



200 E. 18TH STREET, AUSTIN, TEXAS 78701 | P. O. BOX 13207, AUSTIN, TEXAS 78711-3207 | (512) 867-7711 | (877) 275-4377 TOLL-FREE | WWW.ERS.STATE.TX.US

May 31, 2013

Qualified Vendor

RE: Request for Proposal ("RFP") to Provide a Dental Preferred Provider Organization Plan and/or Dental Health Maintenance Organization and/or a Dental Discount Products and Services Program under the Texas Employees Group Benefits Plan

To Whom It May Concern:

The Employees Retirement System of Texas ("ERS") in accordance with Texas Insurance Code, Chapter 1551, is issuing a Request for Proposal ("RFP") seeking a qualified Vendor ("Vendor") to provide any or all of the following dental programs and/or services: a) a self-funded Dental Preferred Provider Organization Plan ("PPO"), b) a fully-insured dental health maintenance organization ("DHMO"), and c) a Dental Discount Products and Services Program throughout Texas beginning September 1, 2014 through an initial term ending August 31, 2018 under the Texas Employees Group Benefits Program ("GBP").

The services requested and described in the RFP have been segregated into three (3) distinct Plan Administrations: a) self-funded Dental Preferred Provider Organization Plan option, b) fully- insured dental health maintenance organization option, and c) Dental Discount Program option. ERS reserves the right to select one or more Vendors, or no Vendor, to provide services for any or all Dental Plans.

ERS expects to submit a recommendation concerning the contract be awarded in connection with this RFP for the consideration of the ERS Board of Trustees, at a public meeting to be held in February 2014.

A Texas Register Notice has been published at: <http://www.sos.state.tx.us/texreg/index.shtml> and an Electronic Business Daily Notice has been published at: <http://esbd.cpa.state.tx.us>. Your firm has been identified as offering the services listed above, and ERS encourages you to review the RFP.

ERS anticipates receiving high quality Proposals for the services listed above, and we encourage your organization to give full consideration to the development of a Proposal that complies with the RFP requirements.

If you have any questions regarding this process, please submit your inquiry directly to the iVendor Mailbox at: [ivendorquestions@ers.state.tx.us](mailto:ivendorquestions@ers.state.tx.us).

Thank you for your interest in doing business with the GBP.

Sincerely,

ROBERT P. KUKLA  
Director of Benefit Contracts

# Request for Proposal

**To Provide a Dental Preferred Provider Organization Plan and/or Dental Health Maintenance Organization and/or a Dental Discount Products and Services Program under the Texas Employees Group Benefits Plan**

**ERS**

EMPLOYEES RETIREMENT  
SYSTEM OF TEXAS

**May 31, 2013**

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# Dental RFP Deliverables Checklist

**Order of Return:** The entity submitting a Proposal in response to the RFP (“Vendor”) is required to submit a total of seven (7) sets of the Vendor’s Proposal in the following formats: One (1) printed “Original” (which shall be labeled as such) and four (4) additional printed copies, which shall be labeled as “copy” shall be submitted and include fully executed documents as appropriate, signed in blue ink and without amendment or revision. The remaining two (2) copies shall be submitted via CD-ROMs in Excel or Word format as applicable and labeled *Dental RFP Proposal Duplicate*. **See RFP Sections I.B.4. – I.B.4.d. for further instructions on the Proposal submission.**

All **three-ring binders** must contain:

PAPER FORMAT	RFA REFERENCE
<b>RFA FEEDBACK FORM</b>	Page viii
<b>TAB I Instructions</b>	<b>I.</b>
<input type="checkbox"/> One (1) printed “Original” (which shall be labeled as such) and four (4) additional printed copies, which shall be labeled as “copy”, and  Two (2) copies of the <b>entire</b> Proposal, which includes <b>all</b> Confidential and Proprietary and <b>all</b> Public Information, shall be submitted via <b>CD-ROMs</b> in Excel and/or Word format and labeled <i>Dental RFP Proposal Duplicate</i> . <b>No PDF documents may be included on the CD-ROMs with the exception of sample GBP-specific marketing materials, financial statements, and audited financial materials.</b>  All bid materials shall be packaged collectively in one (1) sealed container and submitted to ERS.	I.B.4. – I.B.4.b.i.
TAB A: Executed RFP Signature Pages signed in <b>blue ink</b> (Appendix A)	I.B.8.
TAB B: Executed Data Security and Breach Notification Agreement, signed in <b>blue ink</b> (Appendix D)	I.B.14.
TAB C: Executed Business Associate Agreement signed in <b>blue ink</b> . Appendix C is a <b>preferred submission</b> .	I.B.15.
TAB D: Executed Contractual Agreement, signed in <b>blue ink</b> . Appendix B is a <b>preferred submission</b> .	I.B.16.
TAB E: A separate schedule of all pages considered by the Vendor to contain any confidential and/or proprietary information.	I.B.23.
TAB F: First two (2) CD-ROMs shall <b>only</b> contain copies of all information that the Vendor considers to be its <b>confidential and/or proprietary information</b> . These CD-ROMs shall be labeled “ <b>Confidential and/or Proprietary Information</b> .”  Second two (2) CD-ROMs shall <b>only</b> contain copies of all information that the Vendor considers to be its <b>public information</b> . These CD-ROMs shall be labeled “ <b>Public Information</b> .”	I.B.24.
TAB G: HUB Designation Acknowledgement (if applicable)	I.B.25.
<b>TAB II Proposal Evaluation Criteria</b>	<b>II.</b>
TAB A: Minimum Requirements for PPO and DHMO Vendors ( <i>evidence of Vendor’s satisfaction of Requirements</i> )	II.B.1. – II.B.1.f.
TAB A-1: Copy of Certificate of Authority (II.B.2.a.)	
TAB B: Minimum Requirements for Dental Discount Vendor ( <i>evidence of Vendor’s satisfaction of Requirements</i> )	II.B.2. – II.B.2.f.
TAB B-1: Copy of Certificate of Authority (II.B.8.a.)	
TAB C: Preferred Criteria ( <i>evidence of the Vendor’s satisfaction of Criteria</i> )	II.C.1 – II.C.6.

<b>TAB III Financial Requirements and Specifications</b>	<b>III.</b>
TAB A: Vendor to provide which Claims Reimbursement Option they will be performing (Option 1 or Option 2)	III.A.4.
<b>TAB IV Price Proposal and Response Format</b>	<b>IV.</b>
TAB A: Price Proposal Responses	IV.A. – IV.C.2.
<b>TAB V Dental Preferred Provider Organization Plan</b>	<b>V.</b>
TAB A: Dental PPO Schedule of Benefits (fully-insured)	V.B.1.
<b>TAB VI Dental Health Maintenance Organization</b>	<b>VI.</b>
TAB A: Dental HMO Schedule of Benefits	VI.B.2.
<b>TAB VIII Communication Requirements</b>	<b>VIII.</b>
Provide draft copies of all proposed marketing materials to include, but not be limited to:  TAB A: PowerPoint presentations; TAB B: Scripts for presentations; and TAB C: Newspaper/press releases, billboard, television, and radio advertisements for GBP Annual Enrollment or for any other GBP-specific purpose	VIII.A.
TAB D: Proposed FY 2015 Evidence of Coverage on CD-ROM (with tracked-change modifications if a current Vendor, no tracked changes if a new Vendor) submit for initial ERS review	VIII.C.5.
TAB E: Provide a proposed draft of the DHMO Member Handbook	VIII.C.6.
TAB F: Provide a proposed draft of the PPO MBPD and on CD-ROM and Member Handbook	VIII.C.8. and VIII.C.8.a.
TAB G: A proposed sample of a Welcome Packet	VIII.C.9.
TAB H: Fact Sheet and on CD-ROM	VIII.C.11. and VIII.C.11.a.
TAB I: ID Card – Provide electronic mock-up of GBP-specific ID	VIII.C.12.a.
TAB J: Provide a report evidencing Section 508, Level 1, compliance	VIII.D.1.b.
TAB K: Provide a confirmation to support and adhere to all website access, format, content, and technical requirements as outlined in both the ADA and Section 508, Level 1 compliance	VIII.D.1.c.
Provide a format of the Vendor's proposed test website to include:  TAB L: Active URL address to access proposed GBP-specific TEST website TAB L-1: Proposed screen shots of ALL web materials in the required GBP website format (draft copies); and TAB L-2: Instructions on how to access the Test website.	VIII.D.2.a.
<b>TAB X Provider Network and Service Area Requirements</b>	<b>X.</b>
TAB A: Documentation of the TDI approved provider network as of May 1, 2013 in the prescribed ERS format (DHMO)	X.A.1.
TAB B: For each service area included in the DHMO Proposal, the DHMO shall provide one Provider Network CD-ROM, including one (1) file for the primary dentist and one (1) file for the specialty dental providers. As an example, a DHMO submitting a response for three (3) different service areas shall submit three (3) separate CD-ROMs. Each CD-ROM shall contain two (2) separate folders, one for each of the two (2) required networks: primary dentists and specialty care dentists.	X.A.3. – X.A.7.c.
TAB C: The DHMO shall provide a copy of TDI's date stamped approved service area documentation	X.A.7.a.

TAB D: The DHMO shall provide map(s) that are comprised of complete counties boldly outlining each proposed service area.	X.A.7.b.
TAB E: Service area CD-ROM in ERS format, listing the counties for each proposed service area	X.A.7.c.
TAB F: Documentation of the TDI approved provider network as of May 1, 2013 in the prescribed ERS format (PPO)	X.B.1.
TAB G: The Vendor shall provide a provider network CD-ROM that contains the proposed PPO network. The CD-ROM shall contain one (1) file for general dentists and one (1) file for specialty dental providers.	X.B.3. – X.B.7.c.
TAB H: Service Area Map(s) of proposed service area(s) must be complete county areas	X.B.7.b.
TAB I: Service area CD-ROM in ERS format, listing the counties for each proposed service area	X.B.7.c.
<b>TAB XIII Organizational Information</b>	<b>XIII.</b>
TAB A: Organizational Information Responses; and TAB B: Organizational Information Requested Materials	XIII.A.1. - XIII.D.6.
<b>TAB XV Deviations</b>	<b>XV.</b>
<input type="checkbox"/> Deviation Responses	XV.A.1. - XV.A.18.
<b>TAB XV Interrogatories</b>	<b>XV.</b>
TAB A: Interrogatory Responses; and TAB B: Interrogatory Requested Materials	XV.A.1. – XV.K.19.

**NOTE: Keep this Checklist for your records. Do not return with your submission**

**FAILURE TO PROVIDE PROPOSALS IN THE FORMAT REQUESTED MAY RESULT IN THE VENDOR BEING ELIMINATED FROM FURTHER CONSIDERATION. ALL PROPOSALS SHALL BE VALID THROUGHOUT THE ENTIRE RFP PROCESS AND ANY RESULTING CONTRACT TERM.**

# Request for Feedback

## Employees Retirement System of Texas

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The Employees Retirement System of Texas, Benefit Contracts Division, periodically publishes requests for proposals, applications or information and is interested in your organization's feedback regarding our request. To assist the Benefit Contracts Division in creating future requests, we would be interested in knowing how we could improve our solicitation process or how we could make our request more user-friendly. Please take a moment to answer the following questions and return it at your earliest convenience.

1. Did your organization submit a bid?  
 Yes  
 No
2. If No, why did your organization elect not to bid? (Check all that apply)  
 Timing, not enough time to complete bid  
 Contract Provisions/Parts of the Contract  
 Complexity of RFP  
 Other:

3. Please elaborate on question #2 or provide other reasons for not submitting a bid.

4. Please provide any suggestions that might improve the bid process.

interr

### Additional Comments

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### About Your Organization

Name \_\_\_\_\_ Contact \_\_\_\_\_  
Email \_\_\_\_\_  
Address \_\_\_\_\_ Phone \_\_\_\_\_  
City, State, \_\_\_\_\_  
ZIP Code \_\_\_\_\_

An ERS representative may, if necessary, contact you by email or telephone for further clarification of your responses.

**Thank you for your consideration and participation!**

# I. Instructions

## A. Request for Proposal (“RFP”) Summary

The mission of the Employees Retirement System of Texas is to support the state workforce by offering competitive benefits at a reasonable cost.

- A.1. **Background.** Currently, the State offers two voluntary dental plans: the self-funded dental preferred provider organization (“PPO”) plan referred to as the State of Texas Dental Choice Plan<sup>SM</sup> (“Dental Choice”), and a fully-insured Dental Health Maintenance Organization plan (“DHMO”).

On February 24, 2009, the Employees Retirement System of Texas (“ERS”) Board of Trustees (“Board”) approved the selection of HumanaDental Insurance Company (“HumanaDental”) as the administrator for the PPO plan for the fiscal years beginning September 1, 2009 and ending August 31, 2014, which includes a one-year contract extension. The Board also approved the selection of DentiCare, Inc., a wholly owned subsidiary of Humana, Inc., to underwrite the fully-insured DHMO for the plan years beginning September 1, 2009 and ending August 31, 2014, which includes a one-year contract extension.

The number of Participants in the DHMO and Dental PPO plans is approximately 410,000 employees/retirees and their dependents as of April 2013. This includes employees of state agencies and certain institutions of higher education.

- A.2. **Purpose of the RFP.** The purpose of this RFP is to solicit Proposals from qualified Vendors (“Vendors”) to provide any or all of the following dental programs and/or services: a) a self-funded Dental PPO Plan; and/or b) a fully-insured DHMO; and/or c) a Dental Discount Products and Services Program (“Dental Discount Program”) to be provided to the Texas Employees Group Benefits Program (“GBP”) Participants throughout the entire state of Texas beginning September 1, 2014, through an initial term ending August 31, 2018. The Vendor shall provide services for the level of benefits required in the RFP and meet other requirements that are in the best interests of ERS, the GBP, its Participants and the state of Texas, and shall be required to execute a Contractual Agreement (“Contract”) provided by, and satisfactory to, ERS.

- A.2.a. The services requested and described in the RFP have been segregated into three (3) distinct Plan Administrations: a) self-funded Dental PPO Plan option, b) fully-insured DHMO option, and c) Dental Discount Plan option. ERS reserves the right to select one or more Vendors, or no Vendor, to provide services on any or all of the dental plans.

- A.2.b. A Vendor wishing to respond to this request shall meet all of the minimum requirements as referenced in Article II of the RFP. A qualified Vendor may submit a proposal (“Proposal”) and bid response materials to provide services for the Dental PPO, DHMO, and/or Dental Discount Program Contract(s) and specified services required and outlined herein.

ERS reserves the right to make separate awards for the Dental PPO, DHMO and Dental Discount Program Contract(s). These Contracts may or may not be awarded to the same organization.

ERS encourages each Vendor to submit its most competitive rates with its Proposal.

- A.3. ERS is seeking a PPO and DHMO Vendor who can provide an advanced suite of services at a “best in class” level for dental benefits and services. The scope of services for the administration of this benefit shall include, but shall not be limited to, a proven ability to:
- Maintain the current level of benefits and network access;
  - Ensure the dental plans offer the most competitive arrangement as measured by benefits, provider discounts, administrative costs, and customer service.

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All material found in this Request for Proposal, including all attachments incorporated therein, are Copyright 2013 by Employees Retirement System of Texas. Any use of materials from this Request for Proposal or an attachment thereto, including reproduction, modification, distribution or republication, without the prior written consent of Employees Retirement System of Texas, is strictly prohibited.

- Provide simplified instruction and communication resources throughout the term of the Contract;
- Develop innovative solutions for the overall management of the GBP dental program(s);
- Deliver superior customer service;
- Provide cost containment strategies through dental management programs;
- Store and query dental program data within a flexible and robust reporting system;
- Automate claim reporting and like processes; and
- Support auditable processes and procedures.

A.3.a. ERS wishes to provide dental options which are consistent with benefit programs offered in the large company private sector. If the Vendor finds coverage provisions less generous than the private sector, the Vendor may suggest plan changes.

A.4. ERS is considering the addition of a Dental Discount Plan option for its Participants. ERS intends to select a Vendor with the ability to administer a high quality Dental Discount Plan. The Vendor shall indicate its willingness to make such an option available by including a Proposal for the Fees for such an option in the *Price Proposal and Response Format* in Article IV.

A.5. **Schedule of RFP Process.** The RFP process and Contract award shall be conducted in accordance with the following schedule, unless notified otherwise by ERS:

On or After May 30, 2013	12:00 p.m. (CT)	RFP is available on ERS' website. To access the RFP, the Vendor shall email a request to: <a href="mailto:ivendorquestions@ers.state.tx.us">ivendorquestions@ers.state.tx.us</a>  <b>A USERID and Password will be provided only to those qualified bidders requesting access to the secured sections of the RFP. The Vendor is prohibited from contacting agency employees, officials, and its consulting actuaries regarding any aspect of the RFP by telephone or in person throughout the bid process other than as directed by ERS.</b>
June 7, 2013	4:00 p.m. (CT)	To register for the Bidders Web Conference, send requests to: <a href="mailto:ivendorquestions@ers.state.tx.us">ivendorquestions@ers.state.tx.us</a>  Bidders Web Conference will be hosted by ERS to provide additional information on the background of ERS, Dental Programs, and review the Dental Discount RFP process. There will be an opportunity to ask questions at the conclusion of the conference.
June 12, 2013	2:00 p.m. (CT)	Bidders Web Conference
June 21, 2013	4:00 p.m. (CT)	Submission deadline for ALL RFP questions. RFP questions should be submitted to: <a href="mailto:ivendorquestions@ers.state.tx.us">ivendorquestions@ers.state.tx.us</a> . <b>Please note that questions will not be answered after 4:00 p.m. (CT) on June 21, 2013.</b>

July 11, 2013	12:00 Noon (CT)	<p>The Vendor is required to submit all bid materials in the formats reflected below in one (1) sealed container:</p> <ul style="list-style-type: none"> <li>• One (1) fully executed; “Original”;</li> <li>• Four (4) identical printed hard copies, labeled as “copy”;</li> <li>• Two (2) identical copies of the <u>entire</u> Response is provided on CD-ROMs;</li> <li>• One (1) CD-ROM that <b>only</b> include <b>all</b> Confidential and Proprietary information; and</li> <li>• One (1) CD-ROM that <b>only</b> include <b>all</b> Public Information.</li> </ul> <p><b>A total of four (4) CD-ROMs are to be submitted with the Proposal.</b></p> <p><b>See RFP Sections I.B.4. – I.B.4.d. for further instructions on the Proposal submission.</b></p> <p><b>Submit Bid Materials to:</b></p> <p><b>Robert P. Kukla, Director of Benefit Contracts Employees Retirement System of Texas 200 E. 18th Street Austin, Texas 78711-3207 RE: Dental RFP Proposal</b></p>
TBD		Bid finalists may be required to participate in a face-to-face or teleconference interview session that will be announced at an ERS-designated time and location. Required Vendor participants and interview guidelines will be provided if an interview appointment is extended by ERS.
February 2014		ERS Board selects a Vendor
On or After September 1, 2014 and subject to execution of Contract		Contract begins

**ERS RESERVES THE RIGHT TO EXTEND ANY AND ALL DEADLINES ABOVE, TO REJECT ANY AND ALL PROPOSALS, TO CONTRACT WITH ONE OR MORE VENDORS, OR TO ISSUE A NEW RFP AT ANY TIME, IN ITS SOLE DISCRETION. ERS WILL NOT NOTIFY THE VENDORS UNLESS THEY ARE SELECTED FOR INTERVIEWS OR ENGAGEMENT.**

- A.6. The Vendor is responsible for reviewing and responding to the RFP materials available on the ERS website at: <https://www.ers.state.tx.us/vendors/contracts/> which provides instructions on how to receive access to the RFP materials. ERS’ website provides interested Vendors with GBP Dental program background information, which includes <http://www.ers.state.tx.us/Employees/Insurance/Dental/>. The information contained in this offering provides instructions for the Vendor to submit a Proposal to ERS’ RFP and specifies a deadline for the submission of questions as reflected in the table provided in Section I.A.5. above and Sections I.B.3. – I.B.4.d. below.

## B. General Information

- B.1. **Agent of Record.** ERS shall not designate an Agent of Record or any other such company employee or commissioned representative to act on behalf of either ERS or the Vendor. Any requests for ERS to provide such designation shall be rejected.
- B.2. **News Release.** Prior written approval by ERS shall be required for any news releases regarding a Contract awarded to a Vendor. Additional requirements regarding the management of News Releases are further outlined in Sections VIII.A.8. – VIII.A.8.d.
- B.3. **Inquiries.** Questions regarding ERS and/or the RFP shall be submitted via email no later than 4:00 p.m. CT on June 21, 2013. Questions received later than the date and time shown in Section I.A.5. above shall not be answered. Such inquiries should be directed to:

Robert P. Kukla, Director of Benefit Contracts  
Email: [ivendorquestions@ers.state.tx.us](mailto:ivendorquestions@ers.state.tx.us)

- B.3.a. In its sole discretion, ERS shall post the question and response that it deems appropriate on ERS' website in a timely manner.
- B.4. **Proposal Submission.** All bid materials shall be packaged collectively in one (1) sealed container and submitted to ERS as noted below. ERS may not consider a Proposal unless one (1) "Original" and four (4) copies are received by ERS at the appropriate address no later than 12:00 Noon CT on July 11, 2013. The mailing label for the Proposal shall be clearly marked as: **Dental RFP Proposal**.
- B.4.a. The one (1) printed "Original" (which shall be labeled as such) and four (4) additional printed copies, which shall be labeled as "copy", shall be submitted with all requested supporting documentation, including, but not limited to, the Data Security and Breach Notification Agreement (see Sections I.B.14. and I.B.14.a. below), and Signature Pages, (see Section I.B.8. below) executed in **blue ink**.
- B.4.a.i. The **hard copy** Proposal materials shall be submitted as follows:
- In a functional three-ring binder;
  - **ALL** Proposal documents are to be printed on front-side of page only;
  - Provide tabs and responses as requested in the Deliverables Checklist, (i.e., Tab I – Instructions,
    - Tab A – Signature Pages;
    - Tab B – Data Security and Breach Notification Agreement;
    - Tab C – Business Associate Agreement;
    - Tab D – Contractual Agreement, etc.)
- B.4.b. The remaining two (2) copies of the **entire** Response, which includes **all** Confidential and Proprietary and **all** Public Information, shall be submitted via CD-ROMs in Excel and/or Word format and labeled **Dental RFP Proposal Duplicate**.
- B.4.b.i. The **CD-ROM** Proposals shall be submitted as follows:
- All CD-ROMs must be dated;
  - Do **NOT** password protect any of the CD-ROMs;
  - **No PDF documents may be reflected on the CD-ROMs with the exception of sample GBP-specific marketing materials, financial statements and audited financial materials; and**
  - Do **NOT** submit Proposal materials in one combined document, Proposal materials must be separated out into the different tabs as requested in the Deliverables Checklist.
- B.4.c. For instructions relating to the submission of Confidential and/or Proprietary Information in response to this RFP, please refer to Sections I.B.24. – I.B.24.a. below.
- B.4.d. ERS is not responsible for receipt of any Proposal that is not labeled, packaged or delivered properly. All bid materials shall include complete, properly executed, and detailed supporting documentation as required.

The Vendor shall mail or deliver its sealed Proposal to ERS at the following address, as applicable:

**For Couriers:** Robert P. Kukla, Director of Benefit Contracts  
Employees Retirement System of Texas  
200 E. 18th Street  
Austin, Texas 78701  
RE: Dental RFP Proposal

**For U.S. Mail:** Robert P. Kukla, Director of Benefit Contracts  
Employees Retirement System of Texas  
P.O. Box 13207  
Austin, Texas 78711-3207  
RE: Dental RFP Proposal

**FAILURE TO PROVIDE PROPOSALS IN THE FORMAT REQUESTED MAY RESULT IN THE VENDOR BEING ELIMINATED FROM FURTHER CONSIDERATION. ALL PROPOSALS SHALL BE VALID THROUGHOUT THE ENTIRE RFP PROCESS AND ANY RESULTING CONTRACT TERM.**

- B.5. **Order of Proposal Materials.** The Vendor shall submit its executed Signature Pages, as well as all Proposal materials, in the order prescribed in the *RFP Deliverables Checklist* located behind the *Table of Contents* contained in this RFP.
- B.6. **Retention of Proposal.** All Proposals submitted become the sole property of ERS.
- B.7. **Notification of Withdrawal of Proposal.** A Proposal may be withdrawn prior to the date and time specified for Proposal submission with a formal written notice by an authorized representative of the Vendor and accepted by the Executive Director of ERS.
- B.8. **Signature Requirements.** The Chief Executive Officer or other authorized officer who is at a Vice President or higher level of the Vendor shall execute, in *blue ink*, the Signature Pages referenced as Appendix A, which is a part of this RFP. The signature of the Vendor's authorized representative on the Proposal's signature page and all other related documents submitted by the Vendor reflects the Vendor's agreement with the truth and accuracy of all statements, warranties and representations contained in the Proposal and other documents submitted by the Vendor. The signature further reflects the Vendor's authorization for ERS to rely on same for all purposes in connection with the RFP/Proposal process.
- B.9. **Supplements to RFP.** In the event that it becomes necessary, at ERS' sole discretion, to revise any part of this RFP, or if ERS determines that any additional information is needed to clarify the provisions of this RFP, supplemental information shall be provided to each Vendor that has indicated interest in this RFP. However, ERS shall not be bound by any deviations from or to this RFP unless ERS specifically agrees in writing to the specific deviation.
- B.10. **Reserved Rights.** Section 1551.212, Texas Insurance Code ("TIC"), specifies that ERS retains the right to approve the Proposal of the Vendor that is in the best interests of the employees, retirees and their dependents covered under the Texas Employees Group Benefits Act ("the Act"), Chapter 1551, TIC, and further that ERS is not required to select the lowest proposed rate, but shall take into consideration other relevant criteria, including the Vendor's ability to service contracts, past experience, quality and accessibility of the dental network, financial stability and other factors as ERS may require. Evaluation criteria are described in Article II, *Proposal Evaluation Criteria*, of the RFP. ERS staff and Board may determine that other factors may be considered important based on their review of a Vendor's response to the RFP. ERS and the Vendor shall enter into a Contractual Agreement acceptable to ERS and which shall include, but not be limited to, the Contractual Agreement identified in Appendix B.
- B.10.a. ERS reserves the right to reject any and all Proposals submitted that do not fully comply with the RFP's instructions and criteria, including minimum requirements for the PPO and DHMO Vendors as reflected in Sections II.B.1. – II.B.1.f., and for the Dental Discount Vendor reflected in II.B.2. – II.B.2.f., and call for new Proposals for either or both options if deemed by ERS to be in the best interests of ERS, the Dental Programs, its Participants and the state of Texas. ERS is under no legal requirement to execute a Contract on the basis of this RFP.

- B.10.b. ERS specifically reserves the right to revise any or all RFP or Contract provisions set forth at any time prior to ERS' execution of a Contract where ERS deems it to be in the best interests of ERS, the Dental Programs, its Participants and the state of Texas. Furthermore, the selected Vendor agrees to act in good faith and to cooperate with ERS in the execution of any document necessary to effect a change to the RFP or Contract, following execution of the Contract by ERS, if ERS deems it to be in the best interests of ERS, the Dental Programs, its Participants and the state of Texas.
- B.10.c. ERS reserves the right to modify the performance requirements and plans during this RFP process or Contract term.
- B.10.d. The Contract shall be awarded to a Vendor that, in the opinion of the Board, is best qualified to perform the services for a fair and reasonable price, taking into consideration the Vendor's demonstrated competence and qualifications.
- B.10.e. ERS reserves the exclusive right to determine major changes to the Dental Programs, Vendor compensation arrangements, or other major areas likely to impact the Dental Programs or that may impact program Participants, and if so, when the changes may apply.
- B.10.f. The selected Vendor(s) agree to work with all ERS staff and other such necessary resources as identified by ERS, in a manner that reflects the best industry practices, with full cooperation and professionalism at all times. Further, the Vendor shall fully cooperate and professionally assist all Vendors in the timely delivery of services, supplies and/or quality products to the GBP's Dental Programs and their participants.
- B.11. **Costs incurred for Proposal preparation.** ERS will not pay any costs incurred by the Vendor prior to execution of a Contract. Issuance of this RFP in no way obligates ERS to award a Contract or to pay any costs incurred by the Vendor in the preparation of an offer or Proposal.
- B.12. **Prohibited Interest.** Except as a Participant in the Dental Programs, a member, Board member, or employee of ERS may not have a direct or indirect interest in the gains or profits of any Contract executed by ERS pursuant to this RFP, and may not receive any payment or emolument for any service performed for the Vendor.
- B.12.a. In the case where a Board member or employee of ERS receives any payment from the Vendor for any services performed for the Vendor or for any gains or profits from any Contract executed by ERS pursuant to this RFP, ERS may terminate its relationship with the Vendor immediately, and ERS reserves the right to seek any legal, equitable or contractual relief to which it may be entitled. Under such circumstances, the Vendor shall complete any outstanding transactions with ERS as soon as possible. In its discretion, ERS may choose not to consider any future Proposals from the Vendor.
- B.12.b. By submitting its Proposal, the Vendor warrants and represents that it does not have, nor shall it permit, any actual or perceived conflicts of interest that would impair its ability to perform the services required by the Contract in the best interests of ERS, the Dental Programs, its Participants and the state of Texas. The Contract shall have additional requirements in this regard.
- B.13. **HIPAA.** As a business associate of ERS, the Vendor shall comply with all privacy protections as provided in Tex. Health & Safety Code Ann. Chapter 181 (Vernon Supp. 2012) and in the "Privacy Rule" adopted pursuant to the federal Health Insurance Portability and Accountability Act of 1996 [Pub. L. No. 104-191], amended by the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009, and the implementing regulations issued and amended by the U.S. Department of Health and Human Services Secretary (45 C.F.R. Parts 160 and 164) (hereinafter referred to as "HIPAA").
- B.14. **Data Security and Breach Notification Agreement.** The Vendor is hereby notified that the execution of the Data Security and Breach Notification Agreement attached as Appendix D is a preferred submission requirement of this RFP. It includes additional duties and obligations the Vendor is required to provide or perform. ERS prefers that the Data Security and Breach Notification Agreement be signed and returned without amendments or revisions with the

Proposal submission. However, if the Vendor in good faith determines that it does not agree with any provisions of the Data Security and Breach Notification Agreement in the form attached as Appendix D, the Vendor may elect not to return an executed Data Security and Breach Notification Agreement with its Proposal, but must instead submit deviations to the Data Security and Breach Notification Agreement's terms, which must be provided in accordance with Section XIV.A.17. of this RFP. Although Contract deviations are strongly discouraged, if deviations are submitted, they must include specific suggested language rather than vague suggestions that certain provisions require discussion. Any such deviations will be considered by ERS; however, ERS will not be obligated to accept or agree to any such deviations, and ERS may determine in its sole discretion not to proceed with further negotiations with the Vendor based upon such deviations. To prevent any misunderstanding, while the Vendor's Proposal may be evaluated if returned with deviations, such deviations may themselves form a basis for ERS to conclude that the Vendor's Proposal will not be considered further beyond its initial evaluation. Any Vendor submitting a signed Data Security and Breach Notification Agreement with its Proposal shall have the Data Security and Breach Notification Agreement executed, in **blue ink**, by the duly authorized officer of the Vendor as reflected in Sections I.B.8. and XIII.A.10.

B.14.a. ERS reserves the right to reject any Proposal if the Data Security and Breach Notification Agreement is revised or returned unsigned, and ERS further retains the right to modify the Data Security and Breach Notification Agreement and to add additional terms at its discretion. Upon approval of the Proposal, notification to the Vendor of its selection by ERS and any clarifications to be required in the Proposal, and upon execution of the Data Security and Breach Notification Agreement by ERS, it is ERS' intent that the written Data Security and Breach Notification Agreement shall be in force.

