing Proposals) will become the sole property of the Exchange and will not be returned.

II. Amendment or Cancellation of this RFP

Issuance of this RFP does not guarantee that the Exchange will award a Contract to any Respondent. The Exchange reserves the right to withdraw, re-bid, extend or otherwise modify the RFP or the related schedule and process, in any manner, solely at its discretion.

The Exchange also reserves the right to:

- Consider any source of information in evaluating Proposals;
- Omit any planned evaluation step if, in the Exchange's view, the step is not needed;
- At its sole discretion, reject any or all Proposals at any time; and
- Open contract discussions with other Respondent(s) if the Exchange and the first selected Respondent(s) are unable to agree on contract terms.

III. Errors

The Exchange reserves the right to correct clerical or administrative errors that may be made during the evaluation of Proposals or during the negotiation of the Contract and to change the Contract award accordingly. In addition, the Exchange reserves the right to re-evaluate Proposals and the award of the Contract in light of information either not previously known or otherwise not taken into account prior to the Contract award. This may include, in extreme circumstances, revoking the awarding of the Contract already made to a firm and subsequently awarding the Contract to another firm.

Such action on the part of the Exchange shall not constitute a breach of contract on the part of the Exchange since the Contract with the initial firm would be deemed void and of no effect as if no contract ever existed between the Exchange and such firm.

The Exchange may waive minor irregularities found in Proposals or allow the Respondent to correct them, depending on which is in the best interest of the Exchange. "Minor irregularities" means typographical errors, informalities that are matters of form rather than substance and evident from the Proposal itself, and insignificant mistakes that can be waived or corrected without prejudice to other Respondents, as determined in the sole discretion of the Exchange.

IV. Freedom of Information

The Exchange is a quasi-public agency and its records, including responses to this RFP, are public records. See Conn. Gen. Stat. §§ 1-200, *et seq.*, and especially §§ 1-210(b)(4) and 1-210(b)(5)(B). Due regard will be given to the protection of proprietary or confidential information contained in all Proposals received. All materials associated with this RFP, however, are subject to the terms

of the Connecticut Freedom of Information Act (“FOIA”) and all applicable rules, regulations and administrative decisions. If a firm is interested in preserving the confidentiality of any part of its Proposal, it will not be sufficient merely to state generally in the Proposal that the Proposal is proprietary or confidential in nature and not, therefore, subject to release to third parties. Instead, the firm must specifically identify those sentences, paragraphs, pages or sections that a firm believes to be exempt from disclosure under FOIA. Convincing explanation and rationale sufficient to justify each exemption consistent with § 1-210(b) of FOIA must accompany the Proposal. Any submitted Proposal and the fully executed Contract will be considered public information and subject to FOIA. The Exchange has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The firm has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall the Exchange have any liability for the disclosure of any documents or information in its possession that the Exchange believes are required to be disclosed pursuant to FOIA or any other law.

V. **Notice of State Certification Requirements**

- A. The selected firm must execute a Gift and Campaign Contribution Certification (Ethics Form 1), attached as **Appendix B**, contemporaneously with the Contract and deliver them together to the Exchange. Please do not submit a signed Ethics Form 1 with your Proposal; it is included in the RFP for informational purposes only.
- B. Each Respondent must deliver a Consulting Agreement Affidavit (Ethics Form 5), attached as **Appendix C**, with its Proposal. The selected firm(s) must amend Ethics Form 5 whenever the firm enters into any new consulting agreement during the term of the Contract.
- C. With regard to a large state contract, as defined in Conn. Gen. Stat. § 4-250, and pursuant to Public Act 13-162, each Respondent, if applicable, must certify that it has not made certain investments in Iran, and deliver an executed Iran Certification (Ethics Form 7), attached as **Appendix D**, with its Proposal.
- D. With regard to a state contract, as defined in Public Act No. 07-1, having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to the Proposal in response to this RFP must expressly acknowledge receipt of the State Elections Enforcement Commission’s notice, as attached in **Appendix E**, advising prospective state vendors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice.
- E. Pursuant to Conn. Gen. Stat. §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended by Public Act 07-245 and Sections 9 and 10 of Public Act 07-142, every vendor is required to provide the State of Connecticut with documentation to support the vendor’s nondiscrimination agreements and warranties. Copies of two certification forms (one for businesses submitting a response to this RFP and one for individuals submitting a response to this RFP) that will satisfy these requirements are attached to this RFP as **Appendix F**. An authorized signatory of the selected firm(s) must sign the applicable certification form and submit it to the Exchange with its Proposal.

VI. Execution of Contract

This RFP is the instrument through which the Exchange solicits Proposals. This RFP is not a contract. Upon the Exchange's selection of a Respondent firm, the firm must enter into a contract with the Exchange substantially in the form of the Contract set out in **Appendix A**. The selected firm's Proposal and this RFP may serve as the basis for additional Contract terms. If the Exchange and selected firm(s) fail to reach agreement on Contract terms within a time determined solely by the Exchange, then the Exchange may commence and conclude contract negotiations with other Respondents. The Exchange may decide at any time to start this RFP process again.

VII. Subletting or Assigning of Contract

The Contract or any portion thereof, or the work provided for therein, or the right, title, or interest of the firm therein or thereto may not be sublet, sold, transferred, assigned or otherwise disposed of to any person or entity without the prior written consent of the Exchange. No person or entity, other than the firm to which the Contract was awarded, is permitted to perform work without the prior written approval of the Exchange.

VIII. Compliance with Federal, State and Other Requirements

In the Contract, the firm will represent and warrant that, at all pertinent and relevant times to the Contract, it has been, is and will continue to be in full compliance with all codes, statutes, acts, ordinances, judgments, decrees, injunctions and regulations of federal, state, municipal or other governmental departments, commissions, boards, bureaus, agencies or instrumentalities.

IX. Executive Orders

The Contract shall be subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973 and the provisions of Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999.