B.15. **Business Associate Agreement.** The Vendor is hereby notified that the execution of the Business Associate Agreement ("BAA") attached as Appendix C is a preferred submission requirement of this RFP. It includes additional duties and obligations the Vendor is required to provide or perform. ERS prefers that the BAA be signed and returned without amendments or revisions with the Proposal submission. However, if a Vendor in good faith determines that it does not agree with any provisions of the BAA in the form attached as Appendix C, the Vendor may elect not to return an executed BAA with its Proposal, but must instead submit deviations to the BAA's terms, which must be provided in accordance with Section XIV.A.16 of this RFP. Although Contract deviations are strongly discouraged, if deviations are submitted, they must include specific suggested language rather than vague suggestions that certain provisions require discussion. Any such deviations will be considered by ERS; however, ERS will not be obligated to accept or agree to any such deviations, and ERS may determine in its sole discretion not to proceed with further negotiations with a Vendor based upon such deviations. To prevent any misunderstanding, while the Vendor's Proposal may be evaluated if returned with deviations, such deviations may themselves form a basis for ERS to conclude that the Vendor's Proposal will not be considered further beyond its initial evaluation. Any Vendor submitting a signed BAA with its Proposal shall have the BAA executed, in **blue ink**, by the duly authorized officer of the Vendor as reflected in Sections I.B.8. and XIII.A.10.

B.15.a. ERS reserves the right to reject any Proposal if the BAA is revised or returned unsigned, and ERS further retains the right to modify the BAA and to add additional terms at its discretion. Upon approval of the Proposal, notification to the Vendor of its selection by the Board and any clarifications to be required in the Proposal, and upon execution of the BAA by ERS, it is ERS' intent that the written BAA shall be in force.

B.16. **Contractual Agreement.** The Vendor is hereby notified that the execution of the Contract attached as Appendix B, is a preferred submission requirement of this RFP. ERS prefers that the Contract be signed and returned without amendments or revisions with the Proposal submission. However, if a Vendor in good faith determines that it does not agree with any provisions of the Contract in the form attached as Appendix B, the Vendor may elect not to return an executed Contract with its Proposal, but must instead submit deviations to the Contract's terms, which must be provided in accordance with Section XIV.A.15.a. of this RFP. Although Contract deviations are strongly discouraged, if deviations are submitted, they must include specific suggested language rather than vague suggestions that certain provisions require discussion. Any such deviations will be considered by ERS; however, ERS will not be obligated to accept or agree to any such deviations, and ERS may determine in its sole discretion not to proceed with further negotiations with a Vendor based upon such deviations.

To prevent any misunderstanding, while the Vendor's Proposal may be evaluated if returned with deviations, such deviations may themselves form a basis for ERS to conclude that the Vendor's Proposal will not be considered further beyond its initial evaluation. Any Vendor submitting a signed Contract with its Proposal shall have the Contract executed, in *blue ink*, by the duly authorized officer of the Vendor as reflected in Sections I.B.8. and XIII.A.10.

- B.16.a. ERS reserves the right to reject any Proposal if the Contract is revised or returned unsigned, and ERS further retains the right to modify the Contract terms and to add additional terms at its discretion. Upon approval of the Proposal, notification to the Vendor of its selection by the Board and any clarifications to be required in the Proposal, and upon execution of the Contract by ERS, it is ERS' intent that the written Contract shall be in force.
- B.17. **Contract Term and Chronology of Responsibility.** The Contract shall be for a term beginning upon execution of the Contract by ERS and extending through the 31st day of August 2018 ("Initial Contract Term"), unless terminated, renewed or extended.
- B.17.a. ERS and the Vendor agree and acknowledge that there are prerequisites to and duties and obligations specified by the Contract to be performed prior to September 1, 2014 and following August 31, 2018, and the parties each agree to perform all such duties and obligations, and all damage provisions included herein and in the Contractual Agreement shall thereby be in effect. Such prerequisites, duties and obligations include, but are not limited to, the following:
- Selection by the Board of Trustees is anticipated at the February 2014 meeting.
  - Execution of the Contract by ERS' Executive Director after all clarifications have been agreed to and accepted or rejected by ERS.
  - The Contract includes the RFP, and all exhibits thereto, as set forth therein. The Contract includes important requirements that may not be expressly referenced in this RFP.
  - Any and all activities required by the Vendor to effectively implement the requirements of the Contract.
  - The Vendor shall coordinate and work cooperatively with other GBP vendors as applicable.
- B.18. **Contract Implementation.** To ensure the successful implementation and delivery of the Vendor's benefits, coverages and services associated with the administration of the Dental Programs benefits to the GBP and its Participants, the Vendor shall provide the proposed dollar value at risk by the Vendor in Article IV. *Price Proposal and Response Format.*
- B.18.a. **Implementation Period.** Following selection of a Vendor by the Board and upon ERS' execution of the Contract, the Vendor shall immediately staff an implementation team and name an implementation project manager. The names, positions and qualifications of the implementation team shall be communicated to ERS no more than fifteen (15) business days from the award of the Contract. The period of time beginning with the selection of the Vendor by the Board and ERS' execution of the Contract to the point at which the Vendor assumes full responsibility for the duties specified hereunder, such date being no later than September 1, 2014, shall be known as the "Implementation Period."

During the Implementation Period, the Vendor warrants and represents the following:

- It shall maintain appropriate, sufficient and qualified staff, technical capabilities and resources that are fully devoted to the Implementation of the Dental Programs. ERS reserves the right to require the Vendor to add additional staff or to remove staff from the Implementation Team;
- It shall not permit any current or prospective business, projects or other matters to interfere in any manner with the smooth and timely implementation of the Dental Programs;
- The Vendor understands and agrees that time is of the essence in the performance of this Contract and in the implementation of the Dental Programs;
- The Vendor acknowledges and agrees that the GBP, its Participants and ERS shall suffer irreparable harm if the Dental Programs are not fully and completely implemented on or before September 1, 2014;
- To the extent the Liquidated Damages and/or amount placed at risk provisions of the Contract require prior notice, the Vendor hereby waives such prior notice during the Implementation Period;

- ERS may immediately assess against the Vendor the agreed upon Liquidated Damages, and/or the amounts placed at risk for as referenced in the *Price Proposal and Response Format* in Article IV or implementation of other legal remedies available to ERS in the Contract to this RFP, without prior notice, in the event the Vendor fails, refuses or if it reasonably appears that it will fail or refuse to complete or perform or will not be capable of completing or performing any aspect of the Contract in connection with the timely and smooth implementation of the Dental Programs; and
  - All communication materials dealing with the implementation, including Participant communication materials, call center staff training materials, Interactive Voice System (“IVR”), and website design are subject to ERS’ review and approval before Implementation.
- B.18.b. **Implementation Performance, Amount Placed at Risk.** To ensure the successful Implementation and delivery of the Vendor’s benefits and services to the GBP Dental Programs and its Participants, the Vendor shall place at risk for each product being bid and the proposed Implementation dollar value at risk by the Vendor as reflected in Section IV, *Price Proposal and Response Format*.
- B.19. **Termination of Contract.** In the event that the Vendor fails or refuses to perform or it appears that the Vendor shall not perform any of its duties or obligations as provided by the Contract, which includes this RFP, the Vendor’s Proposal accepted by ERS and the signed Contract, ERS, without limiting any other rights or remedies it may have by law, equity or under Contract, shall have the right to terminate the Contract immediately. The Vendor understands and acknowledges that, notwithstanding any termination of the Contract, certain obligations of the Vendor shall survive the termination of the Contract. The Contract expands upon this provision.
- B.20. **Liquidated Damages.** The Vendor acknowledges that it is impossible or impractical to estimate certain damages with any degree of certainty. Therefore, the Vendor understands and acknowledges that the Contract includes a liquidated damages provision that is in addition to any other remedies that ERS may have in the event the Vendor fails or refuses to perform, or it appears that the Vendor shall not perform any obligation it may have in connection with the Contract to the satisfaction of ERS. The Contract has additional requirements in this regard.
- B.21. **Finalist Interview.** Following ERS’ initial review of the RFP Proposals, if the Vendor is selected as a finalist in the Vendor selection process, ERS may request that personnel from the Vendor, at the Vendor’s expense, attend a meeting at an ERS-designated location to clarify the Vendor’s Proposal and to answer questions regarding the Vendor’s Proposal. If ERS deems necessary, a site visit to the Vendor may be conducted during the RFP review period at ERS’ expense.
- B.21.a. If the Vendor is selected as a finalist and has been requested to participate in a finalist face-to-face or teleconference interview session, the Vendor shall prepare and present a Proposed Implementation Plan that will ensure the successful Implementation and delivery of the Vendor’s benefits, coverages and services to the GBP and its Participants. The Implementation Plan shall include the following:
- A detailed Project Plan that will define the manner in which the Implementation project will be managed and guided. The Project Plan will clearly define all actions, activities and objectives that will be coordinated and the owners of said action and activities.
  - A detailed description of all activities the Vendor expects ERS to perform related to the Implementation Plan.
  - A project schedule that defines the series of tasks, meetings and associated dates for the proposed Implementation project to include the timeline with start and end dates for tasks to be completed over the life of the project.
    - Schedules of meetings between the Vendor and ERS to facilitate the transition.
    - Schedules of meetings between other contracted vendor(s) and ERS to facilitate transition.
  - A Sample Go-Live Contingency Plan as described in Section I.B.21.b. below.
  - A list of sample reports relevant to RFP reporting – specific GBP Dental Program reports will be determined following Contract award.

ERS recognizes that the Vendor will have updates and/or amendments to the Implementation Plan to reflect mutually agreed-upon changes as additional work is defined throughout the Implementation Period.

- B.21.b. **Sample Go-Live Contingency Plan.** This document captures the priorities and major milestones of activities that shall occur in order to ensure a successful go-live date on September 1, 2014. In addition to reflecting the steps that shall occur along with their corresponding deadlines, the document outlines the steps that should be taken to avoid and resolve any disruptions or loss of service. This document also identifies the individuals from each functional area and the escalation path of contact. See Appendix P.
- B.22. **Public Information Act.** As reflected in greater detail in Sections I.B.23. – I.B.23.d. below, ERS is required to provide access to certain records in accordance with the provisions of Chapter 552, Tex. Gov't Code, the Texas Public Information Act ("PIA"), formerly known as the Open Records Act.
  - B.22.a. During the evaluation process, ERS shall make reasonable efforts as allowed by law to maintain Proposals in confidence, and shall release Proposals only to personnel involved with the evaluation of the Proposals and implementation of the Contract unless otherwise required by law.
  - B.22.b. However, ERS cannot prevent the disclosure of public documents and may be required by law to release documents the Vendor considers to be confidential and proprietary. By execution of the Signature Pages, as further referenced in Sections I.B.8. above, the Vendor warrants and represents that all information that the Vendor in good faith considers to be properly excepted from disclosure under the PIA will be clearly labeled as confidential by the Vendor upon submission to ERS. The Vendor's signature further reflects that all documents submitted by the Vendor that are not marked "confidential" shall be considered to be public information. All public information in response to this RFP may be fully disclosed by ERS without liability and without prior notice to or consent of the Vendor or any of the Vendor's subcontractors or agents.
- B.23. **Disclosure of Information.** In order to protect and prevent inadvertent access to confidential information submitted in support of its Proposal in accordance with the PIA as reflected in Sections I.B.22. - I.B.22.b. above, the Vendor is required to supply in good faith and with legally sufficient justification, a separate schedule of all pages considered by the Vendor to contain any confidential and/or proprietary information. The Vendor shall supply its confidential and/or proprietary information to ERS each time it submits information to ERS, whether in its initial Proposal or in any supplemental information submitted to ERS. The Vendor shall submit its confidential and proprietary information in accordance with the instructions given in Sections I.B.24. – I.B.24.a. below of this RFP.
  - B.23.a. By submitting a Proposal, the Vendor acknowledges and agrees that ERS shall have no liability to the Vendor or to any other person or entity for disclosing information in accordance with the PIA. Furthermore, ERS shall have no obligation or duty to advocate the confidentiality of the Vendor's material to the Texas Attorney General, to a court, or to any other person or entity.
  - B.23.b. The Vendor further understands and agrees that, upon ERS' receipt of a PIA request for the Vendor's information, the only information that ERS shall treat as the Vendor's confidential and proprietary information in accordance with the PIA shall be the documents the Vendor identifies as required above.
  - B.23.c. It is the Vendor's sole obligation to advocate in good faith and with legally sufficient justification the confidential or proprietary nature of any information it provides to ERS. The Vendor acknowledges and understands that the Texas Attorney General may nonetheless determine that all or part of the claimed confidential or proprietary information shall be publicly disclosed.
  - B.23.d. In addition, the Vendor specifically agrees that ERS may release the Vendor's information, including alleged confidential or proprietary information, upon request from individual members, agencies or committees of the Texas Legislature where needed for legislative purposes, as provided for in the PIA, or to any other person or entity as otherwise required by law.

- B.24. **Confidential and/or Proprietary Schedule – Public Information Submission Confidential and/or Proprietary Schedule – Public Information Submission.** In order to protect and prevent inadvertent access to confidential and/or proprietary information submitted in support of its Proposal, each Vendor submitting a Proposal to this RFP is required to supply four (4) CD-ROMs in addition to the two (2) CD-ROMs that contain the Vendor’s entire Response. The first two (2) CD-ROMs shall **only** contain copies of all information that the Vendor (in good faith, and with sufficient legal justification) considers to be its **confidential and/or proprietary information**. The second two (2) CD-ROMs shall **only** contain copies of all information that the Vendor considers to be its **public information**. The first two (2) CD-ROMs shall be labeled “**Confidential and/or Proprietary Information.**” The second two (2) CD-ROMs shall be labeled “**Public Information.**” The Vendor shall supply full and complete copies of all information it submits to ERS in this manner each time it submits information to ERS, whether in its initial Proposal or in any supplemental information submitted to ERS. Otherwise ERS will presume that all information submitted by the Vendor that does not comply with this directive is public information subject to disclosure. The documents reflected on the CD-ROMs shall correlate in order and by title to those reflected on the separate schedule required in Section I.B.23. above.
- B.24.a. Upon ERS’ receipt of a PIA request, ERS will provide the requestor the information provided on the Vendor’s public CD-ROM(s) (Set Two) under the applicable provisions above. If the Vendor fails to submit its confidential and/or proprietary information as outlined herein, ERS shall consider Vendor’s information to be public, and it will, therefore, be released without notification to the Vendor upon receipt of a PIA request.
- B.25. **Historically Underutilized Businesses (“HUB”).** ERS makes a good faith effort to assist HUBs in receiving agency contract awards. As appropriate, the Vendor shall provide the following information in the submitted Proposal materials:
- a. If Vendor is certified as a Texas HUB, please provide the TBPC VID/Certification Number.
  - b. If an engagement is awarded and the Vendor plans to engage a subcontractor for all or any of the Contract services, the Vendor shall identify all proposed HUB subcontractors. The required forms with video instructions can be found at the following website:  
  
<http://www.window.state.tx.us/procurement/prog/hub/hub-forms/>
- B.26. **Subcontractors.** Any planned or proposed use of subcontractors by the Vendor related to the management of or access to GBP Participant data shall be clearly disclosed and documented in the Vendor’s Proposal and shall not be accepted until agreed to in writing prior to bid award by ERS. The Vendor shall be completely responsible for all services performed and for fulfillment of its obligations under the Contract, even if such services are delegated to a subcontractor.
- The Vendor agrees that any and all subcontracts entered into by the Vendor for the purpose of meeting the requirements of the Contract are the responsibility of the Vendor. ERS will hold the Vendor responsible for assuring that subcontractors meet all of the requirements of the Contract and all amendments thereto. The Vendor shall provide complete information regarding each subcontractor used by the Vendor to meet the requirements of the Contract.
- B.26.a. The Vendor shall agree to accept the following administrative requirements:
- A qualified Vendor will be required to sign an ERS Contract;
  - The Vendor shall be solely responsible for all subcontracted activities in support of the benefits and services outlined in any executed agreement with ERS;
  - Any subcontractor utilized to provide the benefits and services as described herein and in support of any subsequent Contract, shall be located within the United States for the duration of the contracted term; and
  - If a Vendor subcontracts any part of the outlined benefits and services, the subcontractor(s) are subject to review and acceptance by ERS throughout any contracted term.
- B.27. **The Employee Retirement Income Security Act of 1974 (“ERISA”).** As a state government plan, the GBP is not subject to ERISA; however, the Vendor shall assume the

same fiduciary responsibilities that apply to ERISA plan administrators for all claims processing and payments, adjudication and appeals.

- B.28. **Board Rules.** The Board has sole rulemaking authority in connection with the GBP pursuant to Chapter 1551, TIC. In the event of a conflict of laws or regulations, then ERS' interpretation of the applicability and controlling status of the law or rules shall control. The Board Rules are located at Title 34, Part 4, Tex. Admin. Code. The Board Rules, including any amendments, are a part of any Contract executed in accordance with this RFP process for all purposes as if they were contained verbatim therein. The Vendor agrees to comply with all such Board Rules, and all applicable federal and Texas laws and regulations.
- B.28.a. The determination of the amount of benefits to which any Participant is entitled shall initially rest with the Vendor. However, the final determination of the extent of the benefit to which any Participant is entitled shall be made solely and exclusively by the Trustees in accordance with Article 1551.357, TIC, as amended.
- B.29. **No Solicitation.** An approved Vendor shall not use, or otherwise disseminate, copy, or make available to any person or entity, lists of GBP Participants or employees, or any other Participant data to solicit any other insurance coverage, annuity products, or any other services or products, unless specifically approved in writing by ERS' authorized representatives. This requirement shall survive the termination of the Contract. The Contract has additional requirements in this regard.

## C. General Specifications

- C.1. Changes Required by Statute, Regulation, Court Orders, or Program Funding: ERS acknowledges that certain factors may change conditions with regard to the Dental Program(s) benefits, plan design, offerings and/or administration. Some factors that may affect the Vendor include, but are not limited to:
- Changes in federal and state statutes, regulations, and new court decisions and administrative rulings;
  - Changes in anticipated funding by the Texas Legislature; and
  - Changes in the Dental Program plan design.

The Vendor agrees to make a good faith effort to comply with any additional responsibilities or changes to the Dental Program(s) imposed as a result of the above factors, and other similar factors that may arise, requiring plan design changes and/or an increase or decrease of the Vendor's fees, to cooperate with ERS to effect any such changes and to execute any agreements that may be required as a result. However, should a mandated change materially affect the Vendor's obligations under the Contract, ERS reserves the right to negotiate with the Vendor regarding any fee increase (or decrease) that may be appropriate under the circumstances, as provided in the Contract.

The operational components of the Dental benefits administration are fully described in Article IX, *Operational Specifications*, of the RFP.

### C.2. Alternative Benefit Design or Financial Arrangements

- C.2.a. ERS will evaluate Proposals based on the current benefit design and financial arrangement. However, ERS reserves the right to revise the benefits and/or financial arrangements based on legislative, budgetary, or other factors. The purpose of this RFP and the subsequent review process is to select the Vendor that ERS considers to be most qualified to provide the most effective, efficient and high-quality services, supplies and products to the Dental Program(s), its Participants, ERS and the state of Texas. ERS views the relationship with the Vendor as a cooperative one, and nothing contained in this RFP, nor any action taken in the review and approval process, shall prevent ERS from continuing negotiations with the selected Vendor after the selection is made.
- C.2.b. The Vendor agrees to act in good faith in connection with all such negotiations and in performing all of its services, duties, and provisions of coverage related to the Dental Programs.
- C.3. The PPO and DHMO Vendor(s) shall maintain the following fidelity and liability insurance coverage throughout the term of the Contract, and any extension, amendment, or renewal

thereof: fidelity and liability insurance coverage with limits of not less than \$1 million per occurrence and \$3 million in the aggregate per policy year, with excess liability coverage in an amount not less than \$2 million per policy year that shall apply to the Vendor's obligations under the Contract. Evidence that such coverage (declaration page of policy) is being maintained throughout the term of the Contract shall be submitted to ERS no later than fifteen (15) business days following the effective date and each subsequent anniversary date of such policy.

- C.3.a. The Dental Discount Vendor shall maintain the following fidelity and liability insurance coverage throughout the term of the Contract, and any extension, amendment, or renewal thereof: fidelity and liability insurance coverage with limits of not less than \$500,000 per occurrence and in the aggregate per policy year, with excess liability coverage in an amount not less than \$1 million per policy year that shall apply to the Vendor's obligations under the Contract. Evidence that such coverage (declaration page of policy) is being maintained throughout the term of the Contract shall be submitted to ERS no later than fifteen (15) business days following the effective date and each subsequent anniversary date of such policy.
- C.4. **Materials.** A copy of all materials to be used by the Vendor in administering the Dental Programs benefits shall be provided as requested in Article VIII., *Communication Requirements*. The Vendor is required to submit proposed marketing and other informational materials in ERS' required format according to deadlines to be set by ERS, including, but not limited to, all scripts or forms to be used by the Vendor customer service representatives. The cost for preparation of these materials for the term of the Contract must be included in Section IV, *Price Proposal and Response Format* quoted by the Vendor. ERS shall retain the right to review and approve all such documents before distribution.
- C.5. **Administrative Audit.** As plan administrator for the GBP, ERS may access, request, and audit appropriate Dental Program documents and Participant records as required for purposes of administering the GBP.
- C.6. **Annual Audit of the Vendor.** Pursuant to Chapter 1551 of the TIC, ERS shall commission an annual audit of the Vendor's claims administration by an independent auditor to determine the adequacy, timeliness, and accuracy of the Vendor's procedures and performance for the prior plan year. ERS will determine the scope of the audit, and the Vendor shall be prepared to fully support the activities of and in good faith cooperate with the auditor. In addition, if ERS or any of its duly authorized representatives or designees request records, data, information, report analysis rebuttals, and/or other information of the Vendor, timely release of all information requested shall be required by the Vendor.

The Vendor's support shall include maintaining readily available data that is accessible electronically as well as through hard copy. Neither ERS nor the Auditor shall reimburse or indemnify the Vendor for any cost incurred or any claim that may arise in connection with or relating to these audits.

In addition, ERS or any of its duly authorized representatives or designees shall, during the term of the Contract and until the expiration of seven (7) years after the final payment is made under the Contract, have access to and the right to examine any and all pertinent books, documents, papers and records involving transactions relating to the Contract. In the event there arises any claim, dispute or litigation concerning the Contract, the period of access and examination described above shall continue until the disposition of such claim, dispute, or litigation is final. The Contract has additional requirements regarding audits.

- C.7. **Employee Identification Number.** Current employee, retiree, and dependent (collectively referred to as Participants) enrollment reporting is based on their (Participant's) unique employee identification number ("ID"). Texas law mandates the removal of Social Security Numbers from ID cards.

The Vendor's system shall have the capability to manage an eleven (11) digit number in its reporting system. The Vendor shall be required to issue ID cards to Participants within fifteen (15) business days of the transfer of the final enrollment file at the end of each Enrollment Period. The Vendor shall be capable of identifying Participants based on the enrollment information submitted by ERS.

- C.8. **ERS Actuary.** ERS retains a consulting actuary, Rudd & Wisdom, Inc., to advise the Board, staff and management on insurance and other financial matters related to the GBP. The consulting actuary also assists and advises the Board on benefit plan designs, application reviews, rating analysis, and certain audit related activities as described herein.
- C.9. **Vendor Personnel Changes.** Substitutions of or other changes in the Vendor's personnel assigned during the term of this Contract shall be approved in advance by ERS. In any event, ERS may, at any time, request the removal or reassignment of the Vendor's staff in connection with the Vendor's performance under this Contract.
- C.10. **Fiscal/Plan Year.** The Fiscal/Plan Year ("FY"/"PY") begins each September 1st, and ends the following August 31st. GBP fiscal year shall be determinative for all Contract reporting requirements.
- C.11. **Online Access.** The Vendor shall provide to ERS and its designated representatives online access to any information reasonably related to the GBP's Dental Programs, its Participants, and the services, coverages, benefits, supplies and products specified hereunder. Such online access, at a minimum, must give ERS the ability to view, download and print such information. Thus, any information regarding the services, coverage, benefits, supplies or products that the Vendor is required to perform, deliver or provide in connection with the GBP Dental Program(s) shall be fully accessible and available to ERS via online access.

#### **D. GBP Annual Enrollment Period**

- D.1. With many of the GBP Programs designed on a fiscal year basis, ERS will begin sponsoring two annual enrollment ("AE") periods, Summer and Fall.
  - D.1.a. The Summer Enrollment ("SE") will be held for active employees during the months of July through August for Participants to make changes to their GBP benefits elections. These changes extend to the following GBP Programs: Health, Dental, Flexible Spending, Short-Term and Long-Term Disability Programs. Participants may also add or drop dependents from their GBP coverage without a Qualifying Life Event ("QLE") substantiation process.
  - D.1.b. The Fall Enrollment ("FE") period will be held for Medicare-eligible retirees and their eligible dependents during the months of October through December. The FE changes extend to the following GBP Programs: Health, Dental and to Medicare Advantage Programs.
- D.2. In 2012 for Fiscal Year 2013, ERS held 88 AE fairs and in 2013 for Fiscal Year 2014 ERS will hold 49 AE fairs throughout the state of Texas. GBP vendors are expected to attend and provide written materials in support of these enrollment fairs. A full description of AE responsibilities is provided within Article VIII. *Communication Requirements*.

#### **E. Dental Enrollment Data**

Refer to the Experience Data, referenced as Appendix K. This appendix presents enrollment, premium and utilization experience information from the Dental PPO and DHMO Programs as well as information on GBP's other plans.

## II. Proposal Evaluation Criteria

### A. General Evaluation Information

A.1. **Evaluation Criteria.** The Proposals submitted in response to this RFP shall be evaluated on the basis of the criteria listed below. The criteria are not listed in order of importance. While the criteria provides the basis for an objective evaluation of each Proposal, the experience and judgment of ERS' staff, Board and their advisors shall also be important in the selection process. The criteria include the Vendor's response to all items reflected in its Proposal and any clarifications. The criteria may include, but not be limited to:

- Compliance with, and adherence to, the RFP and Contract;
- Minimum requirements and preferred criteria as reflected below;
- Provider network and service area;
- Past experience serving large group programs;
- Experience in performing, delivering and providing dental services, coverage, benefits, supplies and products;
- Administrative capability;
- Proposed Fees;
- Financial strength and stability;
- Legal disclosure requirements;
- Technological capabilities;
- Operating requirements;
- References;
- Site visits;
- Access and stability of the network;
- and
- Other factors, as determined during the evaluation review process.

A.2. ERS reserves the right to reject any and/or all Proposals and/or call for new Proposals if ERS deems it to be in the best interests of ERS, the GBP, its Participants and the state of Texas.

A.2.a. The selected Vendor shall adhere to these requirements upon Contract award and throughout the term of the Contract and any renewals or extensions thereof. ERS also reserves the right to reject any Proposal submitted that does not fully comply with the RFP's instructions and criteria. ERS is under no legal requirement to execute a Contract on the basis of this notice or upon issuance of the RFP or receipt of a Proposal.

A.2.b. Proposed deviations from the minimum requirements identified below shall not be considered, and submission of such may disqualify the Vendor's Proposal package. **Failure to satisfy the mandatory minimum requirements may result in elimination from the evaluation process.**

### B. Minimum Requirements

B.1. **PPO and/or DHMO Plans.** Those Vendors wishing to respond to the RFP and quote a PPO and/or DHMO program(s) shall demonstrate their competence to perform the services required by ERS, and shall evidence the ability to satisfy each of the following minimum requirements by specifically identifying supporting documentation contained in the Vendor's response.

B.1.a. **Onshore Operations.** The Vendor shall maintain its principal place of business and provide all services including, but not limited to: call center, billing, eligibility, claims processing and programming within the United States of America.

The Vendor shall disclose where the Vendor's principal place of business is located and the location from which the Vendor's contracted services will be performed, including, but not limited to: call center, billing, and eligibility.

B.1.b. **Certificate.** The Vendor shall be licensed to do business in Texas by the Texas Department of Insurance ("TDI") at the time of Proposal submission to provide the plan services for which

the Proposal is being submitted and be in good standing with all agencies of the state of Texas, including TDI.

The Vendor shall provide a copy of the Certificate of Authority issued by TDI for the type of plan proposed.

B.1.c. **Services.** The Vendor shall have been providing dental administrative service, and/or dental benefits and services in Texas since at least March 1, 2012.

B.1.d. **Client/Reference List.** The Vendor shall provide a list of its top five (5) dental clients that has at least one with an enrollment of 125,000 for PPO and/or 75,000 for DHMO covered employees.

For these top five (5) employers or organizations, the Vendor shall provide the company name, the Vendor's primary contact, title, email address, and telephone and facsimile numbers of representatives who are familiar with the Vendor's dental services provided for the services previously identified, the number of employees, Participants and dependents for whom dental benefits are administered and the annual dental claims paid. Indicate the nature of the Vendor's relationship with the organization, i.e., dental services administrator, manager of dental network, etc.

**Note:** The Vendor's Proposal to this request officially authorizes ERS to contact these organizations or any other entity to discuss the services that the Vendor has provided and authorizes any person or entity contacted to provide such information to ERS, and shall release and hold harmless ERS and any person or entity contacted of any and all liability whatsoever, in connection with providing and receiving all such information. **The Vendor may not provide sponsoring, parent organizations, subsidiaries, or subcontractors as references.**

Company name:  
Account primary contact:  
Title:  
Email address:  
Telephone number:  
Facsimile number:  
Type of relationship:  
Number of employees, participants  
and dependents benefits administered:  
Annual dental claims paid:  
Services provided



B.1.e. **Provider Network.** The Vendor shall demonstrate it has a dental provider network as of the due date of the Proposal response adequate throughout the entire state as follows:

- For the PPO, the Vendor shall provide access to dental care for at least 125,000 Participants and maintain a minimum of 3,500 dental facilities.
- For the DHMO, the Vendor shall provide access to dental care for at least 75,000 Participants and maintain a minimum of 500 dental facilities.

B.1.f. **Net Worth.** The PPO Vendor shall have a current net worth of \$5 million as demonstrated by audited financial statements as of the close of the Vendor's most recent fiscal year and a minimum of at least \$2 million of cash/cash equivalents available (on average) throughout its 2012 financial period.

The DHMO Vendor shall have a current net worth of \$3 million as demonstrated by audited financial statements as of the close of the Vendor's most recent fiscal year and a minimum of at least \$1 million of cash/cash equivalents available (on average) throughout its 2012 financial period; and/or

If bidding on both the PPO and DHMO, the Vendor shall have a current net worth of \$5 million as demonstrated by audited financial statements as of the close of the Vendor's most recent fiscal year and a minimum of at least \$2 million of cash/cash equivalents available (on average) throughout its 2012 financial period.

If the PPO and DHMO Vendor is being financially supported by a sponsor or parent organization/entity, the Vendor shall submit its sponsor or parent organization/entity's audited financial statements as of the close of the Vendor's most recent fiscal year as referenced in Section XIII.D.4.e.

B.2. **Dental Discount.** Those wishing to respond to the RFP and quote a Dental Discount Program shall demonstrate their competence to perform the services required by ERS, and shall evidence the ability to satisfy each of the following minimum requirements by specifically identifying supporting documentation contained in the Vendor's response.

B.2.a. **Onshore Operations.** The Vendor shall maintain its principal place of business and provide all products and/or services including, but not limited to: call center, billing, eligibility, and programming within the United States of America.

The Vendor shall disclose where the Vendor's principal place of business is located and the location from which the Vendor's contracted services will be performed, including, but not limited to: call center, billing, and eligibility.

B.2.b. **Certificate.** The Vendor shall have a current valid certificate of authority to do business in Texas with the Texas Secretary of State ("SOS") at the time of Proposal submission.

The Vendor shall provide a copy of the Certificate of Authority issued by the SOS for the type of plan proposed.

B.2.c. **Services.** The Vendor shall have been providing a dental discount products and services program to Participants for a minimum of three (3) years with a minimum of 100,000 Participants covered.

B.2.d. **Client/Reference List.** The Vendor shall provide a list of its top five (5) dental discount clients, that has at least one with an enrollment of 50,000 for Dental Discount Participants covered.

For these top five (5) clients, the Vendor shall provide the company name, the Vendor's primary contact, title, address, email address and telephone and facsimile numbers for whom Vendor's organization is providing dental discount products or services as described herein. This information should be divided into the following categories:

**Note:** The Vendor's Proposal to this request officially authorizes ERS to contact these organizations or any other entity to discuss the services that the Vendor has provided and authorizes any person or entity contacted to provide such information to ERS, and shall release and hold harmless ERS and any person or entity contacted of any and all liability whatsoever, in connection with providing and receiving all such information. **The Vendor may not provide sponsoring, parent organizations, subsidiaries, or subcontractors as references.**

Company name:  
Account primary contact:  
Title:  
Email address:  
Telephone number:  
Facsimile number:  
Type of relationship:  
Number of employees, participants  
and dependents benefits administered:  
Services provided

B.2.e. **Provider Network.** The Vendor shall demonstrate it has a dental provider network that will accept the proposed discounts at time of service. The Vendor shall provide access to dental care for at least 125,000 Participants and maintain a minimum of 3,500 dental facilities.

B.2.f. **Net Worth.** The Vendor shall have a current net worth of \$1 million as demonstrated by audited financial statements as of the close of the Vendor's most recent fiscal year and a

minimum of at least \$150,000 of cash/cash equivalents available (on average) throughout the 2012 financial period.

If the Dental Discount Vendor is being financially supported by a sponsor or parent organization/entity, the Vendor shall submit its sponsor or parent organization/entity's audited financial statements as of the close of the Vendor's most recent fiscal year as referenced in Section XIII.D.4.e.

## **C. Preferred Criteria**

Those wishing to respond to the RFP shall demonstrate their competence to perform the services required by ERS, and shall evidence the ability to satisfy (or not), each of the following preferred requirements by specifically identifying supporting documentation contained in the Vendor's response.

- C.1. The Vendor shall have experience working with and/or extensive knowledge of applicable Texas laws and federal regulations affecting the GBP and relating to dental plan administration and to the discount products and services program.
- C.2. The Vendor shall have experience working with and/or extensive knowledge of public or governmental benefit plans that are not subject to ERISA.
- C.3. The PPO and DHMO Vendors shall be licensed for a minimum of ten (10) years and have been doing business in Texas for at least five (5) years.
- C.4. The Discount Dental Vendor shall be licensed for a minimum of five (5) years and have been doing business in Texas for at least five (5) years.
- C.5. The Vendor shall have experience working with large public employer dental plans.
- C.6. The Vendor shall have the ability to provide all reports and supporting documentation electronically and in CD-ROM format.

## **D. Evaluation of the Proposal**

The evaluation of the Proposal will be performed by an evaluation team established for that purpose and will be based on the criteria set forth above. ERS reserves the right to utilize the services of individuals outside of the established evaluation team for financial and/or technical advice as deemed necessary.

- D.1. The evaluation process may consist of up to five (5) distinct phases:
  - 1. Initial/Compliance Review, (i.e., review of Proposals for meeting the minimums, rates/fees, plan design and format and completeness.);
  - 2. The Evaluation Team's evaluation of the Proposals;
  - 3. Vendor's performance history (i.e., references);
  - 4. Request for More Information (face-to-face Interviews, presentations and site visits); and
  - 5. Contract negotiations.

It is within the experience and judgment of the evaluation team to decide whether phases four and/or five are necessary. The team has the right to eliminate or add phases if the team believes doing so will improve the evaluation process.

### **D.2. Clarifications**

During the evaluation process, the evaluation team may request clarifications from any Vendor under consideration and may give any Vendor the opportunity to clarify or add information to its Proposal submission if the response does not fully answer a question posed in the Proposal or ERS requires additional information. This will result in the Vendor receiving a clarification letter with a response due within five (5) business days of receipt of the clarification letter.

During the evaluation period, unless clarifying information is requested by ERS as part of the evaluation process, any attempt on the part of the Vendor, its agent(s), or any party

representing the Vendor, to submit correspondence or communicate with agency employees, officials, or consulting actuaries regarding any aspect of the RFP throughout the bid process other than as directed by ERS may be grounds for immediate disqualification of the Vendor.

If the Vendor has any questions during the evaluation period, they may be submitted to the iVendor mailbox at: [ivendorquestions@ers.state.tx.us](mailto:ivendorquestions@ers.state.tx.us).

# III. Financial Requirements and Specifications

This Article presents the requirements and specifications for a Vendor to administer the self-funded and fully insured Dental Programs under the GBP. The Vendor shall provide a level of benefits and services consistent with those currently offered to Participants under the Dental Programs.

The Dental PPO Plan Contract to be executed in accordance with this document shall involve no insurance or reinsurance. The Contract for the Vendor's services shall at minimum include, but not be limited to: administrative services, dental network management and credentialing used in connection with the Dental Programs, as described in this RFP, and shall be executed in accordance with the requirements outlined in the Contract. Other financial requirements may be further outlined elsewhere in this RFP.

The Vendor understands and accepts that it is bound by various statutory, regulatory and fiduciary duties and responsibilities and, therefore, the Vendor expressly agrees that it shall accept and abide by such duties and responsibilities when acting on behalf of the GBP pursuant to this engagement. The Vendor shall administer the Dental Programs in a manner consistent with applicable state and federal statutory law, regulations and rules of ERS and at the direction of the ERS Board, its Executive Director, and ERS' staff. The Vendor shall recover any costs related to the requirements set forth in this Article by ERS only through the Vendor's *Price Proposal and Response Format*, Article IV.

## A. Dental PPO Benefits Information – Insured/Self-Funded Arrangement

- A.1. **State Contribution.** The state makes no contribution toward the cost of dental coverage.
- A.2. **Employee Contribution.** Employees and retirees shall pay the entire premium for dental coverage. This cost may be paid through payroll deduction.
- A.3. **Funding Methodology.** Each month ERS will collect the member contributions and hold such contributions in a fund that is designed solely for the payment of expenses incurred under the GBP. Remittance of funds to the Vendor will be made in accordance with one of the following two (2) options as listed below. The Vendor shall state which option the Vendor will be performing within its Proposal.
- A.4. **Reimbursement of Claims (Option 1).** Under a self-funded arrangement, the Vendor will process and pay all claims submitted under the plan as described herein. The claims will be paid by the Vendor through the issuance of drafts or checks on the Vendor's account. On the first working day of each week, the Vendor will present an invoice to ERS for all claim payments issued during the previous week. Within one workday following receipt of the invoice, ERS will process and submit the payment voucher to the State Comptroller for payment. It is anticipated that authorization will be returned to ERS within four working days and, upon receipt by ERS, will be immediately deposited into the Vendor's account at its designated financial institution. Although the Vendor will be responsible for maintaining sufficient funds to provide for the cash benefits which become payable under the plan described in Article V of this RFP, the Vendor will have no risk for the sufficiency of plan contributions. Due to the timing of the claims reimbursements, the Vendor may be required to advance two (2) weeks of claims payments. Recently, two (2) weeks of claims payments have averaged around \$3 million.

In the event that the voucher is not presented to ERS as specified herein, ERS' Finance division will make reasonable efforts to contact the Vendor by telephone and email to obtain the voucher. ERS then will follow the process described in Section III.A.4. above.

**OR**

**Reimbursement of Claims (Option 2).** Under a self-funded arrangement, the Vendor will process and pay all claims submitted under the plan as described herein. The claims will be paid by the Vendor through the issuance of drafts or through Electronic Funds Transfer from the Vendor's account prior to reimbursement from ERS. The Vendor will open and administer a demand deposit account ("DDA") on ERS' behalf with a Qualified Public

Depository. The Vendor retains ownership and control of the DDA; however, the funds in the DDA will only be used for reimbursement of claims. The balance of the DDA is the accumulation of claims that have been presented for payments and have not been reimbursed. The Vendor will be responsible for any bank charges and/or overdraft fees.

Before 8:00 a.m. CST on each business day, the Vendor shall notify ERS electronically of the balance of the DDA that is pending for reimbursement. ERS will instruct its custodian bank to transfer the funds via Fed wire to the DDA to settle the claim reimbursement on the same day. Although the Vendor shall be responsible for maintaining sufficient funds to provide for the cost incurred, the Vendor shall take on no risk for the sufficiency or collection of plan contributions on self-funded coverages. Due to the timing of the claims reimbursements, the Vendor may be required to advance up to three (3) days of its own resources for claims payments. Recently, three (3) days of claims payments have averaged around \$330,000.

A.4.a. As a reimbursement process, claims will be paid in arrears. The funding of the reimbursement process will be determined and agreed upon by both parties during the implementation process.

A.5. **Payment Methodology.** Each month the total administrative fee or premium will be determined by multiplying the number of employees and retirees enrolled by the administrative fee and/or premium. ERS will collect the contributions made by the Participants and remit the administrative fee or premium to the Vendor within fifteen (15) days of the end of the month for which it is applicable. ERS will pay based on internal enrollment systems and the Vendor can reconcile as needed.

A.6. **Administrative Fee.** In responding to this RFP, the Vendor is required to guarantee a single per capita administrative fee throughout the Contract Term.

A.6.a. Administrative fee or premium proposed by the Vendor should be adequate to cover all administrative expenses incurred during the period of the Contract and during any runoff period following termination of the Contract.

A.6.b. Chapter 1551, TIC, exempts the GBP from taxes on premiums. The administrative fee or premium should not include any provisions for premium and maintenance taxes.

No sales fees or commissions may be incorporated into any rating methodology utilized in response to this RFP.

A.7. **Payment of Claims is the responsibility of Vendor.** The Vendor will be liable for adjudicating 100% of the claims incurred during the period of the Contract.

A.8. **Runoff.** Following expiration or termination of the Contract for any reason, the Vendor shall continue to be responsible for processing and paying claims incurred during the term of the Contract. The cost of such runoff administration shall be reflected in Article IV, *Price Proposal and Response Format*.

In the event of termination of the Contract, the Vendor will continue to be liable for adjudicating claims incurred during the period of the Contract.

A.9. **Annual Experience Accounting.** Within ninety (90) days after the end of each Contract year, the Vendor must provide ERS with an accounting of the Dental PPO plan financial experience under the Contract. The accounting shall include monthly enrollment, paid claims, and administrative fees, if any. (This accounting is required by TIC, Chapter 1551.) In addition, the Vendor shall provide ERS with such other experience data and accounting information as ERS shall reasonably require. Additional information in this regard may be provided post Contract award.

A.10. **Maintenance of Benefits.** No Participant shall experience a loss of coverage or reduction of benefits due to a change in the Dental PPO plan vendor that occurs as a result of this process.

## B. Dental Health Maintenance Organization Information

- B.1. **State Contribution.** The state makes no contribution toward the cost of dental coverage.
- B.2. **Employee Contribution.** Employees and retirees shall pay the entire premium for dental coverage. This cost may be paid through payroll deduction.
- B.3. **Premium Rate Requirements.** Premium rates shall be uniform throughout the state. The following coverage categories and rating relativities shall be used:

Coverage Category	Rating Relativity
Member Only	1.00
Member and Spouse	2.00
Member and Child(ren)	2.40
Member and Family	3.40
Surviving Spouse Only	1.00
Surviving Spouse and Child(ren)	2.40
Children Only	1.40

**In accordance with the above, the member and spouse rate should be 2.00 times the Member Only rate, and similarly for the other coverage categories.**

- B.4. **Determination of Premium Rates.** The DHMO is required to guarantee a single set of premium rates throughout the Contract Term.
- B.4.a. In order to obtain ERS' approval of renewal rates, the DHMO shall provide full documentation of the renewal rate determination and shall demonstrate to the satisfaction of ERS the appropriateness of the renewal rates.
- B.4.b. During the third fiscal year of guaranteed rates, if the DHMO desires to continue with the GBP beyond the fourth year, the DHMO will be required to commit to good faith discussions with ERS prior to February 1st of 2017, regarding rates for the succeeding fiscal year.
- B.5. **Capitation Payments to Dentists.** ERS has determined that capitation rates are critical to maintaining a network of dentists sufficient to provide adequate access for GBP Participants. The DHMO may pay dentists capitation rates at any level; however, evaluation of Proposals will include the relationship of capitation to Plan copayments and the value this brings to the Participant. The DHMO shall only recover such capitation rates as reflected in Article IV, *Price Proposal and Response Format*.

Participant Category	Average Monthly Capitation per Participant
Employee	
Spouse	
Child (each)	

- B.6. **ERS Administrative Expenses.** The Act provides that ERS may withhold a portion of the total premium paid under the program to provide for ERS' administrative expenses. ERS is not presently withholding for administrative expenses, but it has not made a decision with respect to the withholding of such an amount for FY15. Proposed rates should not include provision for ERS' administrative expenses. If ERS chooses to include an administrative fee for FY15, the rates will be adjusted to reflect such action.
- B.7. **Premium Rates.** Consideration should be given to the following in developing the premium rates:
- B.7.a. The DHMO will have full liability for all claims incurred during the period of the Contract, including those claims incurred under the Contract but not submitted for payment until after termination of the Contract.
- B.7.b. The liability of ERS, the state, and its Participants will be strictly limited to the premiums collected under the Contract. The DHMO will be at risk for any liability in excess thereof.

- B.7.c. No state premium or maintenance taxes will be levied on the DHMO selected to underwrite the DHMO plan in accordance with TIC.
- B.7.d. The DHMO will receive the premium payment for a given month within forty-five (45) days following the due date for that month.
- B.7.e. The premium should include provision for all administrative services described herein.
- B.8. **Premium Rate Guarantees and Adjustments.** In rating the proposed plan, it is required that the rates contained in the Vendor’s Proposal be guaranteed for the Contract Term. The required rating relationships are described in the *Price Proposal and Response Format*, Article IV.
- B.9. **Legislative Mandates.** If, subsequent to the submission of a Proposal prepared in response to these specifications, federal or state legislation is enacted which materially impacts the benefits provided under the GBP, ERS shall enter into good faith negotiations with the DHMO selected to underwrite the program to arrive at a mutually agreeable adjustment to the rates submitted in response to these specifications so as to appropriately reflect the anticipated impact of such legislation.
- B.10. **Maintenance of Benefits.** No Participant shall experience a loss of coverage or reduction of benefits due to a change in DHMO that occurs as a result of this process.
- B.11. The DHMO shall submit a proposed set of rates for the Benefits as described in the Dental HMO Schedule of Benefits, Appendix I, by completing Article IV, *Price Proposal and Response Format*. Since ERS will accept no deviations from the Dental HMO Schedule of Benefits, do not provide a separate benefit schedule as part of the Proposal.

**C. Enrollment Assumptions**

To facilitate Proposal analysis, the following enrollment assumptions will be utilized:

April 2013 enrollment is located in Appendix K, *Data Supplement Instructions and Supplement*.

**D. Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”)**

ERS will pay the DHMO for COBRA Participants based on the chart below that reflects how the rate structure for COBRA will be applied.

COBRA Participant Category	Applicable Rate Category
Spouse Only	Member Only
Child Only	Member Only
Children Only	Member & Child(ren)
Spouse & Child(ren)	Member & Child(ren)

# IV. Price Proposal and Response Format

## A. Dental PPO Plan Proposal

	Current Benefit Plan
<b>(A) Self-Funded Proposal</b>	
Administrative Fee Per Member Per Month (2,3)	*\$

A.1. Provide the Vendor's estimate of the percentage impact on Dental PPO plan claims cost from adding the following benefits:

	Percentage of Total Claims
Implants	%
Composite restoration on molars	%
Adult orthodontics	%
Night splints	%

A.2. Amount placed at risk for *performance guarantees per plan year* \$ \_\_\_\_\_

Note: The *performance guarantees* shall reflect a total aggregate dollar amount equal to but not less than 10% of the total administrative fee for the Plan. At ERS' discretion, *Performance Guarantees* will be allocated to the various severity levels based on the total amount at risk. Assessments for any single Plan Year will not exceed the total amount at risk.

A.3. Amount placed at risk for implementation guarantees \$ \_\_\_\_\_

A.4. **Administrative Fee:**

	Per Member Per Month
Marketing/Sales	
Claim Processing	
Network Management	
Other administration	
Risk/Profit	
Banking Arrangements	
Total Administrative Fee*	

\*Should match \$ in A.

## B. Dental HMO Proposal

	Required Rating Relativities (1)	Current Benefit Plan	FY2013 Premium Rates
Monthly Premium Rates (2,3)			
Member Only	1.00	\$	\$ 8.52
Member & Spouse	2.00	\$	\$17.05
Member & Child(ren)	2.40	\$	\$20.45
Member & Family	3.40	\$	\$28.98
Spouse Only	1.00	\$	\$8.52
Child(ren) Only	1.40	\$	\$11.93

Spouse and Child(ren)	2.40	\$	\$20.45
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B.1. Using the following table, provide the projected percentage of DHMO premium which the Vendor expects to allocate to each of the following:

	Percentage of Total Premium
Captitation to Primary Dentists	%
Supplemental Payments to Primary Dentists	%
Payments to Specialists	%
Miscellaneous Payments (consulting fees, emergencies, etc.)	%
Administration and Profit	%
<b>TOTAL</b>	<b>100%</b>

B.2. Administrative charges included in premium rate:

	Per Member Per Month
Payment to Provider	
Sale/Marketing	
Commission	
Network Management	
Claim Processing	
Other Administration	
Risk/Profit	
Banking Arrangements	
Total Fee	

B.3. Amount placed at risk for *performance guarantees per plan year* \$\_\_\_\_\_

Note: The *performance guarantees* shall reflect a total aggregate dollar amount equal to but not less than 10% of the total administrative fee for the Plan. At ERS' discretion, *Performance Guarantees* will be allocated to the various severity levels based on the total amount at risk. Assessments for any single Plan Year will not exceed the total amount at risk.

B.4. Amount placed at risk for implementation guarantees \$\_\_\_\_\_

### C. Dental Discount Proposal

	Monthly Rates
Member Only	
Member & Spouse	
Member & Child(ren)	
Member & Family	
Spouse Only	
Child(ren) Only	
Spouse and Child(ren)	

C.1.

	Required Rating Relativities	Current Benefit Plan	FY2013 Rates
Monthly Rates (2,3)			
Member Only	1.00		
Member & Spouse	2.00		
Member &	2.40		

Child(ren)			
Member & Family	3.40		
Spouse Only	1.00		
Child(ren) Only	1.40		
Spouse and Child(ren)	2.40		

**C.2. Monthly Fee**

	Per Member Per Month
Payment to Provider	
Sale/Marketing	
Commission	
Network Management	
Claim Processing	
Other Administration	
Risk/Profit	
Total Fee	

**Footnotes:**

- (1) The proposed premium rates for the Dental PPO plan, administrative fees, the DHMO, and the Discount Dental plan are required to satisfy the indicated rating relationships. For example, the Member & Child(ren) rate is required to be 2.40 times the Member Only rate.
- (2) Rates should be rounded to the nearest \$.01.
- (3) Proposed fees or rates are guaranteed for the four (4) year period September 1, 2014 through August 31, 2018.
- (4) Is the Vendor willing to guarantee the fees or rates beyond four (4) years?  Yes  No  
If yes, for what period of time.

# V. Dental Preferred Provider Organization Plan

## A. Dental PPO Program Background

- A.1. A PPO option was added September 1, 2009, which enhanced benefits if a PPO provider was utilized for dental services. Dental benefits are available under the Choice to eligible employees and dependents anywhere in the United States or Canada and allow the Participant to utilize a dentist of choice. However, a preferred provider network option is available to maximize benefits. The state of Texas Dental Choice Plan, the state's self-funded Dental PPO plan, has been administered by since September 1, 2009.

GBP participation in the Dental PPO plan for the past five (5) years is listed below:

Year Ending	Employees	Dependents	Total Enrollment	% Change/Year
August 31, 2008	92,333	81,495	173,828	
August 31, 2009	101,785	89,997	191,782	10.3%
August 31, 2010	118,025	104,615	222,640	16.1%
August 31, 2011	125,862	109,567	235,429	5.7%
August 31, 2012	132,925	112,938	245,863	4.4%

- A.2. **Dental PPO Historical Plan Expenditures.** The total amount paid for claims incurred by the Dental PPO plan for the past five (5) years is listed below:

Fiscal Year	Total Claims Paid
2008	\$35,299,000
2009	\$39,980,000
2010	\$50,295,000
2011	\$55,481,000
2012	\$58,795,000

## B. Summary of Dental PPO Plan Benefits

- B.1. In response to this RFP, the PPO shall submit its self-funded Proposal in accordance with the Dental PPO plan benefit package. The current Dental PPO Schedule of Benefits is described in Appendix H. ERS does not wish to consider other plan designs other than that presented herein, and, accordingly, deviations from these specifications shall not be accepted, except as requested by ERS.
- B.2. This plan is offered on an optional, employee-pay-all basis; therefore, ERS cannot guarantee any level of participation.
- B.3. The Dental PPO plan does not include a pre-existing condition provision, except as described in the Summary of Dental PPO Plan Benefits.
- B.4. No evidence of insurability shall be required for employees or retirees to enroll in the plan.
- B.5. The plan shall provide coverage for night splints or night guards that have been provided by a network dentist.
- B.6. The selected Vendor shall also provide the services described herein for COBRA Participants. All enrollments, billing, collection, and other administrative matters related to COBRA shall be handles directly by ERS.
- B.7. All enrollment, billing, collection and other administrative matters shall be handled directly by ERS. Chapter 1551 of the TIC provides that the Executive Director of ERS has exclusive authority to decide all questions relating to enrollment in or payment of claims arising from

program or coverage provided under the Act. Any decision by the Executive Director under this section may be appealed only to the Board. An appeal to the Board is a contested case under the Administrative Procedure Act (Texas Government Code, Chapter 2001).

The Rules of ERS, Title 34, Part IV., Chapter 81, Section 9 of the Texas Administrative Code, define the Grievance Procedure that is available to persons participating in the Dental PPO plan. This provision shall be cited in the Certificate of Insurance Coverage provided to the Participant.

- B.8. The Proposal should include a provision regarding Coordination of Benefits (“COB”). The Vendor shall collect other insurance information for the purposes of COB. The Vendor is required to coordinate benefits with any group plan (other than a GBP-sponsored plan) under which a GBP Participant has coverage. The Vendor is not relieved of the duty to provide covered services as a result of such COB. If a GBP Participant is eligible to receive benefits under another group plan, the Vendor shall coordinate benefits.

### **C. Eligibility for Coverage**

- C.1. Full-time and part-time employees and their dependents are eligible for benefits and ERS shall begin withholding premium payments on the first day of the calendar month after which the employee begins active duty.
- C.2. Dependent children can be covered through the end of the month following their 26th birthday.
- C.3. ERS is responsible for determining the eligibility of Participants in the GBP and for reporting coverage.
- C.3.a. The Vendor shall support a process whereby the Vendor shall electronically access or interface to ERS’ enrollment system by all departments involved in customer services, claims adjudication, and eligibility enrollment administration. Requirements specific to electronic access and file interfaces are fully described in Section XI.A.

# VI. Dental Health Maintenance Organization Plan

## A. DHMO Program Background

- A.1. The DHMO is available to employees who live or work in the Texas service area. Benefits are directed by a Primary Care Dentist (“PCD”) who is selected by Participants from a list of approved providers. Employees and dependents may choose different PCDs. Dependents who live out of the service area may be enrolled, but must return to the service area and use their PCD to receive dental care, except for emergency services. The DHMO has been administered by HumanaDental since September 1, 2009.

The following information reflects the DHMO participation for the past five (5) years:

Month Ending	Employees	Dependents	Total Enrollment	% Change/Year
August 31, 2008	95,124	95,742	190,866	
August 31, 2009	96,387	94,465	190,852	0.0%
August 31, 2010	91,026	85,776	176,802	-7.4%
August 31, 2011	85,115	76,134	161,249	-8.8%
August 31, 2012	81,808	69,275	151,083	-6.3%

- A.2. **DHMO Historical Plan Expenditures.** Total premiums paid to the DHMO plan for the past five (5) years are reflected in the table below:

Fiscal Year	Total Premiums Paid
2008	\$13,251,000
2009	\$13,267,000
2010	\$16,591,000
2011	\$15,632,000
2012	\$14,327,000

## B. Dental HMO Schedule of Benefits

- B.1. The proposed DHMO Schedule of Benefits, including the required benefits and member copayment levels to be provided under the fully insured DHMO plan, is located in Appendix I.
- B.2. In response to this RFP, the DHMO Vendor shall submit rates in accordance with the DHMO Schedule of Benefits. ERS does not wish to consider plan designs other than that presented herein, and, accordingly, deviations from these specifications shall not be accepted, except as requested by ERS. Please note the selected DHMO shall work with ERS to update this schedule of dental benefits with the current American Dental Association codes, if necessary.
- B.3. This plan is offered on an optional, employee-pay-all basis; therefore, ERS cannot guarantee any level of participation.

## C. Plan Design

- C.1. It is ERS’ desire that the majority of dental care shall be provided by a PCD who accepts the prescribed copayments. The network of PCDs should include an adequate number of Pedodontists to provide services under the DHMO Schedule of Benefits.
- C.2. ERS recognizes that, in some instances, specialty dental care shall be necessary and that a contracting specialty dentist shall perform necessary dental care. The members shall receive at least a 25% reduction for the necessary dental care from the specialty dentist’s usual and customary charge.

- C.3. ERS recognizes that emergency situations shall arise from time to time. It is ERS' intent that emergency services are arranged for by the patient's PCD in order for the member to utilize the schedule of dental benefits. The DHMO should establish a toll-free number for use by patients when their PCD is not available. In such instances, patients may be referred to a dentist (preferably a participating dentist) for palliative treatment only and the patient's copayment for palliative treatment shall be as indicated in the Schedule of Dental Benefits. DHMO shall be responsible for any provider charge in excess of the patient's listed copayments. However, the DHMO is not financially responsible if the patient does not contact DHMO for emergency referral assistance.
- C.4. The plan shall provide coverage for night splints or night guards that have been provided by a participating dentist.
- C.5. **General Dentists.** Covered dental services, shown in the Dental HMO Schedule of Benefits, shall be provided by general dentists at the dental office location, except for referral care to specialty dentists when approved by the Vendor or out-of-area emergency dental care.
- The DHMO Schedule of Benefits shows the copayment that applies to covered dental services. The plan participant is responsible for making the copayment to the general dentist. Covered services include only services in the schedule in Appendix I.
- Any services not specifically listed are the responsibility of the member and are payable at the dentist's usual and customary charge.
- C.6. **Specialty Dentists.** When individual case circumstances or the severity of a Participant's your condition are such that the covered dental procedure cannot be performed by a general dentist, the general dentist may refer you to a specialty dentist for dental care. Specialty dentists include Oral Surgeons, Orthodontists, Endodontists, Periodontists, Pedodontists, and Prosthodontists.
- The specialty dentist shall provide the services to a covered person with a copayment of 75% of the dentist's usual and customary charge for the service.
- C.7. **Copayment Amount.** A copayment amount applies to some dental services. The covered person is responsible for paying the copayment amount to the dentist. The copayment amount is due at the time the services are rendered.

## **D. General Information**

- D.1. No evidence of insurability shall be required for employees or retirees to enroll in this plan.
- D.2. The plan may not include a pre-existing condition provision that would limit an employee's or retiree's right to enroll in the plan.
- D.3. The selected DHMO shall also provide the services described herein for COBRA Participants. All enrollments, billing, collection and other administrative matters shall be handled directly by ERS.
- D.4. Chapter 1551 of the TIC, provides that the Executive Director of ERS has exclusive authority to decide all questions relating to enrollment in or payment of claims arising from plans or coverage provided under the GBP.
- D.5. The DHMO's grievance procedure shall be in compliance with all applicable statutes and regulations, including, but not limited to, rules and regulations of the TDI, as amended.
- D.6. The DHMO's response should include a provision regarding COB. The DHMO shall collect other dental insurance information for the purposes of COB. The DHMO is required to coordinate benefits with any group plan (other than a GBP-sponsored plan) under which a GBP Participant has coverage. The DHMO is not relieved of the duty to provide covered services as a result of such COB. If a GBP Participant is eligible to receive benefits under another group plan for services provided at the DHMO's expense, the DHMO shall coordinate benefits.

## VII. Dental Discount Plan

### A. Dental Discount Program (“Discount Plan”).

The Discount Plan should be one of the Vendor’s standard plan benefits for the types of dental services covered through the dental PPO or DHMO plan described in the RFP. The Discount Plan shall be designed as a stand-alone benefit for enrollees whereby an enrolled member will pay a discounted fee to the network discount provider at the time of service without a referral or claim.

### B. Discount Plan Benefits

- B.1. The proposed discounts shall be applicable to preventive and routine dental procedures which include, but is not limited to: routine oral exams, dental cleanings, as well as major dental procedures such as root canals, crowns and dentures.
- B.2. In response to this RFP, the Discount Plan provider shall submit rates on a per member per month (“PMPM”) basis, as reflected in Article IV, *Price Proposal and Response Format*.
- B.3. Although not an insurance program, the Discount Plan will be available through payroll deduction; direct bill will not be available to enrolled members.
- B.4. This Discount Plan shall be offered on an optional, employee-pay-all basis; therefore, ERS cannot guarantee any level of participation.

### C. Discount Plan Network

- C.1. The network of Discount Plan dentists should include an adequate number of General Dentists to provide services to enrolled participants on a state-wide basis. All dentists (general and specialty) shall be duly licensed in the state of Texas and meet necessary credentialing requirements.
- C.2. **General Dentists.** Discounted dental services shall be provided by general dentists at the dental office location.
- C.3. **Specialty Dentists.** The Discount Plan may include specialty dentists which may include Oral Surgeons, Orthodontists, Endodontists, Periodontists, Pedodontist or Pediatric, Prosthodontists, and cosmetic dentistry.
- C.4. **Discount Benefit.** The benefit provided shall be in the form of a discount off each billable service. The participating dentists will charge the enrolled participant the contracted discounted rate that has been pre-negotiated with the Discount Plan provider. This discount can come in the form of a percentage off the cost for each dental procedure or a guarantee that the enrolled participant will pay “no more than \$XX” for each particular billable dental service.

### D. General Information

- D.1. No evidence of insurability shall be required for employees or retirees to enroll in this plan.
- D.2. The Discount Plan would be made available to actively employed GBP participants, retirees and their eligible dependents and shall not include restrictions on program usage or benefit maximums.

## VIII. Communication Requirements

This Article describes the Vendor's requirements in communicating with Participants and potential Participants, employers, ERS staff, and other constituents, as further described herein. The Vendor shall administer its plans in a manner consistent with all applicable state and federal laws, regulations and rules of ERS, and at the direction of the ERS Board, its Executive Director, and ERS staff. Any start-up costs and the cost of the requirements described herein shall be recovered by the Vendor only by making provision for such expenses in the Vendor's *Price Proposal and Response Format* in Article IV.

**The Vendor's communication materials designed for the Participants cannot, and the Vendor represents and warrants that it shall not, advertise or promote coverage, services, products or materials, other than those relating to the Vendor's participation in the GBP Dental Program. Prior approval of all communication material's design and content shall follow a formal process that requires ERS' documented authorization. In all cases, the Vendor is not allowed to disseminate materials or information relating to the Dental Programs without prior written ERS approval. The final materials used by the Vendor shall not differ in form or utility from those approved by ERS.**

The communication requirements listed herein may not specifically apply to the PPO, DHMO or Dental Discount Vendor. The Vendor shall provide its communication requirement deviations in Section XIV.A.9. The Vendor shall provide the information that is only applicable to its Plan.

### A. Program-Specific Overview

In all cases, the Vendor communication materials, whether disseminated via the Internet, written, or oral form shall be in ERS' required format according to deadlines to be set by ERS and approved by ERS prior to dissemination. The Vendor is required to submit to ERS for prior approval draft copies of all proposed marketing materials to include, but not be limited to: Power-Point presentations, all scripts to be used by the Vendor's customer service representative and/or for presentations, newspaper/press releases, billboard, television, and radio advertisements for AE or for any other GBP-specific purpose (as required in the latest version of the *Marketing Guidelines for GBP & ERS Vendors*, located in the ERS Style Guide and Usage Manual, Appendix L). The final materials used by the Vendor shall not differ in form or utility from those approved by ERS. **The Vendor shall provide all finalized communication materials no later than sixty (60) calendar days prior to the start of AE.**

The Vendor must have a designated communications lead on staff who is dedicated to the ERS program.

- A.1. **Prohibition.** During AE, and any ongoing communication process, the Vendor shall not discuss, advertise, distribute, or in any manner allude to coverage, products, or materials other than those explicitly relating to the Vendor's participation in the GBP Dental Program. This product marketing prohibition also applies to the GBP-specific website to be used by GBP Participants.
- A.2. ERS shall review and approve all communication materials designed for GBP Participants and GBP employers or that references the GBP. The Vendor shall provide this material electronically in a format that allows for electronic editing. The Vendor shall have the ability to customize said material to ERS' specifications. The Vendor shall not distribute these communication materials until they have gone through a formal review process at ERS and have received ERS' documented approval authorization. Following this approval, the Vendor may not alter the materials in any way.
- A.3. In addition to GBP-specific materials, ERS may suggest refinements to other materials and will work with the Vendor to modify materials as needed. These include operating documents such as Explanation of Benefits ("EOB"), claim approval and denial letters, other claims processing documents and promotional items.
- A.4. **Vendor Training Requirement.** The Vendor's Account Team shall have designated resources available to provide training as needed to ERS staff, employers and GBP Participants. Training may be conducted in person in individual or group settings or via webcast or conference call. Training related to the Vendor internal operations shall be provided to ERS Customer Benefits, Benefit Contracts, and Communications and Research

staff upon ERS' request. Staff training shall occur on an as-needed basis as specified by ERS throughout the year based on changes to operations or plan design and as ERS determines to be necessary. The Vendor should have resources sufficient to provide twenty (20) full days of training each year. ERS must approve training agendas and materials for external training. Training will be designed to meet specific learning goals. The Vendor should be able to provide web-based training in addition to in-person training.

- A.5. **Plain Language Requirement.** The Vendor is responsible for a wide variety of communication materials explaining the plan to eligible employees, retirees, and their dependents. ERS requires the Vendor to comply with TDI's plain language requirements as outlined in the Texas Administrative Code, Title 28, Part I, Chapter 3, subchapter G § 3.602, as it may be amended in the future, for all communication materials related to the GBP Dental Program. Material submitted to ERS for approval should be at the 8th grade reading level with limited use of jargon. The material shall conform to ERS branding and communication guidelines. In addition, material shall be subject to editing and customization, including legal disclaimers and other standard language.
- A.5.a. Communication to Participants in the Dental Program shall be clear and understandable, using terminology familiar to Participants, customized as required by ERS, to comport with the benefit plan design and approved by ERS prior to dissemination. All of the Vendor communication materials shall meet Americans with Disabilities Act requirements for accessibility.
- A.5.b. Communication material shall be available in both print and electronic forms. Certain materials, such as the Member Handbook, may be made available electronically, only as long as printed materials can be provided upon request to Participants. Accommodations shall be made for individuals with visual and/or hearing impairments in the development, production, and deployment of all communication materials, including information disseminated via the Internet.
- A.6. **Vendor Communication Materials.** ERS will assign a communications account manager to the Vendor to manage communication material review and approval. The Vendor will assign a communications representative to work with the ERS designee. This representative must be familiar with the applicable GBP Dental Program(s). In order to receive document approval, the Vendor shall provide to the Communications and Research Division ("CAR") divisional designee for review all communication material that requires pre-approval, at least fifteen (15) business days prior to sending, disseminating or otherwise providing such written or oral communications to any person or entity. On occasion, review and approval may be required in fewer than fifteen (15) business days. These types of "rush jobs" require prior approval from ERS' CAR divisional designee. The Vendor shall regularly review, revise and update, where necessary, all information contained on its website which relates to or may be utilized by any GBP Participants. The Vendor shall not disseminate material without prior ERS approval or pressure ERS to advance the timeline as provided herein, other than at ERS' discretion.
- A.6.a. **Communication/Marketing Material Review Process.** Communication materials are considered "approved" when a final, watermarked "printer's proof" or "test email" is delivered to ERS and subsequently approved by the CAR divisional designee in writing. The Vendor may not alter printer's proof in any way without ERS' permission.
- A.7. **Advertising and Other Communications.** The Vendor is required to obtain ERS approval for all proposed newspaper, web, social media, billboard, television, and radio advertisements used to promote GBP benefit programs.
- A.7.a. The Vendor's failure to receive ERS' approval for the use of GBP-specific communication materials prior to dissemination may result in a monetary assessment as referenced in the *Performance Guarantees* in Appendix G and/or other legal remedies available to ERS in the Contract.
- A.8. **Media Relations, Public Information and Outreach.** As a Vendor for the Dental Plan, the Vendor may receive inquiries from interested third-parties relating to the Vendor's program administration, benefits and/or services. Although information about and generated under this RFP and the Contract may fall within the public domain, the Vendor shall not release information about or related to this Contract to the general public or media verbally, in writing,

or by any electronic means without prior approval from the ERS Assistant Director (“AD”) of Benefit Contracts, or designee, unless the Vendor is required to release requested information by law.

ERS reserves the right to announce to the general public and media:

- Award of the Contract;
- Contract terms and conditions;
- Scope of work under the Contract;
- Deliverables and results obtained under the Contract;
- Impact of Contract activities; and
- Assessment of the Vendor’s performance under the Contract.

Except where ERS’ approval has been granted in advance, the Vendor shall not seek to publicize and shall not respond to unsolicited media queries requesting announcement of Contract award, Contract terms and conditions, Contract scope of work, government-furnished documents ERS may provide to the Vendor to fulfill the Contract scope of work, deliverables required under the Contract, results obtained under the Contract, and impact of Contract activities. If contacted by the media about this Contract, the Vendor agrees to notify the ERS AD of Benefit Contracts, or designee, in lieu of responding immediately to such media queries.

- A.8.a. **Media Inquiry Process.** The Vendor shall verbally respond immediately to any media inquiries acknowledging receipt of query and shall provide the media with an expected timeframe for the Vendor response based upon the Vendor’s understanding of the media request and an estimate of time required to respond.
- A.8.b. If the Vendor identifies that an inquiry is directly related to a GBP program and/or GBP program Participant, the Vendor shall immediately provide a high priority written notification to the AD of Benefit Contracts, or designee, outlining all details related to the media’s inquiry and all known facts of the related circumstances. GBP Participant information is considered confidential under Texas law.
- A.8.c. If the media inquiry is GBP related, ERS will provide the Vendor with:
- a. Specific instructions on how to manage the media inquiry moving forward;
  - b. Direction regarding the handling of the Participant related issue(s) and/or complaint(s); and,
  - c. If appropriate, an ERS directive on Operational or Customer Service Representative (“CSR”) internal control modifications necessary to avoid problem recurrence.
- A.8.d. If the Vendor determines that neither a GBP program nor GBP program Participant is impacted, the Vendor may respond as appropriate and agrees to provide ERS’ AD of Benefit Contracts with a copy of the response information within forty-eight (48) hours from dissemination.
- A.9. **Quality Control.** The Vendor shall ensure that all communication materials submitted to ERS will reflect quality production, accuracy, timeliness, and thorough review. All GBP-approved benefit and legal documents, website, GBP-specific media responses, required reports (to include *ad hoc* reports), and dated materials shall include, but not be limited to, the following:
- Appropriate Plan Year;
  - Accurate data related exclusively to the GBP, unless otherwise specified by ERS; and
  - GBP-specific language.
- A.9.a. All such materials shall be provided within the required timelines as directed by ERS staff and/or its consultants and may not be released to outside sources without prior ERS consent.
- A.9.b. The Vendor’s failure to provide accurate, timely and GBP-specific communication materials may result in a monetary assessment as reflected in the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract.
- A.9.c. Following ERS’ review and once edited materials have been provided to the Vendor, the Vendor shall conform all documents as reflected by the ERS designated deliverable dates. If the edits, or other mutually agreed-upon resolution of those edits, have not been completed by the ERS designated due date, the Vendor may risk a monetary assessment as required in

the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract.

- A.10. **Participant Requests for Communication Materials.** The Vendor shall, at its expense, respond to all Participant requests for mailed materials no later than three (3) business days following a Participant's request.
- A.11. **Vendor Name Change.** If a name change occurs for the Vendor and results in a cost to ERS in publication, the Vendor shall be billed for the amount of the expense.

## **B. Agency/Higher Education Institution Communications**

- B.1. The Vendor approved by the Board should be prepared to attend a meeting following Board approval to discuss the Vendor's customer service, communications requirements, and AE meeting responsibilities.
- B.2. **Agency/Institution Contacts.** Many of the 275 agencies/institutions have a staff member dedicated to benefits enrollment and education called a benefits coordinator ("BC"). The Vendor shall have resources dedicated to responding to BCs and other agency/higher education institution contacts. The Vendor shall provide escalated customer service as well as training and educational presentations/materials, to agencies/higher education institutions throughout the year.
- B.2.a. The Vendor shall process requests from agencies/higher education institutions for communication materials for their employees. The Vendor shall also process requests from individual retirees for printed communication materials upon request. In addition, the Vendor may be asked to provide materials to employee and retiree associations, such as the Retired State Employees Association, Executive Women in Texas Government, the Texas Association of State Human Resource Managers, the Texas Public Employees Association and the Texas State Employees Union, at the Vendor's expense.
- B.3. **Presentations and Events.** The Vendor shall have a GBP-knowledgeable representative available to attend numerous ERS sponsored events throughout the year, to include, but not be limited to:
- AE fairs (Additional resources will be needed during this 30-day period);
  - Wellness fairs;
  - Benefit seminars hosted by ERS throughout Texas;
  - Annual retiree conference;
  - Various association events and conferences; and
  - Benefit Webinars.
- B.3.a. In addition to ERS sponsored events, the Vendor shall provide at least one (1) GBP-knowledgeable representative to attend the following employer sponsored and miscellaneous events to include, but not be limited to:
- Benefits fairs;
  - New employee orientations hosted by employers; and
  - Annual employer conference.
- B.3.b. The Vendor shall provide no fewer than one (1) GBP-knowledgeable representative at each fair who is well versed in the products and services to be offered to the GBP Dental Program Participants.
- B.3.c. The dedicated resource must be an experienced presenter able to communicate effectively to large groups. Some events will require the representative to set up and staff an information table to offer GBP-approved communication materials and individualized customer service.
- B.3.d. ERS' CAR divisional designee will designate those events for which the Vendor's attendance is required. The Vendor acknowledges and accepts that additional obligations and enhancements to these requirements may become necessary should benefit plan changes or other circumstances warrant.
- B.4 **Enrollment Campaign.** The Vendor shall create custom communication materials for each enrollment campaign. This material includes, but is not limited to:

- An enrollment presentation to be recorded and posted on the ERS website and delivered upon request at enrollment events;
- Targeted enrollment communication brochures;
- Welcome Letter to new Participants;
- Brochures explaining plan changes and updates;
- General plan information; and
- Enrollment information on the Vendor website.

## C. Communication Materials

C.1. All communication materials, in addition to the ones listed in VIII.C.2. below, printed or web-accessed, shall be included with the materials submitted for application in the format required in the latest version of the *Marketing Guidelines for GBP & ERS Vendors*, located in the ERS Style Guide and Usage Manual, Appendix L, and in the latest version of the *ERS Brand Guidelines*, Appendix M, and accessible on the CD-ROM in Word or Excel format as applicable (no PDF documents will be accepted, with the exception of sample GBP-specific marketing materials, financial statements and audited financial materials).

C.2. The Vendor shall have the ability to provide customizable communication materials listed below.

Communication materials include, but are not limited to:

- Master Benefit Plan Document (“MBPD”);
- Member Handbook;
- Welcome packet;
- Brochures and newsletters;
- The Vendor’s GBP-specific website;
- Claim forms;
- Presentations;
- Scripted responses used by customer service representatives;
- IVR scripting;
- AE and Welcome letters;
- Evidence of Coverage (“EOC”);
- Provider directory, including specific disclaimer stating that the list of providers is subject to change.
- Standard messaging for various systems’ downtime;
- Announcement letters;
- Consumer-targeted educational materials;
- News releases/Contract signing announcements;
- All advertising materials in association with the Dental Plans;
- Annual HIPAA exemption notice and benefit changes summary;
- Articles for ERS newsletters;
- News updates for ERS website;
- *Ad hoc* publications;
- Token giveaways for enrollment fairs and events; and
- Other related statements.

The Vendor shall work with ERS staff to produce the MBPD subsequent to the Contract award. The web version shall not differ from that approved by ERS and published on the Vendor’s GBP-specific website.

The Vendor shall disseminate only GBP-specific approved materials at all events. Disseminating unapproved material, or material that is not customized for GBP Participants, could result in the levying of *Performance Guarantees* as referenced in Appendix G and/or other legal remedies available to ERS in the Contract.

Any cost for these forms and other communication-related materials should be included as a part of the Vendor’s proposed administrative fees and/or premium rates. ERS shall retain the right to change or modify such material to accommodate ERS’ specific needs.

C.3. The Vendor may in the future be asked to design and/or print certain ERS communication materials on behalf of ERS. These materials are in addition to the communication materials that the Vendor must produce as part of the Contract and must be approved by ERS in

advance of such printing in accordance with ERS' previously described format review process. Each year, the Vendor will secure a print/fulfillment vendor on ERS' behalf and invoice ERS when the printing job is completed.

- C.3.a. These tasks include, but are not limited to:
- Setting print/fulfillment bid specifications with assistance from ERS staff;
  - Sending print/fulfillment bid specifications to prospective vendors;
  - Receiving bids from prospective vendors on printing/fulfillment;
  - Answering questions (with assistance from ERS staff) from prospective vendors on print/fulfillment bid specifications;
  - Selecting an economical print/fulfillment vendor based on bid specifications;
  - Conducting or attending periodic meetings on ERS print job with ERS staff and vendor;
  - Serving as intermediary between ERS staff and vendor;
  - Communicating with ERS staff and vendor in a timely fashion about printing and distribution specifications and deadlines;
  - Comparing vendor invoices with the original bid, providing sign off, and obtaining sign off from ERS staff;
  - Obtaining clarification (if needed) on vendor invoices;
  - Submitting selected printing invoice to ERS staff for final approval;
  - Paying printing vendor after invoices are approved by ERS; and
  - Submitting the Vendor's invoice to ERS for reimbursement.

- C.4. **Confidential Information.** Materials that contain protected health information or other confidential information such as the Participant ID number must be mailed in an envelope or other mailing service device designed to secure the confidential information from casual viewers.

- C.5. **DHMO - Evidence of Coverage.** The DHMO understands, agrees and acknowledges that the Contract between ERS and the DHMO shall control over the EOC in connection with the contractual relationship between ERS and the DHMO. The EOC shall provide a detailed description of a Participant's benefits for the fiscal year, explain a Participant's rights and provide the rules to follow when using the DHMO coverage for dental care. As such, the DHMO is required to make the EOC available to Participants in both electronic and printed formats.

The DHMO is required to produce a printed EOC for FY15, as well as to publish it on its GBP-specific website. The DHMO shall submit a proposed EOC on a separate CD-ROM (in Word or Excel document, no PDF documents will be accepted) and include a sample ID Card in its Proposal materials. The DHMO currently participating in the GBP shall submit a version with tracked changes of their proposed EOC with its Proposal materials using their current GBP EOC as the starting point. The tracked change version shall indicate ALL proposed revisions.

- C.5.a. A DHMO's failure to provide a tracked change version of their proposed EOC for the upcoming fiscal year may result in a monetary assessment as reflected in the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract. Once the EOC has been reviewed by ERS and all edits made, the EOC shall be submitted to TDI for approval. All EOC modifications required by TDI shall be provided to ERS, as well as any subsequent EOC revisions occurring during the fiscal year. The DHMO shall inform ERS in writing once the EOC has received TDI approval. ERS requires that printed copies of the TDI-approved EOC be immediately available to requesting Participants within three (3) business days of TDI approving the document, but no later than forty-five (45) calendar days following the start of the fiscal year. The final published EOC posted on the DHMO's GBP-specific website shall not differ from that which was approved by TDI and provided to Participants in printed form.
- C.5.b. The EOC shall include an identical copy of the Summary of DHMO Benefits, as described in this document, a complete list of limitations and exclusions, including all plan provisions and the TDI-approved member complaint and appeal process. The DHMO is required to include the GBP-specific eligibility rules as found in the Board of Trustee Rules, Tx. Admin. Title 34, Part 4, § 81.5.
- C.5.c. **EOC Approval/Delivery Requirements.** A proposed, final draft of the DHMO's EOC for FY15 shall be published and reflected in the DHMO's test website available thirty (30) days

prior to AE. The DHMO's EOC revisions, as requested by ERS, shall be complete and all information accurately reflected on the live DHMO's website by the first business day of July or the DHMO risks a monetary assessment as reflected in the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract.

C.5.d. The DHMO shall submit its finalized EOC to TDI so that one (1) CD-ROM version (in Word or Excel format, PDF documents will not be accepted) of the DHMO's FY15 EOC shall be received by ERS' Benefit Contracts division no later than forty-five (45) calendar days following the start of the fiscal year.

- **New Enrollees.** The EOC shall be mailed to all new enrollees who request a printed copy within five (5) business days after the DHMO receives the Participant's request. For all other purposes, the EOC's publication on the DHMO's website shall be provided as required herein.
- **Current DHMO Membership.** Within thirty (30) days following TDI's approval, the EOC and applicable amendments shall be published on the DHMO's website and shall be mailed within five (5) business days to all currently enrolled Participants if a printed copy is requested.

C.6. **Member Handbook.** The Dental HMO shall provide to the AD of Benefit Contracts or designee a draft of the Member Handbook with its Proposal and a final draft version by the October 15th for ERS' review. See the *Member Handbook for the Dental DHMO*, to use in preparation of the Vendor's Member Handbook, as referenced in Appendix E. The Member Handbook is comprehensive benefit plan summaries that interpret the MBPD for Participants in layman's terms. This is the primary reference source for Participants explaining the plan design and covered benefits.

C.7. **Annual Enrollment or Welcome Letter.** The Welcome Letter should contain information about the DHMO. For the currently participating DHMO, an AE letter announcing any benefit changes from the previous year, including any benefit changes, shall be mailed to the current membership one (1) week prior to the start of the new fiscal year. The Welcome Letter shall contain instructions on how to access information and forms using the web, and include the customer service address, phone numbers, and hours of operation. The DHMO shall not utilize a postcard or flyer format for the Welcome Letter. For new GBP DHMO, the Welcome Letter should provide Participants with general information about the DHMO's benefit designs, including customer service address, phone numbers, and hours of operation. The DHMO's Welcome Letter should be available at the same time the two-page Fact Sheets are available to BCs.

C.8. **PPO - MBPD and Member Handbook.** The Dental PPO shall provide to the AD of Benefit Contracts or designee:

- **MBPD.** The Dental PPO shall provide for FY15 the MBPD draft with its Proposal and by the first business day in April for subsequent plan years for ERS' review. See the *Master Benefit Plan Document describing the State of Texas Dental Choice Plan<sup>SM</sup>* as referenced in Appendix F to use in preparation of the Vendor's MBPD draft.
- **Member Handbook.** The Dental PPO shall provide a draft of the Member Handbook with its Proposal and a final draft version by October 15th for ERS' review. See the *Member Handbook for the Dental PPO*, to use in preparation of the Vendor's Member Handbook, as referenced in Appendix E. The Member Handbook is comprehensive benefit plan summaries that interpret the MBPD for Participants in layman's terms. This is the primary reference source for Participants explaining the plan design and covered benefits.

The Dental PPO is required to provide the MBPD and Member Handbook along with any supplemental information and/or their amendments within thirty (30) calendar days of ERS' request and by the first business day in April for subsequent plan years of the plan year as appropriate.

C.8.a. **MBPD Approval/Delivery Requirements.** The Dental PPO shall submit a proposed MBPD on a separate CD-ROM for ERS' review and approval with its Proposal. The Dental PPO shall work with ERS to finalize all plan documents no later than August 1st of each plan year

unless directed otherwise by ERS. ERS requires the MBPD be printed only at the request of a Participant; therefore, the final printed product shall not differ from that approved by ERS and published on the Dental PPO's GBP-specific website.

- C.8.b. The Dental PPO shall provide a finalized and executed MBPD to the Benefit Contracts' AD no later than sixty (60) calendar days prior to the start of each plan year, and once executed shall make it available on the GBP-specific website within five (5) business days of receiving approval by ERS. The Dental PPO shall follow ADA guidelines and provide an HTML version and printable version for download by the Participant.

All Participants shall have access to the MBPD as directed herein or as instructed by ERS. The Dental PPO shall be prepared to mail the MBPD upon the request of a Participant no later than five (5) business days. The Dental PPO understands, agrees and acknowledges that the Contract between ERS and the Vendor shall control over the MBPD in connection with the contractual relationship between ERS and the Dental PPO.

Subsequent to AE, the Dental PPO shall mail the MBPD within five (5) business days of the transfer of the final enrollment file at the end of AE but no later than the date to be announced. For on-going MBPD requests, the Dental PPO shall send the MBPD to current membership, including dependents, when a change is reported, within five (5) business days after the Vendor receives the enrollment information.

- C.9. **Welcome Packets.** The Dental PPO's packets shall be produced for FY15 by the selected Dental PPO and mailed to approximately 285,000 GBP Participants during AE at ERS' direction. The Dental PPO shall coordinate with other appropriate GBP Vendors as appropriate to provide supplementary program information to be included in the Welcome Packets. New enrollment packets shall be mailed by the Dental PPO throughout all plan years to new hires. A proposed sample of a Dental PPO packet used to identify the selected Dental PPO to the GBP Dental Program Participants shall be included in the Dental PPO's Proposal. This packet should contain, but not be limited to, the following materials:

- Welcome Letter;
- Fact Sheet;
- Benefits Summary;
- Information on value added benefits;
- The Vendor's customer service contact information;
- Provider directory;
- HIPAA Exemptions; and
- Sample EOB.

- C.10. **Annual Enrollment or Welcome Letter.** The Welcome Letter should contain information about the Dental PPO and announce any plan changes from the previous plan year. The communication piece shall contain instructions on how to access information and forms using the web and include the customer service address, phone numbers, and hours of operation. The Dental PPO's Welcome Letter shall be available at the same time the two page Fact Sheets are available to BC's.

- C.11. **Fact Sheet.** The PPO and DHMO Fact Sheet shall consist of no more than two (2), front and back, 8.5 x 11 size pages. Sample Fact Sheets shall be included with the Vendor Proposal materials. Once the Fact Sheet contents are approved by the CAR divisional designee, the Vendor shall distribute to employees through BCs (date to be announced) and shall be mailed directly to retirees and other direct pay Participants by the Vendor within five (5) business days of their request. The Vendor agrees to reflect all Fact Sheet information on the GBP-specific website as further outlined herein.

- C.11.a. The Fact Sheet shall include, but not be limited to, the following information:

- The Vendor's Customer Service contact information, including the phone number, email and physical address, hours of operation, and ERS' website address;
- An EXACT replication of the Schedule of Benefits as illustrated in Appendices H and I of the RFP;
- Reflect the Vendor's Privacy Policy;
- A brief description of the GBP dental benefits. **Note:** Network dentists shall collect the applicable copayment from all GBP Participants; and
- Instructions on how to select a PCD.

The Fact Sheet shall be submitted as a separate file on the Vendor's CD-ROM with its Proposal.

- C.12. **Identification ("ID") Cards.** The PPO and DHMO Vendor shall issue the ID cards in accordance with Sections VIII.C.12. through VIII.C.12.e. and the Dental Discount Vendor shall issue the ID cards in accordance with Sections VIII.C.12. through VIII.C.12.b and Section VIII.C.12.e.

The Vendor shall issue ID cards to all new Participants, including dependents, who enrolled during AE and subsequent to AE, when a change is reported. Reference Sections IX.1.2. – IX.1.2.b. of Article VIII, *Operational Specifications*, for further requirements.

- C.12.a. The Vendor shall provide a toll-free customer service number. The Vendor shall submit an electronic mock-up of a proposed GBP-specific ID card with the Vendor's Proposal. Failure to produce GBP-specific ID cards as outlined herein may result in a monetary assessment as reflected in the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract.

- C.12.b. ID card delivery requirements are fully discussed in Sections IX.1.2. – IX.1.2.b., *Operational Specifications*.

- C.12.c. Pursuant to § 1369.153, Tex. Ins. Code Ann., the Vendor shall issue a separate pharmacy benefit ID card to each Participant that shall include on the front of the card:
- The name of the entity administering the pharmacy benefits if the entity is different from the Vendor issuer;
  - The group number applicable to the Participant;
  - The identification number of the Participant, which may not be the Participant's social security number;
  - The effective date of the coverage evidenced on the card; and
  - The copayment information for generic and brand-name prescription drugs.

In addition to the above referenced information, the issuer of the Vendor shall include:

- The logo of the entity administering the pharmacy benefits if the entity is different from the Vendor issuer; and
- The telephone number for contacting an appropriate person to obtain information relating to the pharmacy benefits provided by the plan.

- C.12.d. The Vendor is not required to issue a separate pharmacy benefits ID card if the Vendor administers its own pharmacy benefits; however, the health benefits ID card shall contain the information required in Section VIII.C.12.c. above.

- C.12.e. The Vendor is responsible for the production and any mailing costs associated with the delivery of ID cards to Participants. Additional ID card requirements are located in Sections IX.1.2. – IX.1.2.b, *Operational Specifications*. The cost of the ID card requirements described herein shall be recovered by the Vendor only by making provisions for such expenses in the Vendor's *Price Proposal and Response Format* in Article IV.

- C.13. **PPO and DHMO Provider Information.** No provider may be listed on the Vendor's website or distributed to the program Participants through the Vendor's customer service unless a signed Contract with the provider is in place. In the event the Vendor provides incorrect information and a Participant seeks dental treatment based on that information, the Vendor agrees to recognize and be financially responsible for any services rendered by that provider, under the terms of the Contract, as if the provider had been under Contract.

- C.14. **PPO and DHMO Provider Directories.** The Vendor shall not be required to provide printed versions of its Provider Directories, but copies (or materials which become stale dated at the time of printing) shall be provided to the GBP Participant upon request and such hard copy material(s) shall be received by the Participant no later than seven (7) business days from the date of request. Also a published Directory shall be accessible at all times online.

## D. Web Specifications

D.1. **Vendor Website Technical Specifications.** ERS' primary focus in its web page design is to provide information to state and higher education employees, retirees and their dependents. The Vendor shall adhere to all website access, format, content, and technical requirements outlined in both the ADA and Section 508 of the Rehabilitation Act in order to accommodate the needs of all individuals accessing information.

D.1.a. **Section 508 Requirement.** The Vendor shall comply with Section 508, Level 1 accessibility standards. Section 508 requires that when state agencies develop, procure, maintain, or use electronic and information technology, they shall ensure that such information technology allows state employees and members of the public with disabilities to have access to and use of information and data that is comparable to the access to and use of information and data by state employees and members of the public who are not individuals with disabilities, unless an undue burden would be imposed on the state agency. In other words, all visitors to the ERS website should get a full and complete understanding of the information contained on the site, as well as the full and complete ability to interact with the site.

D.1.b. To validate the Vendor's Section 508, Level 1 compliance, the Vendor shall provide with its Proposal a report from an independent review using industry-standard tools in responding to this RFP evidencing its organization's Section 508, Level 1, compliance.

D.1.c. However, if the Vendor is unable to validate complete Section 508, Level 1 compliance with its Proposal, but it is a planned future enhancement, then the Vendor shall confirm with its Proposal to support and adhere to all website access, format, content, and technical requirements as outlined in both the ADA and Section 508 of the Rehabilitation Act in order to accommodate the needs of all individuals accessing information at a later date and time as specified by ERS.

D.2. **GBP Custom website.** The Vendor shall publish and maintain a custom website for GBP Participants and prospective Participants in a format prescribed by ERS. Neither the Vendor nor its subcontractors can advertise or link to products or services without the express prior written permission of the CAR divisional designee.

The GBP website shall be directly linked to the ERS homepage. The GBP website shall be in final form and linked as required by ERS no later than the last week of June of each year or otherwise directed by ERS. The Vendor's failure to provide the GBP-specific website as outlined below may result in a monetary assessment as reflected in the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract.

D.2.a. **Proposed website materials.** The Vendor shall provide ERS with a test site for review the last week of April of each year or otherwise directed by ERS. The URL address, all screen shots, and instructions on how to access the Vendor's test website are required for submission with the Vendor's Proposal materials.

D.2.b. **All Vendor "Test" websites.** The Vendor shall provide a fully developed GBP-specific test website, capable of being linked to the ERS Internet home page. Following ERS' approval of test websites and prior to being linked to the ERS website, the Vendor shall provide documentation of a test plan, test scripts (e.g., to ensure all links are working), completion of testing, and final sign off. The Vendor's test website shall transition from a test phase to fully operational and be linked to the ERS website with all information and components as reflected below no later than the last week of May of each year or otherwise directed by ERS. or risk a monetary assessment as required in the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract.

D.2.c. The Vendor's home page shall include the following primary access links:

- The Vendor's Privacy Plan;
- Customer Service contact information;
- Member Handbook;
- Benefits brochure;
- Coverages;
- Limitations and exclusions;
- Forms;
- MBPD;

- EOC;
- Provider directory;
- A page for frequently asked questions;
- A glossary of frequently used terms;
- On demand real time provider information and search capabilities;
- Search function; and
- Link to ERS website.

D.2.d. The Vendor's GBP-specific home page shall include the GBP dental plan logo and the ERS logo as required by the latest version of the *Marketing Guidelines for GBP and ERS Vendors*, located in the ERS Style Guide and Usage Manual, Appendix L, and the *ERS Brand Guidelines*, Appendix M.

D.2.e. The final approved Vendor website shall provide real-time data related to the dental provider network. Participants shall be capable of obtaining the same information using the website as they would if they were to contact a Vendor customer service representative.

## E. Vendor Website Content

All content for the Vendor's GBP-specific website shall be approved by ERS prior to publication. The final materials used by the Vendor shall not differ in form or utility from those approved by ERS. The Vendor GBP-specific website shall:

- E.1 Provide self-service transactions for Participants to:
- Locate a PCD based on specific geographic requirements;
  - Lodge a service complaint, to escalate unresolved complaints and to request a telephone call back within one (1) business day;
  - See and print an annual summary of out-of-pocket expenses for dental services, suitable for submission to the Internal Revenue Service for income tax purposes and to the flexible benefits administrator for Section 125 claims;
  - Communicate with customer service representatives using live chat, if available.
  - Search the full website using a key word and/or phrase; and
  - Provide a "return to home" button, which returns the viewer to the ERS home page.
- E.2. **Plan Year Information.** The GBP home page shall include the following information:
- Information that welcomes new Participants and introduces the Participant to the Vendor and summarizes the basic coverage benefits;
  - Direct link to ERS' website. The Vendor shall indicate the current dates for AE and remove all references to AE no later than September 1 of that plan year or as directed by ERS; and,
  - Helpful Phone Numbers and websites.
- E.2.a. **Link to the Vendor's Privacy Plan**
- E.2.b. **Link to Customer Service Page** to include the following information:
- Phone numbers and hours of operation;
  - Physical address;
    - Link to the Vendor's Complaint Process;
    - An email address or a link to a mailbox for Participants to send customer complaints and questions directly to the Vendor. The Vendor should respond to email complaints/inquiries with no more than a twenty-four (24) hour (business days) turnaround. A tracking system for email complaints shall be in place that is similar to the tracking of telephone complaints to provide complaint responses to ERS;
    - Any applicable interactive forms; i.e., Claims forms; and
    - Link to Appeals/Grievance Process.
- E.2.c. Preferred, but not required if not applicable to the Vendor's delivery of care:
- Member Handbook; and
  - Any applicable interactive forms, i.e., Claims or PCD selection form.
- E.2.d. **Link to Benefits** to include the following information:
- AE or Welcome Letter stating changes (if applicable) from the previous year;
  - Fact Sheet;
  - MBPD;

- EOC, including any riders to comply with the Schedule of Dental Benefits. The EOC shall contain the policies and exclusions as required by TDI. The FY15 EOC shall be published on the website within thirty (30) business days after TDI's approval; and
- Member Handbook.

E.2.e. **Link to Provider Look-Up and/or Provider Directory** to include following information:

- Instructions on selecting a PCD.
- Provider Look-up shall be updated real-time. Users should be able to search by ZIP code and get a map and directions to the provider's office. It should indicate that the provider is: a PCD or specialist and indicate network affiliation; i.e., independent vs. group practice and if he or she is accepting new patients. Each PCD shall have an assigned unique office or provider code number. The Vendor shall include a disclaimer that providers are subject to change.
- Instructions on how to change designated PCD.

# IX. Operational Specifications

This Article describes general operational specifications including administrative requirements and functions, customer service, interface requirements and the statistical reporting requirements as mandated by ERS. The Vendor shall administer the Plan in a manner consistent with all applicable state and federal laws and regulations, as well as ERS' administrative rules and at the direction of the ERS Board, its Executive Director, and staff. The cost of the requirements described herein shall be recovered by the Vendor only by making provisions for such expenses in the Vendor's *Price Proposal and Response Format* in Article IV.

The Vendor shall submit its "group number" and provide a list of lead contacts to both the ERS Communications and Research and Benefit Contracts Divisions by the first working day of the month following the Board selection. The Vendor agrees that it shall cooperate with ERS and be flexible in its efforts to ensure a smooth program implementation.

The Vendor must provide a technical contact that will provide support to ERS' Information Systems Division for Electronic Data Interchange issues. ERS will work with the Vendor on these requirements following Contract award.

The Contract will include *Performance Guarantees* and/or other legal remedies to ensure proper administration of the GBP Dental Program as outlined in Appendix G or in the Contract. The performance guarantees referenced throughout the RFP are not all-inclusive. For a comprehensive listing of the performance guarantees, refer to Appendix G. Please note that additional performance standards may be identified or modified as a result of identifying or developing key processes during implementation.

The operational specifications listed herein may not specifically apply to the PPO, DHMO or Dental Discount Vendor. The Vendor shall provide its operational specifications deviations in Section XIV.A.10. The Vendor shall provide the information that is only applicable to its Plan.

## A. Implementation Operational Requirements

The Vendor shall provide all services specified in this RFP, including, but not limited to, the following:

- A.1. **Account and Implementation Teams.** No later than the fifteenth (15th) business day following the Board selection, the Vendor shall provide to the Benefit Contracts' AD, or designee, a thorough listing of the Vendor's Account and Implementation Team contacts assigned to support the Vendor's Contract. The list shall identify an account "key point of contact" responsible for the implementation, coordination, and maintenance of the business relationship and continuity pertaining to all business matters in support of the Contract.

The Vendor's Implementation and Post-Implementation Account Management Teams contact list should reflect key contact information (resume(s), office, fax, and cell phone numbers, email and physical addresses) for each Vendor Account and Implementation Team representative. The required representatives for the Account and Implementation Teams are listed in Section IX.B.1. below. The Vendor shall ensure a smooth transition, without exception, of all ERS communication processes and requirements as follows:

- The Vendor shall inform, via email notification, the AD of Benefit Contracts, or designee, in advance of any planned periods of unavailability by the Team's key point of contact.
- In any instance where a Team key point of contact is not available to ERS, the Vendor shall immediately secure and provide details of alternate coverage sufficient to meet ERS' expectations.
- Should staffing adjustments or additional team members become necessary to support the account functions, the Vendor shall dedicate such appropriate staff as required by and acceptable to ERS.

- A.2. **Implementation Team.** The Vendor shall provide an Implementation Team to coordinate and expedite all Contract requirements as outlined and prioritized by the AD or designee to ensure complete continuity, without exception, of all interactive Vendor functions, deliverables, and objectives prior to and during the Contract's onset. At minimum, the Implementation Team shall have a dedicated Project Manager and back-up Project Manager with availability to ERS staff throughout the Implementation Period. Should staffing

adjustments or additional team members become necessary to support implementation functions, the Vendor shall dedicate such appropriate staff as required by and acceptable to ERS.

- A.2.a. The Vendor must have a designated Communications lead on staff who is dedicated to the ERS program. Communication requirements are fully described in Article VIII.
- A.3. **Implementation Project Manager.** The Vendor must have a dedicated implementation Project Manager that shall serve as ERS' primary contact throughout the Implementation Period and shall have the legal authority to make binding decisions for the Vendor, and be accessible to ERS seven (7) days a week and twenty-four (24) hours per day during the Implementation Period.
- A.4. The Vendor acknowledges that it is impossible or impractical to estimate with any degree of certainty the impact or damage that the failure of particular Implementation activities may have on the GBP and/or its Participants. Therefore, the Vendor agrees that Implementation failures, judged by ERS to have adversely harmed the GBP and/or its Participants, may immediately subject the Vendor to the Liquidated Damages as described in the Contract and *Performance Guarantees* provisions as reflected in Appendix G and/or other legal remedies available to ERS in the Contract.

## **B. Post-Implementation Operational Requirements**

### **B.1. Account Management**

The Vendor shall establish and maintain throughout the term of the Contract an account management team that will work directly with ERS staff. This team shall include, but is not limited to, a designated account executive, a customer service manager, medical director, a practicing attorney, consulting actuary, a person responsible for preparing reports, and a management information system representative. Approval of the account management team rests with ERS. The Vendor's account management team shall provide all services specified in this RFP, including, but not limited to, the following:

- B.1.a. The Vendor shall provide an Account Executive Team and make staffing adjustments, as required by and acceptable to ERS. The results from the formal performance evaluation of the assigned account management team may be used in this determination. An ERS Account Executive Team shall be established no later than thirty (30) calendar days following the Board selection, and be available Monday through Friday from 8:00 a.m. to 5:00 p.m., central time, excluding national holidays.
- B.1.b. The Vendor shall provide a minimum of two (2) per fiscal year face-to-face Account Executive reviews to ERS on the utilization and performance of the Dental Programs. The reviews shall include, but not be limited to, a presentation of the following information:
  - Dental program statistical outcomes;
  - Industry trends and best practices;
  - Plan recommendations; and
  - Other cost saving recommendations.
- B.1.c. **Meetings.** The Vendor shall develop meeting agendas, coordinate meetings and provide documentation of actions in the form of meeting minutes for designated meetings with ERS at a scheduled time agreed upon by ERS and the Vendor to include, but not be limited to:
  - Implementation, if applicable;
  - Operational;
  - Analytical;
  - Information Systems; and
  - Communications, etc.
- B.1.c.i. The Vendor shall utilize ERS' meeting agenda template and provide meeting agendas one (1) day prior to the scheduled meetings.
- B.1.c.ii. The Vendor shall provide the meeting minutes within four (4) business days from the day of the scheduled meeting for ERS' review and approval.

- B.1.d. ERS strongly believes that the account service relationship is the critical link in developing and maintaining a strong working relationship dedicated toward the achievement of plan objectives. As such, the Vendor shall be committed to providing ERS with service attention that is at the highest levels in the industry, and fully consistent with ERS' expectations. ERS shall define the criteria for measurement and evaluation of service performance.
- B.1.e. The Vendor shall notify the Director of Benefit Contracts, in writing, no less than ninety (90) calendar days prior to anticipated major changes likely to impact the Dental Programs. The Vendor shall receive prior written approval from ERS' authorized representative prior to making any changes as addressed in this section.
- B.1.f. In addition to the above requirement, the Vendor shall notify ERS' Benefit Contracts Director, in writing, thirty (30) calendar days prior to implementing material changes in policies, servicing methodologies, business, and key personnel connected with the ERS account.
- B.1.g. The Vendor shall provide general administrative, legal and statistical support to assist ERS in the operation of the Dental Programs and shall recover any associated costs by making provision for such expenses in the Vendor's *Price Proposal and Response Format*, Article IV.
- B.1.h. The Vendor shall provide ERS with priority positioning for delivery of *ad hoc* system service requests and/or issue resolutions. As reflected in Article XIII, *Organizational Information* Section XIII.C.8., the Vendor shall designate a Technical Consultant ("TC") to lead the management of all technical issues, including, but not limited to, system service requests. The TC shall ensure that all ERS system requests and issues are thoroughly analyzed and given priority positioning to ensure prompt resolution. The Vendor shall provide competent, focused attention to ERS' system requests/issues. The Vendor shall use its best efforts to implement all ERS system requests and to correct all ERS system issues as soon as reasonably practicable, but no event later than thirty (30) calendar days or sooner from receipt of ERS' written notification to the Vendor of the request/issue. ERS shall fully supply any and all information reasonably necessary for the Vendor to complete the requested services as outlined herein. If an ERS request cannot be implemented by the Vendor within thirty (30) calendar days from the date of ERS' request, then the Vendor shall provide ERS with a written explanation as to why the issues cannot be resolved within this time frame and provide a written plan for implementation to include a timeline for resolution, within five (5) business days from receipt of the Vendor's written notification as noted above. This section does not apply to disaster recovery matters, which are covered specifically in the Contract.

An example of a system issue includes, but is not limited to:

*Eligibility and/or Benefit modifications shall be reviewed, responded to, and approved by the Vendor within fifteen (15) business days of such request. If changes to the modifications are required, the Vendor shall notify ERS and set up weekly updates until ERS agrees that the modifications meet ERS' operating requirements. After eligibility and/or benefit modifications have been mutually agreed upon, the Vendor shall complete the eligibility and/or benefit project, including required testing, within forty-five (45) calendar days from ERS' approval.*

- B.1.h.i. The Vendor shall use its best efforts to implement all ERS system requests and to correct all ERS system issues as soon as reasonably practicable unless a quicker resolution is specified by ERS. The Vendor should consult the Contract for additional requirements regarding response deadlines and resolution of any such matters and nothing in this paragraph shall modify or limit remedies available to ERS under the Contract.
- B.1.i. In addition to the Technical Consultant, the Vendor shall provide ERS with access to a designated Clinical Consultant to advise and support ERS on analyzing emerging clinical and utilization trends within the scope of reviewing both standard and *ad hoc* reports.
- B.1.j. The account management team shall be thoroughly familiar with all of the Vendor's functions that relate directly or indirectly to the GBP account.
- B.1.k. The Vendor shall provide the GBP with priority placement in all aspects of Contract performance provided by the Vendor.
- B.1.l. The Vendor agrees to allow ERS to complete a formal performance evaluation of the assigned account management team annually as deemed appropriate by ERS.

- B.1.m. The Vendor shall provide a high quality and experienced customer service unit. The dental plan staff members shall be fully trained in the benefit designs, and the Vendor shall have the ability to track and report performance of call center matrices.
- B.1.n. The Vendor shall provide ERS access to a dedicated/designated Reporting and Analytical team to advise and support ERS to include, but not be limited to:
  - Create statistical reports;
  - Develop templates for ERS data; and
  - Benchmarking analysis.

## C. Vendor Customer Service Call Center

The Vendor's Customer Service Call Centers shall be located within the United States and referably in the state of Texas.

- C.1. **Call Center/Customer Service Unit.** The Vendor shall establish and provide for staffing of one (1) customer service team designated to ERS' Dental Programs. The customer service unit must be up and running prior to AE and no later than July 1. The unit shall be adequately staffed to manage Dental-related questions and provide for resolution of complaints, clarifications, and escalated issues.
  - C.1.a. The hours of operation for the Vendor's customer service unit shall be, at a minimum, Monday through Friday from 8:00 a.m. to 7:00 p.m., central time, excluding national holidays.
    - C.1.a.i. **Call Center Specialists.** The Vendor shall designate as many Call Center Specialists as necessary whose sole responsibility shall be to respond to and resolve, within a reasonable timeframe as determined by ERS, Dental-related customer service needs. ERS and the Vendor shall jointly monitor and adjust staffing levels to ERS' sole satisfaction as work and service requirements demand. The Vendor warrants and represents that it shall provide thorough training of additional team members in support of the Dental Programs. Any training deficiencies noted by ERS shall be immediately rectified by the Vendor to ERS' sole satisfaction.
    - C.1.a.ii. **Back-up Staffing.** The Vendor shall designate additional staff, as needed or at ERS' request, to update and maintain Dental-related records and accounts. This staff will also provide additional support for the Vendor's customer service team.
    - C.1.a.iii. **Call Center Management Criteria.** The Vendor shall establish toll free lines (telephone and facsimile). The Vendor shall also employ appropriate and adequate customer service staff to maintain *Performance Guarantees* for service level, abandonment rate and blockage rate as referenced in Appendix O, *Call Center Metrics*, of the RFP. The Vendor shall provide in its Proposal the methodology and sample source documents utilized by the Vendor to arrive at the reporting requirements for the call center metrics referenced in Appendix R, *Call Center Metrics*.
 

The Vendor shall make available to ERS staff the ability to listen to and monitor calls to and from the Vendor call center(s) and shall record, maintain and archive all such GBP-specific calls throughout the term of the Contract and for a least twenty-four (24) months following each policy, and shall make all such calls accessible and available to ERS for inspection and audit upon ERS' request at no additional expense to ERS.
    - C.1.a.iv. **Access for Hearing Impaired.** Access for ERS' deaf and hearing impaired members should be directed to 7-1-1 Relay Texas on publications and website.
    - C.1.a.v. **Language Accessibility.** The Vendor's Call Center shall have a Spanish queue and staff it sufficiently with Spanish speaking agents to meet the service level objectives defined in Appendix O.
    - C.1.a.vi. **Benefits Coordinator ("BC") Access.** The Vendor shall provide BCs with a special number or access code that permits them to have priority access to the Vendor's Call Center supervisors. The Vendor can satisfy this "hotline" requirement by expediting calls to this special number in front of the general queue. Additionally, BCs and dedicated ERS staff shall be provided with web portal access to electronically access Participant eligibility status. The

web portal shall allow designee capability through which they may escalate GBP requests to a Call Center supervisor.

- C.1.a.vii. **Quality Assurance Review.** The Vendor shall conduct an ongoing quality assurance review to be monitored via periodic Participant surveys and other reporting mechanisms.
- C.1.a.viii. **Review of Complaints.** The Vendor shall provide an ongoing review of complaints received from Participants and providers and respond as necessary and appropriate, monitor the denials of benefits made under the utilization management program to maintain the appropriateness of the program, and provide information about the utilization management program to ERS as requested.
- C.2. **Eligibility Verification.** Online access is available through the Vendor's Internet provider and shall be operational thirty (30) business days prior to the go-live date. Staff trained on ERS' enrollment system shall be available during all customer service open hours.
- C.2.a. The Vendor shall accept oral verification of a GBP Participant's coverage by an authorized representative of ERS or verify the Participant's coverage through utilization of online access. Coverage shall be updated in the Vendor's system prior to receipt of the next ERS weekly enrollment information.
- C.3. **Audit.**
- C.3.a. ERS may contract with an auditing firm to conduct periodic audits of the Vendor. The Vendor shall be required to cooperate with and support the efforts of the auditors. Neither ERS nor the auditors will be required to indemnify the Vendor for any costs incurred in connection with these audits.
- C.3.b. ERS or any of its duly authorized representatives shall have access to any GBP-related information during the term of the Contract and until the expiration of seven (7) years after the final payment is made under the Contract. This includes access to and the right to examine any pertinent books, documents, papers, and records of the Vendor involving transactions relating to the Contract. In the event there arises any claim, dispute, or litigation concerning the Contract, the period of access and examination described above may continue until the disposition of such claim, dispute, or litigation has been deemed final.
- C.4. **COBRA.** The Vendor shall assist ERS in the administration of the Consolidated Omnibus Budget Reconciliation Act, Public Law 99-272 ("COBRA"). The Vendor shall administer coverage for those categories of Participants who have lost or shall lose coverage as a result of a qualifying event as defined in Title X of COBRA. Any such Participant is entitled to elect to continue coverage under this Contract in accordance with the provisions set forth in COBRA, and as administered by ERS, in accordance with its administrative practices. ERS and/or the employing department shall handle enrollment of participants in COBRA continuation coverage and collection of premiums.

During any interim period between cancellation of insurance due to a qualifying event and enrollment in COBRA continuation coverage, the Vendor shall provide to any qualified beneficiaries under COBRA continuation coverage, on a fee-for-service basis, the identical services that are available to a non-COBRA GBP Participant, and will, upon receipt of confirmation of COBRA enrollment from ERS, refund to the COBRA participant all fees paid less any appropriate copayment amounts.

A qualified Participant who has elected to continue coverage in accordance with COBRA, may permanently move outside of the Vendor's service area and maintain his/her Vendor coverage in accordance with state requirements. However, coverage may be limited to only emergency services outside of the service area.

- C.5. **Other Continuation Coverage.**
  - The Vendor shall provide state mandated continuation coverage, pursuant to Section 1271.301-306 TIC including as it may be amended, upon termination of a Participant's group coverage and/or termination of any period of COBRA continuation coverage.
  - ERS shall send notification to all COBRA Participants thirty (30) days prior to completion of the COBRA coverage.

- The notification shall advise the Participant that they shall contact the Vendor to determine the specifics regarding their option to either continue coverage for six (6) months or apply for the Vendor's conversion policy, if one is available.
- If the Participant elects to take the six (6) months of continued coverage, the Participant shall be directed to ERS for forms completion. ERS shall continue to collect the premium and report the coverage to the Vendor for those Participants.
- Participants electing the Vendor's conversion policy, if one is available, shall deal directly with the Vendor following the termination of COBRA coverage.

## **D. Claims Processing**

- D.1. The Vendor shall administer and process all claims functions required for the Dental Programs. The Vendor shall process and administer all eligible Dental Program claims incurred in connection with dental services on and after September 1, 2014, and throughout the term of the Contract. The Vendor selected in accordance with this RFP shall have no responsibility under this Contract for the administration of claims incurred prior to the effective date of this Contract. General requirements for claims processing include the following:
- Review claims for eligibility under the Dental Programs;
  - Process the Dental Program Participants' submitted non-network claims; claim payment shall include an EOB; and
  - Dental claims filed by the Participants shall be processed within five (5) calendar days of submission unless additional information and/or investigation are required.
- D.1.a. In the event the Vendor issues excess payments or payments for ineligible claims or Participants, it will:
- Take all steps necessary to recover the overpayment, including recoupment (offset) from Participants, dental care provider or subsequent claims payments.
  - Assume 100% liability for overpayments, which result from errors attributable to the Vendor in whole or in part.
  - Within ninety (90) calendar days following identification of a Vendor's error, in whole or in part, the Vendor shall return to ERS all overpayments regardless of recovery status.
  - Refrain from initiating litigation to recover such overpayment unless authorized by ERS.
  - Reimburse ERS for any dental service to a former Dental Program Participant reported by ERS as no longer a plan Participant, if such notification is received by Vendor at least two (2) full business days prior to the date of service.
- D.2. Should ERS elect to continue to self-fund the Dental PPO plan, the Vendor shall process and pay Dental Program claims using its own funds first before seeking reimbursement from ERS. The required reimbursement methodology is described in Article III, *Financial Requirements and Specifications* under Section III.A.4. and in the Contract.
- D.3. The Vendor shall maintain a complete and accurate claims reporting system, and provide for the retention, maintenance, and storage of all payment records with provision for appropriate reporting to ERS. The Vendor shall maintain all such records throughout the term of the Contract, and for at least seven (7) years following the end of the Contract, and shall make such records accessible and available to ERS for inspection and audit upon ERS' request at no additional expense to ERS. In the event the Vendor is scheduled to destroy payment records, the Vendor shall contact ERS for approval prior to the destruction of the payment records. If ERS approves destruction, verification of the destroyed records shall be required at ERS' direction.

## **E. Vendor Program Reporting**

### **E.1. Actuarial Reporting**

- E.1.a. As previously noted, ERS retains a consulting actuary on insurance matters. The consulting actuary assists and advises the ERS staff on benefit plan design, Proposal review, and the Vendor Price Proposal analysis. ERS staff or the consulting actuary may, from time to time, request that the Vendor provide additional information specific to the Dental Program. The Vendor shall cooperate with and act in good faith in working with ERS and/or the consulting actuary and shall be prepared to respond to these requests promptly.
- E.1.b. The Vendor shall submit to ERS' consulting actuary, at minimum, on a monthly basis and to an ERS agency designee on a timeframe to be defined post contract award, via SFTP, within

a site-to-site VPN tunnel and the file shall be encrypted with ERS' public key (PGP), all Dental PPO claims processed during the previous calendar month. This data shall be used by ERS' Benefit Contracts Underwriting section to analyze claims experience and reconcile the weekly invoices. Notwithstanding the foregoing, ERS shall at all times have online access to such information at no additional charge. The detailed Dental PPO claims file shall include at least the following information for each claim record:

- Service Date;
- Subscriber's Unique Employee Identification Number (Emplid);
- Patient Relationship Code;
- Dentist's Provider Number;
- Dentist's Name;
- Date Dentist Paid;
- Deductible Amount;
- Participant Copayment;
- Plan Payment;
- Dentist's Usual and Customary Charge; and
- Appropriate ADA procedure code.

E.1.c. The Vendor shall notify ERS' AD or designee of all identified issues in connection with reports and/or audit findings and provide supporting documentation for all such reports.

## E.2. **Management Reporting Requirements**

E.2.a. ERS may, from time to time on an *ad hoc* basis, request that the Vendor prepare customized reports on a timely basis at no additional cost to ERS. The Vendor shall be required to provide data analysis and GBP-specific reports as specified by ERS. A list of the Vendor's current client reports shall be included in the Vendor's Proposal. In addition to providing the Vendor's current client reports list, please describe the methods used to access all reports electronically.

E.2.b. Following contract award, ERS will determine the required administrative reports and specify reporting frequency. The Vendor's required reporting shall include, but not be limited to, the following:

- Performance Guarantees;
- Call Center Statistics as referenced in Appendix O;
- Utilization and Experience History;
- Statistical information (i.e., Lag report);
- Complaints; and
- Fraud, Waste and Abuse.

Reports shall vary in frequency and scope based on ERS' designation after selection of the Vendor and execution of the Contract as reflected herein. However, all reports provided by the Vendor shall reflect quality production with attention to detail, accurate data, and meet additional requirements as specified by ERS. Costs associated with reporting shall be included in the Vendor's *Price Proposal and Response Format*, Article IV.

To ensure the accuracy of the self-reported information and reliability of the Vendor's internal operational controls, the Vendor shall provide documentation verifying all reported statistics associated with the *Performance Guarantees* referenced in Appendix G and/or other legal remedies available to ERS in the Contract. The document type and due date shall be specified by ERS.

E.3. **Annual Reporting Requirements.** The Vendor shall be required to submit GBP utilization and cost data by ADA code on an annual basis using ERS-prescribed format by January 15th following the end of the fiscal year. For example: by January 15, 2015, participating Vendor shall be required to provide utilization and cost data for the experience period September 1, 2014 through August 31, 2015. ERS' Vendor website contains an example of the required information and data formats for FY15 along with instructions for completing the tables at: <https://www.ers.state.tx.us/vendors/contracts/>. These obligations survive the termination of the Contract for any reason, and the Vendor is required to provide the required experience information for the previous fiscal year regardless of whether or not the Vendor continues as a participating Vendor under the GBP.

- E.3.a. The participating Vendor shall also be required to provide an annual report via CD-ROM that shows the number of GBP Participants assigned to each of the Vendor PCDs. The report shall include the PCD's last name, first name, license number (issued by the Texas Board of Dental Examiners), office, ZIP Code and the number of GBP participants assigned. For example:

Table 2- Report Example

Last Name	First Name	License Number	ZIP Code	Number of GBP Participants
Brown	John	A7777	78701	5
Doe	Jane	B8888	75238	20
Smith	Joe	C9999	77041	10

- E.4. **Quarterly Reporting Requirements.** ERS requires the Dental PPO Vendor to provide reports as reflected in Sections IX.E.a. – IX.E.4.e. below using either GBP-specific or book of business statistics: Utilization and Cost Data by CDT, COB Savings Report, Overpayment Report, Pre-Authorization Turn Around Time ("TAT") Report, and Claim Denials by Reason Report. The data shall include the entire previous quarter and shall be received in the ERS-prescribed format, via email, by the 20th of the month following quarter end. Failure to provide the required data may result in a monetary performance assessment as required in the *Performance Guarantees*, Appendix G and/or other remedies available to ERS in the Contract. The required data and format are subject to change as required by ERS. The current requirements are:

- E.4.a. **Utilization and Cost Data by CDT.** The Dental PPO Vendor shall be required to submit GBP utilization data by ADA code. ERS' Vendor website contains an example of the required information and data formats for FY15 along with instructions for completing the tables located at: <https://www.ers.state.tx.us/vendors/contracts/> under UC Data Tables.

- E.4.b. **COB Savings Report.** The Dental PPO Vendor shall report the amounts being saved due to other primary coverage. The report should reflect both pre-payment (other coverage previously on file at Vendor) and post payment (other coverage detected subsequent to payment). The Vendor shall use the following format to report these statistics:

Table 3-COB Savings Report

Quarter 1 (Paid 09-01-2015 – 11-30-2015)	Total Charges	Total Other Carrier Paid	Total Computed Benefit	Net Payment	COB Savings
Higher Education					
State					
<b>TOTAL</b>					

- E.4.c. **Outstanding Claims Overpayment Report.** The Vendor shall be required to provide ERS with detailed reports on a monthly basis that itemize the amounts of each overpayment, the reason for the overpayment; a listing of payees with outstanding overpayment recoveries due; an accounting of:

- prior balances of recoveries due;
- current month overpayments;
- recoveries;
- new balances; and
- percentage of overpayment dollars recovered; and an aging of receivables report for 30, 60, 90 and 91+ days.

The Vendor shall reimburse the GBP for any covered services to a terminated employee reported by ERS as no longer a plan Participant, if the Vendor receives such notification at least two (2) full business days prior to the date of such services.

- E.4.d. **Pre-Determination TAT Report.** To ensure services are dentally necessary and received in a timely manner, the process by which pre-determinations are received and approved is an integral part of dental treatment. The Vendor shall report the number of pre-determinations

received in five (5)-calendar day increments, the percentage of the total received for each time period and the cumulative turnaround time in days. The Vendor shall use the following format to report these statistics:

TAT in 5 Calendar Day Increments	Number of Pre-determinations	% of Total	Cumulative TAT
00-05			
06-10			
11-15			
16-20			
21-25			
26-30			
31-35			
36-40			
41-45			
46-50			
<b>Total</b>		100%	

E.4.e. **Claim Denials by Reason Report.** The Vendor shall report all denied claims with reason for denial, excluding denials for duplicate charges, to include:

- Claim Number;
- Higher Education or State employee;
- Procedure Code;
- Total Charge;
- Allowed Amount;
- Denied Amount; and
- Reason for Denial.

E.5. **Monthly Reporting Requirements.** ERS requires the Vendor to provide the following reports as reflected in Sections IX.E.5.a. below using either GBP-specific or book of business statistics. The data shall include the entire previous month, and shall be received in the ERS-prescribed format via email by the 20th of the following month. Failure to provide the required data may result in a monetary assessment as required in the *Performance Guarantees*, Appendix G and/or other legal remedies available to ERS in the Contract. The required data and format are subject to change as required by ERS. The current requirements are:

E.5.a. **Monthly Administrative Performance Report.** This document reflects the specific Contract performance areas upon which the Vendor must report each month. The last tab of the document reflects the calculation and methodology used to identify the reported measure. On an annual basis, the Vendor will be responsible for providing ERS with the source document in order to allow ERS the opportunity to certify that the self-reported data is accurate. A sample monthly administrative performance report is referenced in Appendix Q.

ERS shall utilize information reported by the Vendor to proactively monitor trends and to identify/address variances on the targeted Vendor performance requirements. ERS shall specify the reporting timelines and formats. Some formats shall include a column indicating a performance standard for the item being reported that ERS shall use as a benchmark to monitor compliance and to analyze the reported statistics. The standard to be reported is based on availability in the following order of priority:

1. Stated in the Contract;
2. As required by applicable statute or regulation;
3. The Vendor internal standard; and
4. Generally accepted industry standard.

To ensure the accuracy of the self-reported information and reliability of the Vendor's internal operational controls, the Vendor shall provide documentation verifying the statistics. The document type and due date shall be specified by ERS.

The statistics required to be reported by the Vendor include, but are not limited to:

- The number of written and emailed complaints received from GBP Participants, and the average length of time to resolve those complaints. Complaints shall be resolved within thirty (30) calendar days. The number of and percentage of ID cards, MBPDs and/or EOCs mailed within five (5) business days of the Vendor's receipt of enrollment data from ERS or Participant request.
- Answer time, in seconds, for calls in the queue.
- Average call-blockage rate.
- GBP-specific dollars recovered through fraud investigation activity.
- Provider network additions and terminations, by primary care, specialty and facility.
- The Vendor shall report established standards for access to appointments and indicate in what percentage of cases its Providers satisfy the established access standard for the following:
  - Routine exams;
  - X-rays;
  - Cleanings; and
  - Palliative Treatment/Emergency Care.

E.5.b. **Monthly Provider Network Additions/Terminations Detail Report.** This information is utilized by ERS to proactively monitor and respond to changes in the provider network. The following data elements are required in the ERS-prescribed format: Provider Name, Provider Specialty, Full Provider Address, Date Provider Added To or Terminated from the Network, and Date Add/Term received by the Vendor.

E.5.c. **Membership Report.** The Vendor shall report, as required by ERS post Board selection, the number of enrollees for both state and higher education employees, including those with coverage for Member Only, Member and Spouse, Member and Child(ren), and Member and Family. The report shall include statistics for each of these categories for the following:

- State Members;
- Higher Education Members;
- Total Members;
- State Participants;
- Higher Education Participants; and
- Total Participants.

E.5.d. **Claims Lag Report.** The Vendor shall be required to submit a claim lag report outlining the total number and amount of claims paid for State Employees, Higher Education Employees and Total Employees for incurred claim amounts by payment duration and benefit duration. Payment duration is the number of months since the incurral of service. Benefit duration is the duration (in years) of enrollment for the Participant.

E.5.e. **Monthly Premium and Claim Report.** The Vendor shall provide ERS' AD or designee with a monthly comparison of paid/billed premiums to the paid claims for the month. The specifics of the report will be determined post contract award.

E.6. **Special Reporting Requirements.** The Vendor shall provide ERS with knowledgeable dedicated personnel resources to provide various reports and analytical data as requested by ERS. This data shall be used by ERS to analyze the Dental Plans. The information shall include current and previous year data. Special reporting requirements shall include, but not be limited to, the following:

- Trend Reporting;
- Cost Management & Fraud Report; and
- Other *ad hoc* reports.

ERS may request the Vendor to provide additional, customized *ad hoc* reports. The Vendor shall cooperate, act in good faith in working with ERS, and shall be prepared to respond to these requests promptly at no additional costs to ERS.

## F. Coordination with Other GBP Vendors

F.1. The Vendor shall coordinate with all other GBP Vendors as required by ERS, if applicable. Other GBP Vendors currently are:

- F.2. **TexFlex.** TexFlex is an Internal Revenue Code Section 125 cafeteria plan that allows active Participants to establish healthcare reimbursement accounts and to pay certain unreimbursed charges with pre-tax funds. ERS' Flexible Spending Account administrator, PayFlex Systems USA, Inc. currently provides the flexible benefits claims administrative services under the GBP.
- F.3. **HealthSelect TPA.** The GBP self-funded health benefits plan, HealthSelect, is administered through a TPA selected by ERS. ERS currently utilizes UnitedHealthCare Services, Inc. the TPA for HealthSelect. The Vendor selected hereunder shall be required to coordinate with the HealthSelect TPA to exchange patient dental care information only as necessary to administer dental benefits pertaining to maxillofacial surgical procedures for the correction of damage caused by external violent injury to health natural teeth.
- F.4. The Vendor shall establish non-disclosure agreements with ERS and other GBP Vendors, as necessary.
- F.5. **Medicare Advantage.** Humana Insurance Company currently administers the Medicare Advantage Preferred Provider Organization services, including those services, benefits and/or products for or on behalf of ERS and medicare eligible Participants in the GBP.

## G. Legal Services

The Vendor shall provide legal services and litigation support. Legal services and litigation support include, but are not limited to, the Vendor assisting and supporting ERS in administrative hearings and providing its own legal representation in administrative hearings and lawsuits when appropriate. The Vendor shall coordinate its legal services and legal support with the ERS Legal Services division.

## H. Fraud, Waste and Abuse

- H.1. The Vendor shall use automated systems to detect fraud and misuse of the program, overpayments, wrongful or incorrect payments, falsification of eligibility, unusual or extraordinary charges, and unnecessary and/or wrongful dental practices and absues and verification of enrollment. The Vendor shall also conduct thorough, diligent, and timely investigations with regard to fraudulent and suspicious claims and immediately upon discovery, notify ERS' Director of Benefit Contracts of any fraudulent or suspicious activity. The Vendor shall also provide a monthly report on all such fraudulent and/or suspicious claims to ERS' Benefit Contracts division. The Vendor understands that ERS may develop further policies in connection with the detection and prevention of fraud or abuse. The Vendor shall comply with all applicable laws and regulations and shall also comply with all ERS policies and is encouraged to develop additional safeguards as allowed by law. The Contract has additional requirements in this regard. The Vendor shall report the total number of dollars recovered through fraud investigation activity.
- H.1.a. Examples of standards for detecting dental care provider fraud and abuse include, but are not limited to:
- Enhancing prospective dental services utilization review to prevent waste;
  - Using technology at the point of service to prevent abuse and errors;
  - Using data and education to change provider behavior;
  - Auditing claims data to profile both providers and clients;
  - The Vendor shall provide a toll-free number and an Internet link for Participants to report fraud and abuse.
  - The Vendor shall report the total number of dollars recovered through fraud-related investigation activities monthly.

## I. Other Administrative Requirements

### I.1. Site Visits

At ERS' discretion, agency personnel may conduct site visits at ERS' sole expense. The Vendor may be asked to assist ERS staff with arranging and identifying travel and lodging arrangements that shall be in compliance with state of Texas travel guidelines.

I.2. **Identification (“ID”) Cards.** The Vendor shall send an ID card to all new adult Participants who enrolled during AE within five (5) business days of the transfer of the final enrollment file at the end of AE. If the Vendor has not received the Participant’s PCD information by the date of the final enrollment file, then the Vendor shall assign a PCD and include a letter with the card instructing the Participant to contact the Vendor to change the PCD if necessary. A draft copy of the proposed instructions shall be included in the Vendor’s Proposal materials.

I.2.a. Subsequent to AE, the Vendor shall issue ID cards within five (5) business days of the successful transfer of the enrollment file to the Vendor. For on-going ID Cards, the Vendor shall send a new ID card to all adult Participants when a change is reported, within five (5) business days following the Vendor’s receipt of the enrollment information. Once initially distributed, ID cards do not need to be replaced unless changes are made to Participant’s name, or covered dependents.

I.2.b. In order to facilitate the issuance of the ID cards, the Vendor shall assign each designated dentist with an office code or Provider ID number. The Vendor shall use the same Office Code/Provider ID number in its printed material and website. The Vendor shall use the Office Code/Provider ID number layout below.

Office Code/Provider ID number Record Layout  
Field Names (218 bytes)

Column	Field Name	Format	Length
1	XBA_SSN_NBR	X	9
10	XBA_HLTH_CAR_CD	X	2
12	XBA_PTCPT_LAST_NM	X	40
52	XBA_PTCPT_FIRST_NM	X	20
72	XBA_PTCPT_MID_NM	X	20
92	XBA_PCP_NBR	X	15
107	XBA_DPEN_SSN_NBR	X	9
116	XBA_DPEN_LAST_NM	X	40
156	XBA_DPEN_FIRST_NM	X	20
176	XBA_DPEN_MID_NM	X	20
196	XBA_DPEN_BIRTH_DT	X	8
204	XBA_DPEN_PCP_NBR	X	15

# X. Provider Network and Service Area Requirements

## A. DHMO Provider Network Requirements

The availability and accessibility of dental care providers, as well as provider duplication with the existing network, are major aspects of the dental review process. ERS desires the broadest possible dental provider service area with adequate numbers of dental providers across the State.

- A.1. **Provider Accessibility and Availability.** The DHMO shall offer complete flexibility in a Participant's selection of a primary dentist, within the selected network. The DHMO must provide documentation on CD-ROM using ERS required format (included in this Article) to demonstrate that the proposed provider network contains a sufficient number of dental care providers to serve GBP Participants. Separate documentation shall be provided for each of the following: (i) designated dentists; and (ii) specialty care, dentists.

ERS shall utilize GeoAccess software as one of its tools to determine provider network availability and accessibility in accordance with the TDI access requirements. ERS shall also use its own discretion in reviewing provider networks. Each DHMO shall submit documentation of its provider network as of May 1, 2013, in the prescribed ERS format.

The DHMO shall utilize a designated primary dentist to direct the DHMO benefits to a Participant utilizing the network. Functioning as a gatekeeper, the designated primary dentist will direct and coordinate a Participant's dental care. To be eligible for benefits, a Participant shall first utilize the designated primary dentist. All services and supplies shall be authorized by the designated primary dentist for the DHMO benefits. A Participant will be allowed to change primary dentists, and such changes will be effective no later than the first of the following month. The DHMO may limit this change to one per month. Network providers shall collect the applicable copayment from all GBP Participants.

There shall be a sufficient number of participating primary dentists (including Pedodontists, Orthodontists, Periodontists, Endodontists, Oral Surgeons, etc.) to serve the needs of State and higher education employees, retirees and their dependents. A primary dentist is one who has contracted to provide services based on the copayments listed in the Dental HMO Schedule of Benefits. In addition, there shall be a sufficient number of participating specialty dentists who have contracted to provide services at the 25% discount as indicated in the Dental HMO Schedule of Benefits.

- A.2. **Dental Care Provider Contracts (all the provisions survive the termination of the Contract)**

- A.2.a. The DHMO shall maintain adequate protections, whether through guarantees, subordinated debt, required surplus contributions by stockholders, or dental care provider(s) contracts containing indemnification and hold harmless provisions, or by any other means or combination thereof, whereby dental care provider(s) may not seek from GBP Participants, ERS or the state of Texas payment of debts that are the responsibility of the DHMO and whereby ERS, the state of Texas and GBP Participants are protected from any obligation for payments which are the responsibility of the DHMO.

- A.2.b. For payment of services under the DHMO plan, if any dental care provider(s) requests that a GBP Participant waive his rights to not be liable for payments owed by the Vendor, requests that the GBP Participant agree to pay for services that are the DHMO's responsibility, or initiates any actions whatsoever, including correspondence, telephone calls or personal visits, to collect payments from ERS,

the state of Texas or GBP Participants for payment of services rendered over and above allowable copayments, excluding services not covered under this plan, the DHMO or its successor shall initiate and maintain such action necessary to stop the dental care provider(s) or his employee, agent, trustee, or successor in interest from maintaining any action against ERS, the state of Texas or any GBP Participant to collect or otherwise take any responsibility for any amounts owed to dental care provider(s) by the DHMO.

- A.2.c. The DHMO shall defend, indemnify and hold harmless GBP Participants, ERS and the state of Texas against any and all claims, costs, damages, lawsuits, settlements, judgments, penalties, and expenses (including attorney's fees) of whatsoever kind or nature arising out of the failure, inability, or refusal of the DHMO, its agents, employees and/or subcontractors to pay dental care provider(s) for covered services or supplies and for any alleged malpractice or malfeasance of the DHMO, its agents, employees and/or subcontractors or any of its dental care providers. The Contract will expand on this requirement.
- A.2.d. In the event the DHMO terminates its contract with any participating primary dentist, the DHMO shall make reasonable efforts to notify affected current members in writing. The written notice shall include the name of the terminating dentist or dental group, the names of other dental care provider(s) available to the members, and the effective dates of the changes.
- A.2.e. The DHMO shall ensure that its dental care provider(s) do not directly market to GBP Participants.
- A.2.f. The DHMO shall make reasonable accommodation to Participants changing from one DHMO plan to another when it has been determined by ERS that it is in the best interest of the GBP to change the DHMO.
- A.2.g. ERS will have the right to review all arrangements or agreements between the DHMO and a participating dentist. A selected DHMO shall provide ERS with a sample dental provider contract upon request.
- A.2.h. To be eligible for selection, the DHMO shall make all commercially reasonable efforts to maintain the current GBP network of dentists, including geographic locations. The DHMO shall, preferably, already have contracts with each of the current GBP network dentists, in specified geographic areas, at the time of submission of the Proposal. However, the selected DHMO shall make all commercially reasonable effort to contract with at least 50% of the number of dentists in the current network and in their geographic locations, by April 1, 2014; at least 75% by June 1, 2014 and at least 90% by August 1, 2014.  
  
Failure to reach the 90% benchmark by August 1, 2014, may result in a \$10,000 financial assessment.
- A.2.i. The selected Dental Vendors shall maintain the Board-approved network as reflected in Appendix G, *Performance Guarantees*.

A.3. **Provider Accessibility and Availability Format**

For each service area included in the DHMO Proposal, the DHMO shall provide one Provider Network CD-ROM, including one (1) file for the primary dentist and one (1) file for the specialty dental providers. As an example, a DHMO submitting a response for three (3) different service areas shall submit three (3) separate CD-ROMs. Each CD-ROM shall contain two (2) separate folders, one for each of the two (2) required networks: primary dentists and specialty care dentists.

Failure to properly identify the data may result in a delay in the review of the Vendor's Proposal. **NOTE:** The documentation required is more than what is primarily listed in the DHMO's provider directory.

The DHMO should direct any questions regarding this section to the iVendor mailbox at: [ivendorquestions@ers.state.tx.us](mailto:ivendorquestions@ers.state.tx.us).

A.4. **Formatting Requirements**

A.4.a. The CD-ROM shall be in an Excel format and in an unaltered form. **No other format will be accepted.**

A.4.b. All required data fields shall be completed and filled in. If not, the Proposal will **not** be considered complete. **Blank records, abbreviated names or extra fields are not acceptable.**

A.4.c. Only specialty codes provided by ERS are valid. See the list of specialty codes included in this Article.

A.4.d. Format Examples – (fixed length Excel spreadsheet)

Below is the listing of the data required for each provider type to assist the Vendor in creating the CD-ROMs.

A.5. **Reporting of Primary Dentist Network.** The following is the format that **shall** be used to create the primary dentist network CD-ROM(s). The primary dentist network must be submitted in a separate file on a CD-ROM.

**Table 1 – Primary Dentist Network – (13 Fields - Fixed Length)**

Field Names	Description	Size	Type	Bytes
**	Filler Text	2	Text	1-2
LIC#	Dentist's License number assigned by the Texas Board of Dental Examiners	5	Text(alpha/numeric)	3-7
LAST NAME	Dentist's Last Name	30	Text	8-37
FIRST NAME	Dentist's First Name	25	Text	38-62
MIDDLE INITIAL	Dentist's Middle Initial	2	Text	63-64
ADDRESS 1	Street Address of dentist's office NO P.O. Boxes, Bldg. Name, Suite #, or Floor	30	Text	65-94
ADDRESS 2	Complete second location address, including city and ZIP code	30	Text	95-124
CITY	City of dentist's office (Address 1)	25	Text	125-149
ZIP Code	Street address ZIP code of dentist's office (Address 1)	5	Number	150-154
County	Physical location of dentist's primary office			
SPEC	GD = General Dentistry E = Endodontics O = Orthodontics P = Periodontics Pe = Pedodontics Pr = Prosthodontics S = Oral Surgery L= Limited Care	4	TEXT	155-158
STATUS	O = Open Practice C = Closed Practice	3	Text	159-161
AFFILIATED w/a Group Practice	Y = Yes N = No	3	Text	162-164
GROUP NAME	Name of the group practice	30	Text	165-194

Filler	Lic.#	Last Name	First Name	M I	Address 1	Address 2	City	Zip	Spec	O / C	Aff	Group Name
**		Jones	John	F	10 Main St 2 <sup>nd</sup> Floor.	151 South Taylor, TX 78757	Austin	78701	Pe	O	Y	Dental Group

- A.6. **Reporting of Specialty Care Dentists.** The following is the format that **shall** be used to create the specialty care dentist network CD-ROM(s). The specialty care dentist network must be submitted in a separate file on a CD-ROM.

**Table 2 – Specialty Care Dentist Network – (12 Fields - Fixed Length)**

Field Names	Description	Size	Type	Bytes
**	Filler Text	2	Text	1-2
LIC#	Dentist's License number assigned by the Texas Board of Dental Examiners	5	Text (alpha/numeric)	3-7
LAST NAME	Dentist's Last Name	30	Text	8-37
FIRST NAME	Dentist's First Name	25	Text	38-62
MIDDLE INITIAL	Dentist's Middle Initial	2	Text	63-64
ADDRESS 1	Street Address of dentist's office NO P.O. Boxes, Building Name, Suite #, or Floor	30	Text	65-94
ADDRESS 2	Complete second location address including city and ZIP code	30	Text	95-124
CITY	City of Dentist's Office	25	Text	125-149
ZIP Code	Street address ZIP code of dentist's office	5	Number	150-154
SPECIALTY	E = Endodontics O = Orthodontics P = Periodontics Pr = Prosthodontics S = Oral Surgery OTH- ALL OTHER SPECIALTIES	4	Text	155-158
AFF	Affiliated w/a group practice: Y- YES; N-No	3	Text	159-161
GROUP NAME	Name of the group practice	30	Text	160-190

Filler	Med. Lic. #	Last Name	First Name	MI	Address 1	Address 2	City	Zip	Spec	Aff	Group Name
**		Smith	Jane	M	10 Medical Blvd Suite 250	25 Jones St. Tyler 75603	Tyler	75603	P	N	

The DHMO may elect to submit a response for any or all Texas counties for which it has been approved by TDI. It is not required that the proposed service area(s) be contiguous between counties.

The following page shows an example of the format to be used when submitting counties on the service area CD-ROM for the DHMO component. The CD-ROM shall be in Excel format and in an unalterable form. The Vendors shall submit a service area CD-ROM listing all counties for its proposed service area(s).

**A.7. Documentation**

Supporting data for each service area submitted shall include:

- A.7.a. The DHMO shall submit a copy of its TDI's date stamped approved service area documentation. **NOTE:** Only service areas approved by TDI on or before June 1, 2012 are to be submitted in the DHMO's Proposal.
- A.7.b. The DHMO shall provide map(s) that are comprised of complete counties boldly outlining each proposed service area.
- A.7.c. Service area CD-ROM in ERS format, listing the counties for the proposed service area in separate folders on the CD-ROM (DHMO).

The file should be saved text or in Excel format.

## **B. Dental PPO Provider Network Requirements**

The availability and accessibility of the PPO dental care providers, as well as provider duplication with the current network, are major aspects of the dental review process.

- B.1. Provider Access and Availability.** For PPO benefits, the Vendor will offer complete flexibility in a Participant's selection of a dentist. The Vendor shall provide documentation using ERS-required format to demonstrate that the proposed provider network contains a sufficient number of dental care providers to serve GBP Participants. Separate documentation shall be provided for each of the following: (i) general dentists; and (ii) specialty care dentists. Documentation for each of these proposed networks shall be provided in the ERS-prescribed format.

ERS will utilize GeoAccess software as one of its tools to determine provider network availability and accessibility in accordance with the TDI access rules. ERS may also use its own discretion in reviewing provider networks. Each Vendor shall submit documentation of its provider network (for the PPO component) as of May 1, 2013, in the prescribed ERS format.

Participants enrolling in the dental PPO plan do not have to designate a general dentist to obtain PPO benefits, but they shall use a participating network dentist to receive the PPO benefits. The proposed PPO network should be extensive and offer a high level of access. The Proposal response shall utilize the ERS-required format to document its proposed PPO network.

- B.2. Dental Care Provider Contracts (all the provisions survive the termination of the Contract).**

- B.2.a.** The Vendor shall maintain adequate protections, whether through guarantees, subordinated debt, required surplus contributions by stockholders, or dental care provider(s) contracts containing indemnification and hold harmless provisions, or by any other means or combination thereof, whereby dental care provider(s) may not seek from GBP Participants, ERS or the state of Texas payment of debts that are the responsibility of the Vendor, and whereby ERS, the state of Texas and GBP Participants are protected from any obligation for payments which are the responsibility of the Vendor.

- B.2.b.** For payment of services on the Dental PPO plan, if any dental care provider(s) requests that a GBP Participant waive his rights to not be liable for payments owed by the Vendor, requests that the GBP Participant agree to pay for services that are the Vendor's responsibility or initiates any actions whatsoever, including correspondence, telephone calls or personal visits, to collect payments from ERS, the state of Texas or any GBP Participants for payment of services rendered over and above allowable copayments, excluding services not covered under this plan, and excluding services over and above the plan's maximum annual or lifetime benefits, the Vendor or its successor shall initiate and maintain such action necessary to stop the dental care provider(s) or his employee, agent, trustee, or successor in interest from maintaining any action against ERS, the state of Texas or any GBP Participant to collect or otherwise take any responsibility for any amounts owed to dental care provider(s) by the Vendor.

- B.2.c.** The Vendor shall defend, indemnify and hold harmless GBP Participants, ERS and the state of Texas against any and all claims, costs, damages, lawsuits, settlements, judgments, penalties, and expenses (including attorney's fees) of whatsoever kind or nature arising out of the failure, inability, or refusal of the Vendor, its agents, employees and/or subcontractors to pay dental care provider(s) for covered services or supplies and for any alleged malpractice or malfeasance of the Vendor, its agents, employees and/or subcontractors or any of its dental care providers. The Contract will expand this requirement.

- B.2.d.** The Vendor shall ensure that its dental care provider(s) do not directly market to GBP Participants.

B.2.e. The selected Vendor shall provide ERS with a sample dental provider contract upon request.

**B.3. Provider Accessibility and Availability Format**

The Vendor shall provide a provider network CD-ROM that contains the proposed PPO network. The CD-ROM shall contain one (1) file for general dentists and one (1) file for specialty dental providers.

Failure to properly identify the data may result in a delay in the review of the Vendor's Proposal. NOTE: The documentation required is more than what is generally listed in the Vendor's provider directory.

**B.4. Formatting Requirements**

Please note the following when preparing the CD-ROM(s):

B.4.a. The CD-ROM shall be in an Excel format and in an unaltered form. **No other format will be accepted.**

B.4.b. All required data fields shall be completed and filled in. If not, the Proposal will **not** be considered complete. **Blank records, abbreviated names or extra fields are not acceptable.**

B.4.c. Only specialty codes provided by ERS are valid. See the list of specialty codes included in this Article.

B.4.d. Format Examples – (fixed length Excel spreadsheet)

Below is the listing of the data required for each provider type to assist the Vendor in completing the CD-ROM(s).

The Vendor should direct any questions regarding this section to the iVendor mailbox at: [ivendorquestions@ers.state.tx.us](mailto:ivendorquestions@ers.state.tx.us).

B.5. **Reporting of Participating General Dentists (PPO only).** The following is the format that **shall** be used to create the participating general dentist network CD-ROM(s). The participating general dentist network must be submitted in a separate file on a CD-ROM.

**Table 3 – Participating General Dentist Network – (12 Fields - Fixed Length)**

Field Names	Description	Size	Type	Bytes
**	Filler Text	2	Text	1-2
LIC#	Dentist's License number assigned by the Texas Board of Dental Examiners	5	Text(alpha/numeric)	3-7
LAST NAME	Dentist's Last Name	30	Text	8-37
FIRST NAME	Dentist's First Name	25	Text	38-62
MIDDLE INITIAL	Dentist's Middle Initial	2	Text	63-64
ADDRESS 1	Street Address of dentist's office No. P.O. Boxes, Building Name, Suite #, or Floor	30	Text	65-94
ADDRESS 2	Complete second location address including city and ZIP code	30	Text	95-124
CITY	City of dentist's office	25	Text	125-149
ZIP Code	Street address ZIP code of dentist's office	5	Number	150-154
SPECIALTY	E = Endodontics	4	Text	155-158
	O = Orthodontics			
	P = Perodontics			
	Pr = Prosthodontics			
	S = Oral Surgery			
	<b>OTH- ALL OTHER SPECIALTIES</b>			
AFF	Affiliated w/a group practice: Y- YES; N-No	3	Text	159-161

GROUP NAME	Name of the group practice	30	Text	160-190
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Filler	Med. Lic.#	Last Name	First Name	MI	Address 1	Address 2	City	Zip	Spec	Aff	Group Name
**		Smith	Jane	M	10 Medical Blvd Suite 250	25 Jones St. Tyler 75603	Tyler	75603	P	N	

B.6. **Reporting of Participating Specialty Care Dentists (PPO only).** The following is the format that **shall** be used to create the specialty care dentist network CD-ROM(s). The specialty care dentist network must be submitted in a separate file on a CD-ROM.

**Table 4 – Specialty Care Dentist Network – (12 Fields - Fixed Length)**

Field Names	Description	Size	Type	Bytes
**	Filler Text	2	Text	1-2
LIC#	Dentist's License number assigned by the Texas Board of Dental Examiners	5	Text(alpha/numeric)	3-7
LAST NAME	Dentist's Last Name	30	Text	8-37
FIRST NAME	Dentist's First Name	25	Text	38-62
MIDDLE INITIAL	Dentist's Middle Initial	2	Text	63-64
ADDRESS 1	Street address of dentist's office NO P.O. Boxes, Building Name, Suite #, or Floor	30	Text	65-94
ADDRESS 2	Complete second location address including city and ZIP code	30	Text	95-124
CITY	City of dentist's office	25	Text	125-149
ZIP Code	Street address ZIP code of dentist's office	5	Number	150-154
SPECIALTY	E = Endodontics O = Orthodontics P = Perodontics Pr = Prosthodontics S = Oral Surgery OTH- ALL OTHER SPECIALTIES	4	Text	155-158
AFF	Affiliated w/a group practice: Y- YES; N-No	3	Text	159-161
GROUP NAME	Name of the group practice	30	Text	160-190

Filler	Med. Lic.#	Last Name	First Name	MI	Address 1	Address 2	City	Zip	Spec	Aff	Group Name
**		Smith	Jane	M	10 Medical Blvd Suite 250	25 Jones St. Tyler 75603	Tyler	75603	P	N	

The Dental PPO plan includes a PPO component that shall be included with the Vendor's Proposal. The Proposal may include any or all Texas counties for the PPO component of the Dental PPO benefit plan. It is not required that the proposed service area(s) be contiguous between counties.

The following page shows an example of the format to be used when submitting counties on the service area CD-ROM for the PPO benefits. The CD-ROM shall be in Excel format and in an unalterable form. The Vendor shall submit a service area CD-ROM listing all counties for its proposed service area(s).

**B.7. Documentation**

Supporting data for each service area submitted shall include:

B.7.a. The PPO shall provide map(s) that are comprised of complete counties boldly outlining each proposed service area.

- B.7.b. Service area CD-ROM in ERS format, listing the counties for the proposed service area in separate folders on the CD-ROM (PPO component).

The file should be saved text or in Excel format.

## **C. Network Management**

The Vendor shall provide all services specified herein, including, but not limited to, the following:

- C.1. The Vendor shall provide initial and ongoing recruitment, credentialing and contracting with a sufficient number of qualified and duly licensed Dental Care Providers, as defined herein, in good standing with the state of Texas, to provide the full range of covered benefits and services in the network service areas. The Vendor shall provide ongoing management of dental network providers in accordance with applicable laws, regulations, credentialing criteria, and provider contracting provisions.
  - C.1.a. The Vendor shall provide initial and ongoing provider education to ensure that dental network providers are familiar with and knowledgeable of the benefits (including any benefit design changes) and other plan provisions.
  - C.1.b. The Vendor shall provide ongoing review of the fees paid to dental network providers and recommend adjustments as appropriate, subject to consultation with and approval by ERS.
- C.2. The Vendor shall conduct an ongoing dental quality assurance review to be monitored via periodic Participant surveys and other reporting mechanisms.
- C.3. As it relates to the management of the dental network, the Vendor shall provide ongoing utilization management, including monitoring and enforcement of compliance with dental protocol.
- C.4. As it relates to the management of the dental network, the Vendor shall provide ongoing review of complaints received from Participants and providers and respond as necessary and appropriate; monitor the denials of benefits made under the utilization management program to maintain the appropriateness of the dental protocol; and provide information to ERS about the utilization management program as requested.
- C.5. When requested by ERS, the Vendor shall recruit additional dental providers for the network on a general, regional or specific basis.
- C.6. As it relates to the management of the dental network, the Vendor shall provide to an authorized representative of ERS, for ERS' approval, a template or form letter or other means of standardized communication prior to sending, disseminating or otherwise providing such written or oral communications to any person or entity reasonably connected to or involved in Dental Program or the GBP. The Vendor shall regularly review, revise and update where necessary, all information contained on its website that relates to or may be utilized by the Dental Program and any of its Participants.
- C.7. As it relates to the management of the dental network, the Vendor must include in its Provider contracts a provision stating that Providers may not condition treatment of Participants on any requirement that Participant agrees not to discuss Provider's services in any forum.

**D. List of Texas Counties (to be used for both PPO and DHMO plans)**

ANDERSON	COLORADO	GRAY	KING	OLDHAM	TITUS
ANDREWS	COMAL	GRAYSON	KINNEY	ORANGE	TOM GREEN
ANGELINA	COMANCHE	GREGG	KLEBERG	PALO PINTO	TRAVIS
ARANSAS	CONCHO	GRIMES	KNOX	PANOLA	TRINITY
ARCHER	COOKE	GUADALUPE	LA SALLE	PARKER	TYLER
ARMSTRONG	CORYELL	HALE	LAMAR	PARMER	UPSHUR
ATASCOSA	COTTLE	HALL	LAMB	PECOS	UPTON
AUSTIN	CRANE	HAMILTON	LAMPASAS	POLK	UVALDE
BAILEY	CROCKETT	HANSFORD	LAVACA	POTTER	VAL VERDE
BANDERA	CROSBY	HARDEMAN	LEE	PRESIDIO	VAN ZANDT
BASTROP	CULBERSON	HARDIN	LEON	RAINS	VICTORIA
BAYLOR	DALLAM	HARRIS	LIBERTY	RANDALL	WALKER
BEE	DALLAS	HARRISON	LIMESTONE	REAGAN	WALLER
BELL	DAWSON	HARTLEY	LIPSCOMB	REAL	WARD
BEXAR	DE WITT	HASKELL	LIVE OAK	RED RIVER	WASHINGTON
BLANCO	DEAF SMITH	HAYS	LLANO	REEVES	WEBB
BORDEN	DELTA	HEMPHILL	LOVING	REFUGIO	WHARTON
BOSQUE	DENTON	HENDERSON	LUBBOCK	ROBERTS	WHEELER
BOWIE	DICKENS	HIDALGO	LYNN	ROBERTSON	WICHITA
BRAZORIA	DIMMIT	HILL	MADISON	ROCKWALL	WILBARGER
BRAZOS	DONLEY	HOCKLEY	MARION	RUNNELS	WILLACY
BREWSTER	DUVAL	HOOD	MARTIN	RUSK	WILLIAMSON
BRISCOE	EASTLAND	HOPKINS	MASON	SABINE	WILSON
BROOKS	ECTOR	HOUSTON	MATAGORDA	SAN AUGUSTINE	WINKLER
BROWN	EDWARDS	HOWARD	MAVERICK	SAN JACINTO	WISE
BURLESON	EL PASO	HUDSPETH	MCCULLOCH	SAN PATRICIO	WOOD
BURNET	ELLIS	HUNT	MCLENNAN	SAN SABA	YOAKUM
CALDWELL	ERATH	HUTCHINSON	MCMULLEN	SCHLEICHER	YOUNG
CALHOUN	FALLS	IRION	MEDINA	SCURRY	ZAPATA
CALLAHAN	FANNIN	JACK	MENARD	SHACKELFORD	ZAVALA
CAMERON	FAYETTE	JACKSON	MIDLAND	SHELBY	
CAMP	FISHER	JASPER	MILAM	SHERMAN	
CARSON	FLOYD	JEFF DAVIS	MILLS	SMITH	
CASS	FOARD	JEFFERSON	MITCHELL	SOMERVELL	
CASTRO	FORT BEND	JIM HOGG	MONTAGUE	STARR	
CHAMBERS	FRANKLIN	JIM WELLS	MONTGOMERY	STEPHENS	
CHEROKEE	FREESTONE	JOHNSON	MOORE	STERLING	
CHILDRESS	FRIO	JONES	MORRIS	STONEWALL	
CLAY	GAINES	KARNES	MOTLEY	SUTTON	
COCHRAN	GALVESTON	KAUFMAN	NACOGDOCHES	SWISHER	
COKE	GARZA	KENDALL	NAVARRO	TARRANT	
COLEMAN	GILLESPIE	KENEDY	NEWTON	TAYLOR	
COLLIN	GLASSCOCK	KENT	NOLAN	TERRELL	
COLLINGSWORTH	GOLIAD	KERR	NUECES	TERRY	
	GONZALES	KIMBLE	OCHILTREE	THROCKMORTON	

# XI. Information Systems Requirements

This Article describes system requirements including information security, data processing interface requirements, enrollment and eligibility, security breach and fraud, web specifications and data warehousing, as mandated by ERS. The Vendor shall administer the Plan in a manner consistent with all applicable state and federal laws and regulations, as well as ERS' administrative rules and at the direction of the ERS Board, its Executive Director, and ERS staff. The cost of the requirements described herein shall be recovered by the Vendor only by making provisions for such expenses in the Vendor's *Price Proposal and Response Format* in Article IV.

The information system requirements listed herein may not specifically apply to the PPO, DHMO or Dental Discount Vendor. The Vendor shall provide its information systems requirements deviations in Section XIV.A.12. The Vendor shall provide the information that is only applicable to its Plan.

## A. Systems Requirements

### A.1. Data Processing Interface

A.1.a. **Enrollment/Eligibility.** ERS is responsible for determining the eligibility of Participants in the Dental Program and for reporting coverage. ERS provides a 100% weekly Enrollment Interface File via SFTP. The Vendor's corresponding enrollment records shall be updated within twenty-four (24) hours of receipt of the SFTP file to reflect any adjustments based on the data provided by ERS as required in Appendix G, *Performance Guarantees* and/or other legal remedies available to ERS in the Contract.

A.1.b. The Vendor shall implement automated enrollment (i.e., via telephone and Internet) and accept enrollment via verbal instruction from an ERS authorized representative. The Vendor shall adjust appropriate information in its enrollment system immediately upon receiving updated Participant eligibility information from an ERS representative. Although the Vendor is currently required to accept enrollment via the 100% weekly Enrollment File, future enhancements are likely to require the Vendor to accept enrollment on a real-time basis.

A.1.c. ERS shall report future effective dates for changes during AE. The Vendor shall be prepared to accept reporting of future effective dates by the first business day in August.

A.1.d. For the purpose of responding to this RFP, the Vendor may recover costs involved in the adaptation of their system requirements to those set forth by ERS only through the Article IV, *Price Proposal and Response Format*.

A.2. **File Layouts.** The file layouts that ERS uses to report to the Vendor on a weekly and monthly basis are included as Appendix J.

A.3. **File Interface.** The Vendor shall be fully capable of accepting and processing all File Interfaces forty-five (45) business days before the go-live date. ERS will define the file layouts as specified in Appendix J.

A.4. **Web Access.** In the event ERS provides the Vendor with the opportunity to view ERS' enrollment system through web access, the Vendor shall have the capabilities in place to support this access, to include, but not be limited to:

- Access ERS' enrollment data via web access sixty (60) days prior to the go-live date of each plan year;
- Utilize the enrollment information to assist in the verification of eligibility; and
- Provide Customer Service staff proficient with the web access to ERS enrollment data during all ERS designated customer service hours.

For the purpose of responding to this RFP, the Vendor shall recover any costs involved in the adaptation of its system requirements to those set forth by ERS only through Article IV, *Proposal Response – Information and Format*.

A.5. **Information Security.** The Vendor shall comply with the Privacy Act of 1974, Computer Matching and Privacy Protection Act of 1988, Texas Business and Commerce Code

("TBCC") and information security standards as outlined in Tex. Admin. Code Title 1, Part 10, § 202.

- A.5.a. The Vendor shall comply with the requirements for handling and use of personal information as more fully outlined in Appendix D, *Data Security and Breach Notification Agreement* and utilize processes to support the secure handling of files. Compliance is required for data handling and transfer (data in transit) and storing data (data at rest). Requirements include, but are not limited to, the use of SFTP and PGP encryption protocols. The execution of the Data Security and Breach Notification Agreement will be required prior to final execution of a Contract.
- A.6. **Data Security Practices.** The Vendor shall ensure the confidentiality, integrity, and availability of Participant and Program information through the utilization of mutually agreed upon industry best practices coordinated with the Information Security Officer of ERS.
- A.6.a. Secure Sockets Layer ("SSL") and/or Transport Layer Security ("TLS") protocols are to be utilized for the exchange of personal identifying information. The Vendor shall support SFTP protocol with a SSL and/or TLS to encrypt the data exchange in transit.
- A.6.b. The Vendor shall utilize proven industry-standard methods of ensuring the control and security of Participant and Program information.
- A.7. **Secured Internet Access.** To protect the confidentiality of Participant information, the Vendor shall provide access to any information reasonably related to the all GBP's Dental Programs, its Participants, and the services, coverage, benefits, supplies and products specified hereunder using secure point-to-point VPN to ERS and its designated representatives.
- A.7.a. Such access, at a minimum, shall give ERS the ability to view, download and print such information. Thus, any information regarding the services, supplies or products that the Vendor shall perform, deliver or provide in connection with the GBP's Dental Programs, shall be fully accessible and available to ERS via secure, encrypted point-to-point VPN.
- A.8. **Encrypted Data Files.** The Vendor shall maintain duplicate or back-up computer encrypted data files maintained securely in connection with all Dental Programs and Participant data in a secure, hardened facility which provides environmental and access controls. The Vendor shall utilize 256Bit AES encryption standard for tapes or equivalent backup medium. Decryption keys shall be access controlled and provided to ERS upon demand.
- A.8.a. All computer data files of the Plans, as maintained by the Vendor, shall at all times remain the property of ERS notwithstanding the fact that such records may be stored upon or within one (1) or more computer or data retention systems owned, operated, or leased by the Vendor.
- A.8.b. Electronic communications including, but shall not be limited to, email and file transfers, between the Vendor and ERS shall be encrypted to protect Participant's confidential information.
- A.8.c. The Vendor must establish TLS protocols with ERS for email communications.
- A.9. **Encrypted Mobile Devices.** All laptop computers, mobile devices and external storage devices which contain, process, or interact with ERS data shall be encrypted at rest. If ERS data is to be transmitted using a mobile device or laptop computer, the transmission shall be encrypted as well.
- A.10. **Data Retention.** The Vendor shall maintain a complete and accurate reporting system, and provide for the retention, maintenance, and storage of all Program and Participant records for appropriate reporting to ERS. The Vendor shall securely maintain all such records throughout the term of the Contract, and for at least seven (7) years or as dictated by statute following the end of the Contract, and shall make such records accessible and available to ERS for inspection and audit upon ERS' request.
- A.10.a. The Vendor shall maintain records in accordance with the Contract. In the event the Vendor is scheduled to destroy records, the Vendor shall contact ERS for approval prior to the

destruction of the payment records. If ERS approves destruction, verification of the destroyed records shall be required at ERS' direction.

- A.10.b. At all reasonable times, ERS or its representatives shall have access to ERS and GBP records. To the extent that any such records are to be maintained upon a computer system or any other data retention system which is not owned by the Vendor, the Vendor shall provide ERS with assurances from the owner of such computer facilities, satisfactory to ERS, of continued availability and security of such records at all times. ERS must be permitted to personally inspect such facilities and systems.
- A.11. **Fraud Detection.** The Vendor shall use a comprehensive plan, including automated systems, to prevent and detect fraud and misuse of the program, overpayments, wrongful or incorrect payments, and falsification of eligibility, verification of enrollment and unnecessary and/or wrongful medical practices and abuses. The Vendor shall comply with all applicable state and federal laws and regulations and shall also comply with all ERS policies, and is encouraged to develop additional safeguards as allowed by law. The Vendor understands that ERS may develop further policies in connection with the detection and prevention of fraud or abuse. The Vendor shall also conduct thorough, diligent, and timely investigations with regard to fraudulent and suspicious claims, and report all such suspicious claims to ERS' Benefit Contracts division. The Contract contains additional anti-fraud and abuse requirements. Examples of practices for preventing and detecting disability fraud and abuse include, but are not limited to:
- Enhancing prospective dental services utilization review to prevent waste;
  - Using technology at the point of service to prevent abuse and errors;
  - Using data and education to change provider behavior; and
  - Auditing claims data to profile both providers and clients.
- A.12. **Multi-Factor Authentication.** The Vendor shall provide non-repudiation services up to and including second factor authentication for the Vendor employees, contractors, and service providers capable of accessing ERS data outside the Vendor's physical facilities (i.e., VPN or other remote access methods).
- A.13. **Identity Theft Enforcement and Protection Act.** Texas Business and Commerce Code 521.001, *et seq.* A person cannot obtain, transfer, possess, or use another's personal identifying information without consent in order to get something of value in another's name. Businesses must take reasonable steps to safeguard customers' personal identifying information and must notify customers of any electronic security breach involving their sensitive personal information.
- A.14. **Security Breach.** The Vendor shall comply with the Data Security and Breach Notification Agreement as attached hereto as Appendix D with regard to Security Breaches. In addition, the Vendor shall comply with the BAA as attached hereto as Appendix C.
- A.15. **Other System Requirements.**
- A.15.a. **IVR System.** The Vendor shall provide all annual updates and/or equipment re-configuration recommendations for future years no later than the first business day of May of each subsequent year. The Vendor is required to communicate and submit to ERS for prior approval all changes, updates and re-configurations that directly affect ERS.
- A.15.b. **Internet Availability Specification.** The Vendor providing Internet access to GBP Dental Program Participants guarantees that the Internet Availability Rate for each Fiscal Year shall be 99.5% or greater, and that no single thirty (30) day period shall exceed eight (8) hours of outage. "Internet Availability Rate" means the percentage of available hours that the Vendor's GBP-specific Internet site is operational, excluding scheduled and pre-approved maintenance time, measured on a Plan Year basis, as reflected in Appendix G, *Performance Guarantees* and/or other legal remedies available to ERS in the Contract.
- The Vendor shall correct inaccuracies within ten (10) days of being notified by ERS, as reflected in Appendix G, *Performance Guarantees* and/or other legal remedies available to ERS in the Contract.
- A.15.c. **Internet Accessibility Specifications.** In addition to ADA and Section 508 requirements, the Vendor shall adhere to the following website guidelines:

- The Vendor’s web page shall be compatible with a wide spectrum of web browsers, including, but not limited to:
  - Microsoft Internet Explorer IE 7.0 or newer;
  - Google Chrome 16.0.912.63 or newer;
  - Mozilla Firefox 10.3 or newer; and
  - Apple Safari 5.0 or newer.
- If providing a PDF document, assure ADA and Section 508 compliance;
- Warn user if “cookies” are used; however, do not use permanent “cookies”;
- When linking to an external file (i.e., PDF, Word, etc.), reflect the file size and type;
- List ERS-approved security and privacy policies on the Vendor’s GBP-specific Home page;
- Reflect the ERS logo or appropriate branding on the Vendor’s GBP-specific Home page as specified by ERS for each plan year;
- Create text for all links used that makes sense when read out of context. For example, avoid “click here”;
- The Vendor shall have Single Sign On (“SSO”) capabilities to be engaged at a date to be determined by ERS;
- Each page of the Vendor’s website shall have a link back to the GBP-specific Vendor Home page; and
- The Vendor’s website shall use SSL wherever Participant’s Personally Identifiable information is presented.

A.15.d. **Testing Prior to Rolling Out Program Changes.** The Vendor shall provide testing environments for all circumstances utilized prior to rolling out program changes that run the logic to achieve predicted outcomes of programming prior to pushing-out a new process or enhancement/modification of an existing program.

A.15.e. **XML.** The Vendor shall be prepared to provide ERS with XML-tagged content for purposes of extracting content on the Vendor websites through “feeds”.

A.15.f. **Single Sign-On (“SSO”).** ERS expects that the selected Vendor shall act in good faith and cooperate with ERS in the implementation of a SSO environment with respect to ERS’ external website and the Vendor’s website. As further described in the Contract, ERS Participant records are confidential by law, and ERS maintains other records and information that the Vendor shall have access to and which the Vendor must keep confidential. Additionally, the Contract contains prohibitions on using GBP Participant information for marketing purposes. At a date to be determined by ERS, the Vendor must cooperate with ERS in implementing a SSO environment that complies with these provisions of the Contract.

## XII. Project Management Requirements

Following ERS' initial review of the RFP Proposals, if the Vendor is selected as a finalist in the Vendor selection process, the Vendor shall be prepared to provide a comprehensive description of the Vendor's Project Management ("PM") services including the following elements:

- A. **Project Approach/Methodology** – Include a complete description of the Vendor's proposed approach and methodology for the project. This section should convey the Vendor's understanding of the proposed project.
- B. **Project Team Structure/Internal Controls** - Provide a description as to how the assigned agency PM will work with the Vendor's assigned PM. Provide a description of the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors.
- C. **Work Plan** - Include all project requirements and the proposed tasks, services, activities, etc. necessary to accomplish the scope of the project defined in this RFP. This section of the Proposal must contain sufficient detail to convey to members of the evaluation team the Vendor's knowledge of the subjects and skills necessary to successfully complete the project. Include any proposed required involvement by ERS agency staff. The Vendor may also present any creative approaches that might be appropriate and may provide any pertinent supporting documentation.
- D. **Project Schedule** - Include a proposed project schedule indicating when the Milestones or elements of the work would be completed by the Vendor and ERS agency staff.
- E. **Outcomes and Performance Measurement** – Describe the impacts/outcomes proposed to achieve as a result of the delivery of these services including how these outcomes would be monitored, measured and reported to the assigned agency PM.
- F. **Risks and Mitigation** - The Vendor must identify potential risks and mitigation that are considered significant to the success of the project. Include a proposal on how the Vendor's assigned PM would effectively communicate these risks to the assigned agency PM.
- G. **Deliverables** – Fully describe deliverables to be submitted under the proposed contract.

## XIII. Organizational Information

In order for the Vendor's Proposal to be considered and accepted, the Vendor must provide answers to all of the questions presented herein. Each question must be answered specifically and in detail. **Reference should not be made to a prior response, or to another document, unless the question involved specifically provides such an option.** Be sure to refer to the earlier articles of this RFP and the Contract before responding to any of the questions, so that the Vendor has a complete understanding of all of ERS' requirements with respect to the bid. For purposes of the Contract and the RFP, "Vendor" necessarily includes the Vendor, its officers, directors, employees, representatives, agents, subsidiaries, affiliates and any subcontractors and independent contractors.

Answers to the questions included in this Article should be detailed enough to satisfactorily explain the Vendor's position on each particular issue. It is the Vendor's responsibility to respond to these questions in such a way that ERS has a full and complete understanding of its intent. **It is important that the Vendor carefully define any key words or phrases used in answering these questions that are not otherwise defined in the Contract or the RFP. The Vendor's Proposal shall use the terms defined in the Contract and the RFP only as they are so defined.**

The Vendor shall provide individualized responses to any other questions for which the Vendor believes such responses are necessary in order to fully disclose differences in processes or procedures which may exist among different products and services, if any, included in the Vendor's Proposal.

The Vendor acknowledges, understands and agrees that its responses to the Organizational Information and all other provisions of the RFP are material and are being relied on by ERS in connection with the selection of the Vendor to provide the services, benefits, equipment, coverages, supplies, products and other services as specified in the RFP.

### A. General Information

A.1. Provide the Vendor's full legal name, physical/email address(es), and telephone/facsimile numbers.

Full legal name:   
Physical address:   
Email address:   
Telephone number:   
Facsimile number:

A.1.a. Provide the full legal name of the Organization that will be contracting with ERS to include the name, and title of the Person who will be executing the Contractual Agreement.

Organization full legal name:   
Physical address:   
Person's name:   
Person's title:   
Email address:   
Telephone number:   
Facsimile number:

A.2. Identify the Vendor's type of incorporation:

Publicly owned                       Privately owned  
 For Profit                                 Not-for-Profit / Non-Profit

A.3. In which state was the Vendor's incorporated or formed?

A.4. What is the Vendor's Federal Identification Number?

A.5. Date of state of Texas license or Certificate of Authority.

A.6. Is the Vendor required to maintain any other license(s)? If so, describe and confirm the validity of any valid license(s).

A.7. Has the Vendor ever had its Certificate of Authority or license to conduct business in Texas revoked?  Yes  No

If yes, explain. [REDACTED]

A.8. Provide the date that dental care or dental discount products and/or services were first provided by the Vendor. [REDACTED]

A.9. Provide the Vendor's total commercial enrollment as of:  
Commercial Enrollment Total as of January 1, 2012:  
Commercial Enrollment Total as of January 1, 2013:

A.9.a. If the Vendor is currently participating in the GBP, indicate the percentage of Commercial Enrollment Total that the GBP represents.

A.9.b. The Vendor shall provide information addressing: (i) the Vendor's capacity to enroll new Participants reflective of the GBP's account size, and (ii) the likelihood of any future limitations on enrollment.

A.10. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for **the person(s) authorized to execute this Proposal** and any subsequent Contract including Contract exhibits or any additional agreements that may be awarded. **Such person(s) shall be a company vice president or higher level in authority. ERS will not sign the Contract or any exhibits thereto unless it has been signed by a person identified in response to this question. ERS suggests that several persons be listed in response to this question.**

Name: [REDACTED]  
Title: [REDACTED]  
Mailing address: [REDACTED]  
Email address: [REDACTED]  
Telephone number: [REDACTED]  
Facsimile number: [REDACTED]

A.11. Provide the name(s), title(s), mailing/email address(es), and telephone/facsimile number(s) for **the individual(s)** responsible for the preparation of all materials contained in the Vendor's Proposal (other than the *Price Proposal and Response Format*).

Name: [REDACTED]  
Title: [REDACTED]  
Mailing address: [REDACTED]  
Email address: [REDACTED]  
Telephone number: [REDACTED]  
Facsimile number: [REDACTED]

A.12. Provide the firm/attorney names, title, mailing/email address(es), and telephone/facsimile number(s) for the person who shall serve as the **Vendor's Legal Counsel** and/or all such information as it relates to any outside law firm retained by the Vendor for purposes of the Vendor's RFP Proposal or Contract performance.

Firm name: [REDACTED]  
Attorney name: [REDACTED]  
Title: [REDACTED]  
Mailing address: [REDACTED]  
Email address: [REDACTED]  
Telephone number: [REDACTED]  
Facsimile number: [REDACTED]

A.13. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the person who shall serve as the **Vendor's Account Management Team Lead**.

Name: [Redacted]  
Title: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]

A.14. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the person who shall serve as the **Vendor's Account Implementation Team Lead**.

Name: [Redacted]  
Title: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]

A.15. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the **individual** responsible for preparation of the **Vendor's Price Proposal and Response Format** submitted in Article IV.

Name: [Redacted]  
Title: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]

A.16. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the **Vendor's Clinical Consultant contact**.

Name: [Redacted]  
Title: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]

A.17. Provide the name, title, mailing and email address(es), and telephone/facsimile number(s) for the person responsible for the **Vendor's Website Management**.

Name: [Redacted]  
Title: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]

A.18. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the person responsible for supervision of the **Vendor's Customer Service Division** that will be assigned to manage the account.

Name: [Redacted]  
Title: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]

A.19. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the person responsible for supervision of the **Vendor's Call Center Operations** that will be assigned to manage the account, including Manager of Call Center Operations.

Name: [Redacted]  
Title: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]

A.20. Does the Vendor propose to utilize subcontractors in the performance, delivery and provision of services and products requested hereunder?  Yes  No

A.21. If applicable, provide the information below for each subcontractor and specify what services may be performed by each subcontractor. List each in the following format:

Name: [Redacted]  
Physical address: [Redacted]  
Mailing address: [Redacted]  
Email address: [Redacted]  
Telephone number: [Redacted]  
Facsimile number: [Redacted]  
Services performed: [Redacted]

A.22. Confirm the Vendor's understanding, acknowledgement and agreement that all operations, staff and facilities being proposed in support of the RFP and Contractual Agreement will be located onshore within the United States of America ("United States").  Confirm

A.22.a. The Vendor shall also confirm that all products and related services, including, but not limited to, access to and retention of ERS and Participant-related data, shall be done and performed solely within the 50 states of the United States.  Confirm

A.22.b. Furthermore, the Vendor shall confirm that any of its subcontractors or independent contractors will prevent any person or entity located outside of any of the 50 states of the United States from having access to all ERS, GBP, and dental information, including, but not limited to, confidential or Participant-related information and data.  Confirm

A.23. Provide a detailed company-wide organizational chart reflecting employee name(s) and title(s) for the Vendor to be utilized in support of the Contract. Chart should also identify those positions open but not yet filled.

The Vendor's organizational chart: [Redacted]

A.24. Describe the staff (including numbers of full-time equivalent employees) that the Vendor and any subcontractor shall utilize to perform, deliver and provide the services, coverages, benefits, equipment, supplies and products requested herein. The Vendor shall also provide the specific services to be performed by the subcontractors.

The Vendor's staff description: [Redacted]  
Subcontractor staff description and specific services to be performed : [Redacted]

A.25. How many of these employees are located in Texas? Describe the functions these employees perform.

Number of the Vendor staff in Texas: [Redacted]  
Description of Vendor's staff functions: [Redacted]  
If applicable, number of Subcontractor staff in Texas: [Redacted]  
If applicable, description of Subcontractor staff functions: [Redacted]

A.26. Provide a list of individuals who shall comprise the Vendor's proposed Account Service team. Include individuals for the following categories:

- Enrollment processing and reporting;
- Benefit processing;

- Program claims processing:
- Communication materials:
- Internet management:
- Website management:
- Complaint process:
- Grievance process:
- Transition/conversion:
- Network enhancements:
- Program enhancements:
- Payments and reconciliation:

A.27. Provide a list of individuals who shall comprise the Vendor's proposed Implementation Team and submit brief resumes, as applicable, for each team member. [REDACTED]

A.28. Identifying key personnel for the Vendor's subcontractor who shall be responsible for any administrative and/or managerial functions of the Contract which shall include a listing of the Vendor-related duties and length of time contracted with the Vendor.

A.29. Confirm that ALL relevant personnel's licensure(s), including subcontractors if applicable, shall be validated and current throughout the entire term of the Contract.  Confirm

A.30. For the last five (5) years, provide the information for the five (5) largest organizations/entities that have terminated the Vendor services for Cause by providing the information listed below. Do not include any entity terminated due to mergers or acquisitions.

**Note:** The Vendor's Proposal to this request officially authorizes ERS to contact these organizations/entities to discuss the services and other considerations that the Vendor has provided, and authorizes the organizations/entities to provide such information to ERS, and shall release and hold harmless ERS and all such information. **The Vendor may not provide sponsoring, parent organizations, subsidiaries, or subcontractors as references.**

Company name: [REDACTED]  
 Account primary contact: [REDACTED]  
 Title: [REDACTED]  
 Email address: [REDACTED]  
 Telephone number: [REDACTED]  
 Facsimile number: [REDACTED]  
 Type of relationship: [REDACTED]  
 Number of employees: [REDACTED]  
 Services provided: [REDACTED]

A.31. Confirm that the Vendor shall provide a designated Call Center/Customer Service Unit.  Confirm

A.32. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) of the individual responsible for the preparation of the Vendor's **Clarifications** during the RFP evaluation period.

Name: [REDACTED]  
 Title: [REDACTED]  
 Mailing address: [REDACTED]  
 Email address: [REDACTED]  
 Telephone number: [REDACTED]  
 Facsimile number: [REDACTED]

A.33. In the event that the Vendor is selected as a finalist, ERS may request a site visit to the Vendor's Operational and Information System facilities. To better assist ERS with future travel arrangements, the Vendor shall provide the following information for the Operation and Information System facilities:

Physical address of the Operation Facility: [REDACTED]  
 Physical address of the Information Systems Data Center Facility: [REDACTED]

## B. Legal Disclosure Requirements

- B.1. For the past five (5) years, describe any completed, pending or threatened state or federal litigation, whether civil or criminal, including all suits, actions, or prosecutions, and any state or federal regulatory or other proceedings, investigations, disciplinary actions and/or governmental inquiries against the Vendor (including its officers, directors, parent companies, affiliates, subcontractors and any persons identified by the Vendor who will be performing any services required under the RFP and Contract) by providing the information requested below, as applicable, for each such matter.

Case number:  
Date filed:  
Full style of matter:  
Court:  
County, District and State:  
State or Federal Regulatory Body, Attorney General or other law enforcement or applicable governmental body:  
Brief summary of the dispute:  
Current status:  
Resolution:



**The Vendor shall not refer ERS to any third-party websites or other sources in order for ERS to obtain this information.**

- B.2. If you did not provide any information for the preceding question, confirm that the Vendor (including its officers, directors, parent companies, affiliates, subcontractors and any persons identified by the Vendor who will be performing any services required under the RFP and Contract) has not been the subject of any completed, pending or threatened state or federal litigation, whether civil or criminal, including any suit, action, or prosecution, or any state or federal regulatory or other proceeding, investigation, disciplinary action and/or governmental inquiry for the past five (5) years.  Confirm

- B.3. Provide a schedule and describe in detail previous contract implementation breakdowns, performance assessments, contract disputes resulting in suit or settlement and/or contract breaches for the **past ten (10) years** (if any) by the Vendor, and discuss all measures the Vendor took to rectify the situation or remedy the breach. Please separate by governmental and non-governmental clients indicating the reason for the assessment and the amount paid. **List in most recent chronological order.**

Governmental:  
Non-governmental:  
Action taken to resolve issue:  
Assessment amount paid:



- B.4. Does the Vendor have any pending agreements, negotiations, and/or offers to merge or sell the Vendor's organization. This should include any joint ventures or other financial arrangements regarding a pending change in ownership of the Vendor's organization that could affect the services described in the Vendor's Proposal or affect the Vendor's organizational financial liability to meet its obligations under a Contract with ERS.  
 Yes  No

If yes, describe any pending agreements, negotiations, and/or offers to merge or sell the Vendor's organization.

- B.4.a. Does the Vendor have any obligation or arrangement to purchase another firm that would involve substantial commitment of assets or capital?  Yes  No

If yes, disclose any obligation or arrangement to purchase another firm that would involve substantial commitment of assets or capital.

- B.4.b. If applicable, outline the anticipated timelines for the actions reflected in the Vendor's responses to items XIII.B.4. and XIII.B.4.a. above. 

- B.4.c. Confirm that the Vendor shall notify ERS' Executive Director immediately upon reaching any form of binding agreement in connection with any merger, acquisition or reorganization of the Vendor's management as permitted by applicable law.  Confirm
- B.5. Confirm that the Vendor shall notify the Director of Benefit Contracts with any anticipated changes to the ERS' Account Management and/or Implementation Team(s) structure and the Vendor's Senior Officers.  Confirm
- B.6. Does the Vendor sell or report any data from its clients, either specifically or in aggregate, to any organizations?  Yes  No
- B.6.a. If yes, provide the following:
- The arrangements for the data sharing; [redacted]
  - The details of what data was shared, including how it is masked; [redacted]
  - The measures taken to ensure the information is not identifiable; and [redacted]
  - Affirm that ERS retains the right to have its data excluded from any type of surveys that the Vendor may be involved with.  Affirm
- B.7. Describe the various types of insurance coverage and indemnification provided to protect clients, including for each insurance type: risks covered, carriers, levels, limits, and deductibles. [redacted]
- B.7.a. Provide a copy of the declaration pages for each coverage identified in XIII.B.7. above.
- If the Vendor considers this document to be confidential and proprietary, place this on the Vendor's separate schedule as required in Section I.B.23. However, the Vendor shall provide this document for appropriate evaluation of the Vendor's Proposal.
- B.8. Should ERS award a contract to the Vendor for both the DHMO and the Dental PPO coverages, would the Vendor's Price Proposal change?  Yes  No
- If yes, by what amount? [redacted]

## C. Data and Information Services

- C.1. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the **Vendor's Privacy Officer**.
- Name: [redacted]  
 Title: [redacted]  
 Mailing address: [redacted]  
 Email address: [redacted]  
 Telephone number: [redacted]  
 Facsimile number: [redacted]
- C.2. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the **Security Compliance Officer**.
- Name: [redacted]  
 Title: [redacted]  
 Mailing address: [redacted]  
 Email address: [redacted]  
 Telephone number: [redacted]  
 Facsimile number: [redacted]
- C.3. Is the Vendor currently in compliance with all HIPAA requirements?  Yes  No
- If yes, the Vendor shall confirm that there have been no HIPAA violations alleged against the Vendor.  Confirm
- If no, the Vendor shall provide a full description of any HIPAA violations alleged against the Vendor within the past five (5) years. The description shall include, but not be limited to:
- a. The identity of the entity that made the complaint;

- b. The date the complaint was made;
  - c. A description of the complaint;
  - d. The date the complaint was resolved; and
  - e. How the complaint was resolved.
- C.3.a. Please provide a brief description of any HIPAA violations alleged against the Vendor. This should include the date of the occurrence, a brief description of what occurred, any fines or penalties assessed against the Vendor, and any regulatory body that assessed any such claim.
- C.3.b. Confirm that the Vendor has the ability to transmit HIPAA-related data from and to its site via secured site-to-site VPN or other federally approved means of data transmission.  Confirm
- C.4. Confirm that the Vendor's ability to transmit and receive confidential and sensitive information via encrypted transmission protocols including site to site VPN, SFTP, TLS, etc.  Confirm
- C.5. Confirm all files containing confidential and sensitive data will be encrypted using the file level encryption such as PGP, GPG, or other generally accepted encryption methodology.  Confirm
- C.6. Confirm that the Vendor is currently in compliance with the requirements of all state and federal Privacy rules and regulations.  Confirm
- C.7. For the five (5) year period preceding this Proposal, please provide a brief description of any violations alleged against the Vendor with regard to any state or federal Privacy rules and/or regulations. [REDACTED]
- C.8. Provide the name, title, mailing/email address(es), and telephone/facsimile number(s) for the **Vendor's Technical Consultant** contact for SFTP file management and system service concerns.
- Name: [REDACTED]  
 Title: [REDACTED]  
 Mailing address: [REDACTED]  
 Email address: [REDACTED]  
 Telephone number: [REDACTED]  
 Facsimile number: [REDACTED]
- C.9. Related to the Vendor's administrative and customer service support functions, computer systems and equipment and that of any subcontractor upon whom the Vendor relies in performing or providing services or products to or on behalf of ERS, what are the Vendor's contingency plans and procedures for providing back-up service in the event of strike, natural disaster, act of God, backlog, or other events that might interrupt, delay or shut-down service? Provide a brief description. [REDACTED]
- C.10. Provide a copy of the Vendor's disaster recovery plan and/or business resumption plan. [REDACTED]
- If the Vendor considers this document to be confidential and proprietary, place this on the Vendor's separate schedule as required in Section I.B.23. However, the Vendor shall provide this document for appropriate evaluation of the Vendor's Proposal.
- C.10.a. Provide the results of the Vendor's most recent test of the disaster recovery plan and/or business resumption plan. [REDACTED]
- C.11. The Vendor shall confirm that all ERS-specific Information Technology programming will be performed using personnel located within the 50 states of the United States.  Confirm
- C.11.a. The Vendor shall confirm that ERS-specific identifiable Participant data shall be cleansed for any system-wide Information Technology programming being performed using personnel located outside the 50 states of the United States.  Confirm

## D. Financial Reporting Requirements

- D.1. The Vendor shall provide copies of the Vendor's audited financial statement(s) or most current NAIC annual statement from its most recently ended fiscal year. [REDACTED]
- D.2. For each year contracted, the Vendor shall submit a copy of its annual audited financial statement by the last business day of June. Affirm that the Vendor will provide financial statements as required. [REDACTED]
- D.3. Is the Vendor's company a subsidiary or affiliate of another company?  Yes  No
- If yes, provide full disclosure of all direct or indirect ownership and include an organization chart depicting the parent company, other companies owned by the parent company, and any subsidiary relationships. [REDACTED]
- D.4. Does the Vendor have a sponsoring or parent company?  Yes  No
- D.4.a. Does the Vendor have any understandings, legal relationships or financial agreements with any other entity?  Yes  No
- D.4.b. If yes, state the name and address of any sponsoring or parent organization and/or others who provide financial support to the Vendor and please describe the following:
- Full Legal Name: [REDACTED]  
Mailing Address: [REDACTED]  
Type of Support: [REDACTED]  
Type of Relationship: [REDACTED]
- D.4.c. Provide an indication of the type of support, i.e., guarantees, letters of credit, etc., if applicable. [REDACTED]
- D.4.d. Provide the maximum limits of additional financial support from other entities or persons, if applicable. [REDACTED]
- D.4.e. Provide a copy of the sponsoring or parent organization's most current audited financial statement from its most recently ended fiscal year, if applicable. [REDACTED]
- D.5. Provide a copy of the most recent Service Organization Control ("SOC") report performed under the Statement of Standards for Attestation Engagements ("SSAE16") or any other independent auditor report on the effectiveness of internal controls over operations and compliance of service to be provided. If there was not a service organization control engagement performed then provide further explanation as to why there was not a report available. [REDACTED]
- If the Vendor considers this document to be confidential and proprietary, place this on the Vendor's separate schedule as required in Section I.B.23. However, this document will need to be provided for appropriate evaluation of the Vendors Proposal.
- D.5.a. Provide a copy of the Vendor's sponsoring or parent company's most recent SOC report or any other independent auditor report on the effectiveness of internal controls over operations and compliance of service to be provided. [REDACTED]
- D.6. Provide copies of ratings and reports on the Vendor issued by independent insurance rating organizations or similar entities, e.g., A.M. Best's, Moody's, NCQA, Standard & Poor's, etc.

## XIV. Deviations

ERS shall interpret any lack of deviation as the Vendor's full agreement to the provisions of the Contract and RFP requirements unless specifically and unequivocally stated in detail under Article XIII., Deviations in the Vendor's Proposal. ERS shall interpret the Vendor's Proposal to match the specifications herein except for deviations specifically noted and described in response to this item. Deviations will not become a part of the final Contract unless expressly accepted by ERS and agreed to by ERS in writing. In all cases, the RFP and all Contract terms shall control. In the event of any conflict between the two, the terms of the Contract shall prevail.

**Deviations, which are strongly discouraged, must be specifically identified below and must include suggested language rather vague suggestions that certain provisions require discussion in order to be considered.** General references to or comparisons with a different standard shall not be considered as satisfactory identification of a deviation and shall be deemed void. The Vendor understands and agrees that ERS is relying on the truth and accuracy of the Vendor's Proposal, that the Vendor shall comply with all requirements set forth throughout the entire RFP, and that ERS shall interpret the Vendor's Proposal to match the RFP specifications, except for deviations specifically noted and described below.

A.1. Affirm that the Vendor shall agree to notify ERS' Executive Director immediately upon the public announcement of reaching any form of binding agreement in connection with any merger, acquisition or reorganization of the Vendor's management.

Affirm                       Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail:

A.2. Affirm that the Vendor shall comply with all of the **Instructions** described in **Article I** of this RFP.

Affirm                       Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail:

A.3. Affirm that the Vendor shall comply with all of the **Proposal Evaluation Criteria** described in **Article II** of this RFP.

Affirm                       Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail:

A.4. Affirm that the Vendor shall comply with all of the **Financial Requirements and Specifications** described in **Article III** of this RFP.

Affirm                       Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail:

A.5. Affirm that the Vendor shall comply with all of the **Price Proposal and Response Format Requirements** described in **Article IV**, and bound to the rates the Vendor provides in Proposal to the Rate Proposal Section of this RFP.

Affirm                       Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail:

- A.6. Affirm that the Vendor shall comply with all of the **Dental PPO Plan Requirements** described in **Article V**, of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_
- A.7. Affirm that the Vendor shall comply with all of the **Dental Health Maintenance Organization Plan Requirements** described in **Article VI**, of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_
- A.8. Affirm that the Vendor shall comply with all of the **Dental Discount Plan Requirements** described in **Article VII**, of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_
- A.9. Affirm that the Vendor shall comply with all of the **Communication Requirements** described in **Article VIII** of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_
- A.10. Affirm that the Vendor shall comply with all of the **Operational Specifications Requirements** described in **Article IX** of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_
- A.11. Affirm that the Vendor shall comply with all of the **Provider Network and Service Area Requirements** described in **Article X** of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_
- A.12. Affirm that the Vendor shall comply with all of the **Information Systems Requirements** described in **Article XI** of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_
- A.13. Affirm that the Vendor shall comply with all of the **Organizational Information** described in **Article XIII** of this RFP.  
 Affirm                     Affirm with the proposed Deviation
- If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: \_\_\_\_\_

A.14. Affirm that the Vendor shall comply with all of the **Interrogatories** described in **Article XV** of this RFP.

Affirm  Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each deviation between the Vendor's Proposal and these specifications. The Vendor's Requested Deviation Detail: [REDACTED]

A.15. While deviations to the Contract are strongly discouraged, clearly identify any provisions found in the Contract, referenced as Appendix B, to which the Vendor is requesting a deviation. ERS is seeking a Vendor that will agree to, and comply with, all provisions of the Contract. ERS shall presume that the Vendor agrees with and will execute the Contract unless it clearly and unequivocally specifies any deviations thereto in the Vendor's Proposal. In any event, ERS shall not be required to accept any deviations to the Contract or to the terms of this RFP. Although Contract deviations are strongly discouraged, if deviations are submitted, they must include specific suggested language rather than vague suggestions that certain provisions require discussion. Any such deviations must be specifically agreed to in writing by ERS before they shall form a part of the final agreement between ERS and the chosen Vendor.

A.15.a. Affirm that the Vendor shall comply with all of the provisions in the **Contract** provided in **Appendix B** of this RFP.

Affirm  Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each Contractual Agreement deviation. The Vendor's Requested Deviation Detail: [REDACTED]

A.16. Affirm that the Vendor shall comply with all of the provisions provided in **Appendix C, Business Associate Agreement** of this RFP.

Affirm  Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each Appendix C, Business Associate Agreement deviation. The Vendor's Requested Deviation Detail: [REDACTED]

A.17. Affirm that the Vendor shall comply with all of the provisions provided in **Appendix D, Data Security and Breach Notification Agreement** of this RFP.

Affirm  Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each Appendix D, Data Security and Breach Notification Agreement deviation. The Vendor's Requested Deviation Detail: [REDACTED]

A.18. Affirm that the Vendor shall comply with all of the provisions provided in **Appendix G, Performance Guarantees** of this RFP.

Affirm  Affirm with the proposed Deviation

If applicable, enumerate and provide a detailed description of each Appendix G, Performance Guarantees deviation. The Vendor's Requested Deviation Detail: [REDACTED]

## XV. Interrogatories

In order for the Vendor's Proposal to be considered and accepted, the Vendor must provide answers to all of the questions presented herein. Each question must be answered specifically and in detail. Reference should not be made to a prior response, or to another document, unless the question involved specifically provides such an option. Be sure to refer to the earlier articles of this RFP and the Contract before responding to any of the questions, so that the Vendor has a complete understanding of all of ERS' requirements with respect to the bid. For purposes of the Contract and the RFP, "Vendor" necessarily includes the Vendor, its officers, directors, employees, representatives, agents, subsidiaries, affiliates and any subcontractors and independent contractors.

Answers to the questions included in this Article should be detailed enough to satisfactorily explain the Vendor's position on each particular issue. It is the Vendor's responsibility to respond to these questions in such a way that ERS has a full and complete understanding of its intent. **It is important that the Vendor carefully defines any key words or phrases used in answering these questions that are not otherwise defined in the Contract or the RFP. The Vendor's Proposal shall use the terms defined in the Contract and the RFP only as they are so defined.**

The Vendor acknowledges, understands and agrees that its responses to these Interrogatories and all other provisions of the RFP are material and are being relied on by ERS in connection with the selection of the Vendor to provide the services, benefits, equipment, coverages, supplies, products and other services as specified in the RFP.

### A. Administrative, Account Management, Customer Service

- A.1. The Vendor shall provide a detailed description of the manner in which the Vendor proposes to administer the Dental Discount and Dental Programs to the Participants. Include responses to the following:
- A.1.a. Account Manager/Account Representative(s);
  - A.1.b. Claims processing;
  - A.1.c. Customer service;
  - A.1.d. Website management;
  - A.1.e. Correspondence unit; and 
  - A.1.f. Publications distribution.
- A.2. Are all administrative services performed internally? Yes No
- A.2.a. If not, where is the administrative facility located?
  - A.2.b. If the Vendor contracts with a management company for some or all of its administrative services, please specify:
    - Name of Company:
    - Physical address:
    - Mailing address:
    - Email address: 
    - Telephone number:
    - Facsimile number:
    - Services provided:
    - Reimbursement Method:

- A.3. If any of the individuals noted in response to item XV.A.2.b. above have been employed by ERS or other state agency or higher education institutions at any time during the two (2) years preceding the Proposal closing date, state the name of the individual, the nature of the previous employment, and the date of termination from employment.
- Name of Individual:  
Nature of Previous Employment:  
Date of Termination:
- A.4. Provide the names and positions of the Vendor's support staff (including numbers of full-time ("FTE") equivalent employees) who shall administer the Dental Programs.
- Names of Support Staff:  
Positions of Support Staff:  
Number of FTEs:
- A.4.a. Indicate which of these employees are located in Texas.
- A.5. Where will the account representative be located? Will this individual have responsibility for other clients? If yes, how many?
- A.6. Describe the Vendor's Customer Service Unit by reflecting the following:
- The manner in which the customer service unit is accessed (i.e., web chat, phone, email);
  - The Customer Service unit's hours of operation;
  - The Customer Service unit able to assist Participants in choosing a PCD?
  - The Customer Service unit's handling of complaints; and
  - The Customer Service unit's escalation of procedures.
  - Describe the related training received by each employee category (i.e., claim processors, customer service representatives, supervisors, and other management staff).
  - Identify any dedicated staff units to be assigned to Texas ERS or that you plan to assign to this case.
  - Are customer service representatives separated from the claim processing unit, or do claim processors have customer service responsibilities?
  - Do customer service representatives have the authority to approve claims?
- A.7. Does the Vendor provide access to automated, interactive data systems that would provide assist the Participants in choosing a PCD? Include a discussion of the methodology that it uses to coordinate the PCD with proximity to the Participant's residence, schedule, language, etc.
- A.7.a. Does the Vendor currently maintain an Internet website?  
If yes, provide the Internet address.
- A.7.b. Can employees access specific claim information via the Vendor website to determine the status of claims and to make inquiries?
- A.8. Describe the Vendor's customer satisfaction survey process.
- A.8.a. How often does the Vendor conduct these surveys? The Vendor shall provide a copy of the results of the Vendor's most recent survey.
- A.9. Does the Vendor provide any automated customer service support using voice response for routine questions? Yes No
- A.10. How are patterns of customer service inquiries monitored and the subsequent data used to improve claims processing activities?
- A.11. Will the Vendor have bilingual customer service personnel available to GBP Participants?
- A.11.a. Please identify all languages spoken.

- A.12. Can the Vendor provide a separate toll-free telephone number for GBP Participants?  
 Yes  No
- If no, please explain.
- If yes, explain how the caller is routed to the appropriate customer service representative.
- A.13. Are there any special manuals or folders maintained for administrative or policy decision as they relate to the Vendor's book of business? Please describe.
- A.14. Describe in detail the facilities, procedures, and locations that the Vendor intends to utilize in servicing those functions required under the plan other than the processing of claims. This response should include a description of:
- A.14.a. The actuarial personnel that will be available to confer with ERS' consulting actuary concerning rating and other financial issues.
- A.14.b. Legal and other expertise available to assist ERS in the execution of its duties under the Contract.
- A.14.c. Legal counsel in Austin, Texas that will handle administrative appeals and/or litigation related to GBP claims.
- A.15. Describe the organization and structure of the proposed Vendor account team that shall provide ongoing program support for the GBP Dental Program. Include name, title and area of responsibility in the management of the account. [REDACTED]
- A.16. Briefly outline the Vendor's account team management philosophy.
- A.17. Provide the location of the proposed Vendor account team's main office and identify the names and contact information of its related support staff. [REDACTED]
- A.18. Provide an outline reflecting how the account team members are compensated by the Vendor. [REDACTED]
- A.19. How many other clients are, and/or will be in the future, assigned to the proposed Vendor account team?
- A.20. Regarding the clients managed by the proposed Vendor account team, how many Participants does that represent?
- A.21. What is the Vendor's account manager/executive turn-over rate for the past two (2) years?
- A.22. What is the turnover rate among the Vendor's administrative staff for the past two (2) years?
- A.23. Is a dentist part of the assigned account team?  Yes  No

**B. Customer Complaint and Grievance Processes**

- B.1. Describe the Vendor's procedure for handling customer service complaints and inquiries, including how these are differentiated.
- B.1.a. What customer complaint tracking system does the Vendor utilize? How long has this system been operational? [REDACTED]
- B.2. Briefly outline recent system changes. Include any plans or timelines for schedule future changes to the existing system.
- B.3. Describe the Vendor's problem resolution policies.

- B.4. Describe the Vendor's internal processes to deal with Participant complaints and grievances.
- B.5. What is the Vendor's internal dispute or appeal process available to plan Participants? Please provide a detailed description including any independent review process.

**C. Claims Processing**

- C.1. Are claims processed internally, by a third party, or both?  
 Internal  Third party  Both
- C.2. Provide a detailed description of the Vendor's claims processing procedures.
- C.3. What Provider encounter data is collected and on what frequency?
- C.4. What is the Vendor's procedure for processing patient-submitted paper claims?
- C.4.a. What percentage of claims are received on paper?            %
- C.4.b. What is the average turnaround time for "paper" claim submissions?
- C.4.c. What percentage of claims are received electronically?        %
- C.4.d. What is the average turnaround time for "electronic" claims submissions?
- C.4.e. Where is the claim processing facility located?
- C.5. Based on the Vendor's Texas book of business, please list the top ten (10) providers in the Vendor's network based on claim payments YTD for calendar year 2012, if applicable. Provide the name, city, and amount paid.
- C.6. Describe the Vendor's procedures for lost, returned, and uncashed checks.
- C.6.a. Discuss the measures the Vendor employs to protect Participant identity information (i.e., driver license, social security number, etc.)
- C.7. Discuss the Vendor's collection process, both for Participant and/or dental providers, as it relates to terminated Participants that utilize dental benefits past their termination date.
- C.7.a. Will this service be available to the GBP Dental Program?
- C.8. Describe how ERS shall be able to view claims online, in real-time.
- C.9. Does the Vendor coordinate benefits with other dental carriers?  Yes  No
- C.9.a. If yes, describe the Vendor's Coordination of Benefits process.
- C.10. Discuss the Vendor's capability to integrate dental and health information with other Vendors.
- C.10.a. Is the Vendor currently exchanging this type of information for any existing clients?  
 Yes  No  
 If yes, what percent of the Vendor's claim experience is integrated?
- C.10.b. Discuss the financial impact such integration of information would have on the proposed rates reflected in the Vendor's *Price Proposal and Response Format*, Article IV.
- C.11. In the office that would process GBP dental program claims, please provide:
- C.11.a. The number of clients for which the Vendor processes claims;
- C.11.b. The number of covered employees for whom the Vendor processes claims;

- C.11.c. The number of claims processors.
- C.12. What additional responsibilities do claim processors have? (e.g., telephone inquiries, correspondence, filing, opening mail, etc.)?
- C.13. Based on the Vendor's Texas book of business, what percentage of paid claims are "in-network" versus "out-of-network" dental care providers, if applicable?

**D. Anti-Fraud and Abuse Processes**

- D.1. Explain the procedures and systems the Vendor uses to prevent, deter, detect and investigate Participant, Vendor employee, or dental provider fraud and related issues, and how such processes shall be utilized in connection with the GBP.
- D.2. Discuss what measures the Vendor employs to prevent and detect employee fraud (i.e., background checks, confidentiality agreements, security monitoring equipment, etc.)
  - D.2.a. Discuss how the Vendor would communicate with the Participant and/or dental provider(s), once a fraud or abuse problem is suspected or identified.
  - D.2.b. How will the information be reported to ERS?
  - D.2.c. The Vendor shall submit its fraud plan with the Vendor's Proposal.

**E. Utilization Review**

- E.1. Provide a detailed description of all aspects of the utilization review process that will apply to Participants. The Vendor's response should include at least the following:
  - E.1.a. Whether the utilization review is performed by the Vendor's staff or through a contract with a third party?  Vendor Staff  Third Party
  - E.1.b. If through a third party, identify the following:
    - Third Party Name: [Redacted]
    - Address: [Redacted]
    - Contact Name: [Redacted]
    - Contact Telephone Number: [Redacted]
  - E.1.c. What are the addresses and hours of operation for the facility or facilities from which utilization review activities shall be conducted?
    - Facility Address: [Redacted]
    - Hours of Operation: [Redacted]
  - E.1.d. Are licensed dental personnel on duty at all facilities during all hours of operation?
    - Yes  No
  - E.1.e. How many licensed dental professionals administer the utilization review program?
  - E.1.f. What are the titles of the licensed dental professionals who administer the utilization review program?
  - E.1.g. What credentials and/or qualifications are required for the Vendor utilization personnel?
  - E.1.h. What percentage of utilization review, referral, and pre-determination requests are referred to the dental director?
 

Utilization review	%
Pre-determination requests	%
Referrals	%
  - E.1.i. The Vendor shall provide an explanation of how it tracks the percentage of claims that are referred to the dental director for review.
  - E.1.j. What is the process available to dental providers for the appeal of denied claims?

- E.1.k. What are the utilization review procedures performed by network dental care providers?
- E.2. In what manner does the Vendor conduct the following activities and how are the results of such activities used in the dental management process? Include the following information:
  - E.2.a. Development of profiles of PCD practice and referral patterns.
  - E.2.b. Monitoring of frequently used services.
  - E.2.c. Review of dentist's coding patterns.
  - E.2.d. Examinations of average cost per encounter by PCDs.
  - E.2.d.i. The Vendor shall provide an explanation of the average examination cost per encounter by PCDs and how it is utilized in the dental management process.
- E.3. What is the methodology that the Vendor uses in establishing dental protocols for the Vendor network?
  - E.3.a. Which protocols are used in the management of participant dental care?
  - E.3.b. How are the protocols used?
  - E.3.c. In what manner does a dental care provider obtain approval to deviate from the protocols when treating a patient with complications?
  - E.3.d. How does the Vendor communicate the results of such activities to dental care providers?
  - E.3.e. How are the results used to modify practice patterns?
- E.4. What is the organizational relationship that exists between corporate, regional and local dental management?
  - E.4.a. What are the distinct responsibilities that pertain to each level?  
 Corporate   
 Regional   
 Local
  - E.4.b. What are the functions handled at each level? Include any arrangements involving dental protocol committees, utilization review groups, etc.  
 Corporate   
 Regional   
 Local
- E.5. What is the size and expertise of the dental management staff assigned to each network location, if applicable?
  - E.5.a. Which of these personnel is staff versus contract?
  - E.5.b. Which of these personnel are full-time versus part-time?
  - E.5.c. What are the general responsibilities of each staff member?  
 Staff:   
 Contract:   
 Full-time:   
 Part-time

E.5.d. Where is this staff located?  
Staff: [REDACTED]  
Contract:  
Full-time:  
Part-time

## F. Network Management

F.1. Does the Vendor's plan provide dental benefits throughout the state of Texas? If not, list the proposed counties for each Service Area included in the Vendor's Proposal? [REDACTED]

F.1.a. When did the Vendor begin serving each of these Service Areas? [REDACTED]

F.2. Does the Vendor have more than one provider network available?  Yes  No

If yes, what are the different network options and how do the network options impact the proposed rates? [REDACTED]

F.3. If the Vendor provides more than one provider network, identify the network that the Vendor proposes be used by GBP Participants. [REDACTED]

F.4. How does the Vendor manage the provider network? [REDACTED]

F.4.a. Does the Vendor own the network or is it leased from another entity?  
 Owned  Leased

If leased from another entity, what is the name of that entity? [REDACTED]

F.4.b. What is the contractual relationship between the Vendor and the owner of the leased network? [REDACTED]

F.4.c. If the Vendor contracts with a management company, outline the details of the arrangement. [REDACTED]

F.5. Does the Vendor have contracts with PCD groups, which require that specialty care referrals be made to a specified subset of the network's specialists, if applicable?  Yes  No

If yes, give details.

F.6. Of the top fifty (50) providers providing dental benefits to GBP Participants, please indicate which providers are currently contracted with the Vendor's Plan? [REDACTED]

F.7. Does the Vendor's organization operate provider networks in other areas of the United States that would be available to GBP Participants working, living (retired), or visiting out-of-state?  
 Yes  No

If yes, list all areas served by the out-of-state network(s). [REDACTED]

F.7.a. Is the Vendor licensed in other states for reciprocity arrangements?  
 Yes  No

If yes, where? [REDACTED]

F.7.b. Outline the specific reciprocity arrangements. [REDACTED]

F.7.c. Is there a limit to the number of Participants living outside of Texas that the Vendor would be able to cover in a reciprocity arrangement?  Yes  No

F.8. Discuss the network's methodology in evaluating patient access to dental care providers? [REDACTED]

F.9. What is the turn around times for scheduling office visits within the dental networks?

- F.10. What are the professional liability coverage requirements for each type of dental care provider in the Vendor network, if applicable? [REDACTED]
- F.11. How often does the Vendor add a dental care provider to its network, if applicable? Provide a detailed explanation for the need to add dental care providers, the timeframe and frequency of the updates to the Vendor's dental care provider network. [REDACTED]
- F.12. What is the main reason that a dental care provider leaves the Vendor's network, if applicable? [REDACTED]
- F.13. What is the Vendor credentialing and re-credentialing process for all dental care providers? [REDACTED]
- F.13.a. How often does the Vendor conduct the re-credentialing process? [REDACTED]
- F.14. What is the fee and risk sharing arrangements that the Vendor has with dental care providers in each network for which the Vendor is submitting a Proposal response? To assist in communication of this information, complete *GBP Utilization of CDT Codes* located in Appendix N. The fee schedules information needs to be by Texas three (3) digit zips. [REDACTED]
- F.15. What minimum periods are included in the Vendor's – dental care provider contracts concerning:
- F.15.a. Provider's notice to not accept new patients? [REDACTED]
- F.15.b. Provider's intent to terminate? [REDACTED]
- F.15.c. The Vendor's intent to terminate? [REDACTED]
- F.15.d. Provider's required continuation of care to existing network Participants following provider's termination from the network, if applicable? [REDACTED]
- F.16. The Vendor shall provide a detailed explanation of how it is in compliance with continuation of coverage and conversion policies. [REDACTED]
- F.17. Does the Vendor offer an individual conversion policy or a group conversion policy?  
 Individual Conversion Policy                       Group Conversion Policy
- Describe the policy offered. [REDACTED]
- If a policy is not offered, provide an explanation.
- F.18. What is the Vendor's specific transitional benefits procedure? [REDACTED]
- F.19. What percentage of each network's dentists are Board certified, if applicable? [REDACTED]
- F.20. What is the training/orientation process for the Vendor's network Providers, if applicable? Address such issues and provide a specific explanation to:
- F.20.a. Participant eligibility. [REDACTED]
- F.20.b. Utilization review procedures. [REDACTED]
- F.20.c. Billing. [REDACTED]
- F.20.d. Quality improvement responsibilities. [REDACTED]
- F.21. What was the turnover rate of dentists and the Vendor's network, if applicable, in 2009, 2010, 2011, and 2012 year-to-date, if applicable? Please differentiate between voluntary and involuntary turnover.
- F.22. Describe the Vendor's financial arrangements with contracted dentists. If the Vendor's financial arrangements include different reimbursement methodologies, specify these

arrangements, if applicable. (i.e. Fixed fee schedules, percentage of usual and customary, variable by provider, area, specialty, etc.)

- F.22.a. Texas statute does not allow a benefit differentiation in payment between contracted and non-contracted providers for PPO plans. Please describe what method the Vendor uses to encourage in-network usage, if applicable?
- F.22.b. Please describe the Vendor's calculation of usual and customary as applicable to out-of-network charges? Does ERS have the flexibility to establish usual and customary?
- F.23. Describe the growth of the Vendor's network in 2010, 2011, 2012, and 2013 year-to-date and if there are plans for future development of the network, if applicable.
- F.24. Does the Vendor require any network providers to use a specific laboratory for the Vendor's dental work, if applicable?  Yes  No

## **G. Quality Assurance**

- G.1. What is the name of the designated senior executive responsible for the Quality Assurance ("QA") program? [REDACTED]
- G.2. What is the extent of the Dental Director's involvement in the QA program? [REDACTED]
- G.3. What is the extent of participating dental care providers' involvement in the QA program? [REDACTED]
- G.4. Discuss the Quality of Care and Quality of Service issues as related to the QA program. [REDACTED]
- G.5. Provide a copy of the Vendor's current published policies and procedures for the QA program.
- G.6. What process does the Vendor use for monitoring the QA program? Provide an explanation of the processes used for monitoring the QA Program. The Vendor's response should include:
  - G.6.a. Adequacies of patient care. [REDACTED]
  - G.6.b. Average annual PCD turnover rates. [REDACTED]
  - G.6.c. Member PCD transfer rates. [REDACTED]
  - G.6.d. Dental care provider satisfaction. [REDACTED]
  - G.6.e. Adequacy of claims service. [REDACTED]
  - G.6.f. Member satisfaction surveys. [REDACTED]
  - G.6.g. How often surveys are conducted. [REDACTED]
  - G.6.h. The most recent results of the survey. [REDACTED]
  - G.6.i. Are dental care providers notified of the results?  Yes  No
  - G.6.j. Dental care provider compliance with expected utilization norms. [REDACTED]
  - G.6.k. Disciplinary and sanctioning information. [REDACTED]
- G.7. Has the Vendor network been reviewed by external agencies or industry organizations?  
 Yes  No  
If yes, which ones? [REDACTED]
- G.8. What were the overall results of the reviews? [REDACTED]

- G.9. Provide a detailed explanation of the manner in which the Vendor compensates dentists. Include explanations of the following:
- G.9.a. **Capitation.** How does the Vendor capitate PCDs? Provide the minimum capitation requirements, if applicable.
- G.9.b. **Supplemental payments to PCDs.** How and when are supplemental payments made and what is the methodology the Vendor utilizes to determine the amount of supplemental payment, if applicable?
- G.9.c. Payments to specialty dentists.
- G.9.d. Miscellaneous payments such as consulting fees and payments for emergency or out-of-area treatment.
- G.9.e. Considering all payments made to dentists by the Vendor, as well as copayments from Participants, what percentage of the usual and customary charges do network dentists typically receive, if applicable? Respond separately for:  
PCDs:  
Specialists:
- G.9.f. Allowable expense to an out-of-network provider, if applicable?
- G.10. Provide a listing of the names and total amounts paid for the ten Texas dentists receiving the largest capitation payments during 2012, if applicable.
- G.11. Provide a listing of the names and total amounts paid for the ten Texas dentists receiving the largest total payments during 2012.
- G.12. Describe the capitation payment scheme which the Vendor uses if different from that described in TDI's rules, if applicable.
- G.13. ERS is looking for long term stability in its rates over the life of the contract. Please list rate guarantee the Vendor is willing to provide for:
- The self-funded administration fee; and
  - Fully insured PPO rates.
- G.14. Adjusting for plan changes, what is the underlying dental cost trend over the last four (4) years the Vendor used in its fully insured pricing.
- G.15. After reviewing the RFP, are there any provisions the Vendor would recommend we install to help limit risk selection on this fully voluntary dental plan? (i.e plan design changes, eligibility rules, etc.)

## H. Systems and Technology

- H.1. Provide the names and a description of the hardware and software systems that the Vendor will use to fulfill ERS' contract. [REDACTED]
- H.2. For each system, provide the following information:
- H.2.a. When was this system implemented? [REDACTED]
- H.2.b. When was the system last updated? [REDACTED]
- H.2.c. Is there a future update being considered?  Yes  No
- H.2.d. If so, provide the date and description of the anticipated update. [REDACTED]
- H.3. What quality assurance processes are provided in the Vendor's system to ensure accuracy in programming of benefits? [REDACTED]
- H.4. Describe the Vendor's process for implementing plan design changes. [REDACTED]

H.4.a. How much advance notice is required for a change in the system? [REDACTED]

**Data interfaces:**

H.5. What is the Vendor's standard interface protocol? Provide a detailed description. [REDACTED]

H.5.a. What flexibility does the Vendor have with the Vendor's standard approach? Provide a detailed description. [REDACTED]

H.6. What measures does the Vendor take to ensure the security of interfaces, which would include, but not be limited to, data files, emails, print screens, email attachments, etc. that the Vendor is sending/receiving to/from external sources (whether ERS or a third party)? [REDACTED]

H.7. Please list and describe all security breaches the Vendor's organization has experienced, including, but not limited to, loss of equipment that contained client information, loss of files, and unauthorized access to the Vendor's networks within the last seven (7) years. [REDACTED]

H.7.a. What investments has the Vendor made over the past three (3) years in its technology to mitigate security breaches? [REDACTED]

H.8. Is the Vendor's system capable of supporting a User ID other than Social Security Number ("SSN")?  Yes  No

H.8.a. If the Vendor's system can support a User ID other than a SSN, can a User ID be alphanumeric?  Yes  No

H.8.b. What are the Vendor's minimum and maximum User ID lengths? [REDACTED]

H.9. Briefly describe the Vendor's back-up procedures for the system(s) to be used in the services proposed to ERS. [REDACTED]

**Information Security:**

H.10. How does the Vendor manage physical security of its data center? (Who gets access, what are the hours of operation?) [REDACTED]

H.11. What technology is in place to manage network and server security? Provide the name and the version of the technology used to manage the network and server security and explain how that technology provides for such. [REDACTED]

H.12. Describe how the Vendor controls access to ERS' sensitive data? [REDACTED]

H.13. How does the Vendor secure backup tapes? Who has access to them onsite and offsite? Are they encrypted? [REDACTED]

H.13.a. The Vendor shall confirm that they have the ability to encrypt ERS data using PGP compatible encryption.  Confirm

H.13.b. Describe the encryption technology that is being used.

H.14. How is the Vendor's application security managed and how is client data secured? [REDACTED]

H.15. Does the Vendor have a formal information security program in place?  Yes  No

H.15.a. If yes: Does the Vendor have dedicated resources for information security efforts?  Yes  No

H.15.b. Does the Vendor have formal information security policies, procedures and standards?  Yes  No

H.15.b.i. If yes, the Vendor shall provide copies of their formal information security policies, procedures and standards. If the Vendor considers this document to be confidential and proprietary, place this on the Vendor's separate schedule as required in Section I.B.23.

However, the Vendor shall provide this document for appropriate evaluation of the Vendor's Proposal.

- H.15.c. Are employees required to periodically confirm their compliance with the Vendor's information security policies, procedures and standards?  Yes  No
- H.15.c.i. If no, the Vendor shall validate if their employees ever confirm compliance with the Vendor's information security policies, procedures and standards and how often compliance is confirmed.
- H.15.d. Does the Vendor have a user awareness campaign related to information security?  
 Yes  No
- H.15.e. Provide a full description of how the Vendor monitors compliance.
- H.16. Are the Vendor's desktop and laptop computers encrypted to protect data in case of theft or loss?  Yes  No
- H.16.a. Describe the ability to use portable drives.
- H.17. How does the Vendor protect the privacy of GBP Participants? Provide a detailed description.

## **I. Data Reporting**

- I.1. Provide a listing of all claims experience reports currently available, including production schedules, with the Vendor's Proposal.
- I.2. Describe reports provided on a regular basis at no cost.
- I.2.a. Describe how the reports can be utilized to identify problems and monitor performance.
- I.2.b. At what frequency are the reports provided by the Vendor?
- I.2.c. If the Vendor's reports require additional cost to ERS, the Vendor shall provide a list of the reports that would necessitate these additional fees and shall provide a justification of such charges.
- I.3. Describe typically requested *ad hoc* or customized reports, including turn-around time.
- I.3.a. The Vendor shall confirm that all typically requested *ad hoc* reports will be done at no additional cost to ERS. Confirm
- I.3.b. How will the Vendor provide ERS with the capability to conduct online queries, interface with Vendor's database in order to generate *ad hoc* reports and extract specific information?
- I.3.c. Describe the reporting system that will be installed at ERS to enable independent, online data queries by ERS staff.
- I.4. Describe any unique reporting capabilities that differentiate the Vendor from its competitors.
- I.5. Does the Vendor perform an internal analysis of client-specific data to develop recommendations for program improvement?
- I.5.a. Describe the background and training for the personnel involved in this process.
- I.6. Confirm that the Vendor can provide normative data against which ERS can benchmark its plan. Confirm

- I.6.a. What is the source of the data and what specific benchmark information will the Vendor provide?
- I.7. What administrative process is in place to address rejects or errors identified after loading the routine eligibility update information sent from the employer?
- I.8. Who has the ability to alter eligibility information in the Vendor's organization?
- I.9. Does the Vendor's system accept future termination dates for Participants?

#### **Management Reporting**

- I.10. Describe the Vendor's reporting capability. Provide current samples of available reports.
- I.11. How often are these reports prepared? Describe the method that the Vendor would use to determine the cost of any special reports that ERS might request.
- I.12. Describe the Vendor's reporting capabilities, timing and available delivery of reporting suite. Including if and how it is available through an internet portal.
- I.13. Describe the Vendor's experience and ability to provide claims-level data to a third-party, i.e., ERS' consulting actuary.
- I.14. Describe the Vendor's industry-standard reporting package.
- I.15. Are reports available electronically? (The GBP expects the standard reports package to be provided at no additional cost.)

#### **J. Implementation and Project Management**

- J.1. Describe how the Vendor's implementation Project Manager proposes to work with ERS' Project Management Office ("PMO") and implementation team. How will the individuals on the team work together? What functional areas will be represented?
- J.2. Describe how the Vendor's organization proposes to coordinate the activities and transference of information between the implementation team and the account management team following the project launch.
- J.3. What type of logistical issues or concerns from a project management perspective does the Vendor believe this project will face? (i.e., project manager location (offsite/onsite), resource team locations, communications, subcontractors for printing or other outsourced services, etc.) Provide an explanation.
- J.4. Provide a description of the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors.
- J.5. What is the Vendor's proposed plan to achieve an AE readiness by May 30, 2014?

#### **Project Management Processes**

- J.6. What project approach/methodology does the Vendor follow when working with customers on projects?
- J.7. Does the Vendor have a formalized PMO practice? If not, then what is their structure?
- J.8. Does the Vendor have a Project Management Institute certified PM that will work in conjunction with the ERS PMO? If not, then what type of resource do they assign? Will they have a backup to the primary resource?
- J.9. Does the Vendor use Microsoft ("MS") Project and what version? If not, does their assigned PM know how to use MS Project?

- J.10. Can the Vendor explain the difference between a work breakdown structure (“WBS”) and a project schedule.
- J.11. How does the Vendor work with customer PMOs in communicating project activities, (i.e., collaboration sites, meeting events, escalations, joint project monitoring tools, etc.)?
- J.12. How does the Vendor coordinate project risk/issues with their customers, (i.e., identification, communication, mitigation, tools, etc.)
- J.13. Does the Vendor have historical PM artifacts from previous similar implementations, (i.e., WBS, Project Plans, Project Schedules, success measurements, etc.)?

**K. Dental Discount**

K.1. Provide the name, title, address, telephone number, facsimile number, and e-mail address of a contact person for all current clients with 10,000 or more covered employees and/or retirees (not counting covered dependents) for whom Vendor’s organization is providing products or services as described herein. This information should be divided into the following categories: Government and Private.

Name:

Title:

Mailing address:

Email address:

Telephone number:

Facsimile number:

- K.2. Provide a brief summary of the background and history of the Vendor’s organization and state why it is best qualified to provide the dental discounted products and services.
- K.2.a. Discuss the process for obtaining dental discount products and services with the various organizations offered through the Vendor’s program.
- K.2.b. What contract arrangements with subcontractors or organizations exist to ensure dental discount products and services are available through the program?
- K.3. Describe in detail how the Vendor’s organization will fulfill each requested service. Include in the Vendor’s discussion the names of the personnel that will be assigned to work with ERS on this project. Include their qualifications and experience.
- K.4. Provide a flowchart that illustrates all phases of the process that a typical enrollee would encounter using the Dental Discount Program from the onset of enrollment through purchase of a product.
- K.5. Provide a flowchart that outlines the complaint process proposed for members utilizing the Dental Discount Program.
- K.5.a. Specifically discuss the Vendor’s role between member and subcontractor when complaints arise.
- K.6. Discuss what steps the Vendor has established to protect Participant’s personal information that would mitigate identity theft of any other breach of sensitive personal information.
- K.6.a. Discuss what steps the Vendor has established to protect the Participant’s personal information from being sold or mismanaged.
- K.7. Provide the last three (3) years of participation in the Vendor’s dental discount program.

	<b>Enrollment</b>	<b>Retail Value</b>	<b>Discount Value</b>
<b>2012</b>			
<b>2011</b>			
<b>2010</b>			

- K.8. What is the experience of a Participant that loses eligibility access to the dental discount program?
- K.9. Describe how the Vendor's organization differs from the Vendor's competitors.
- K.10. Discuss how the Vendor's business offerings of the dental discount products and services are investigated for quality/value, solvency and reliability?
- K.11. Describe the Vendor's refund policy.
- K.12. Describe the Vendor's banking arrangements.
- K.13. Describe how the Vendor's dental discount plan works.
- K.14. Can the dental discount plan be used with another Dental Plan?  Yes  No  
Please explain.
- K.15. Provide the Vendor's dental discount plan schedule of benefits.
- K.16. The Vendor shall provide sample copies of its communication package that was not identified or requested in Article VIII, *Communication Requirements*.
- K.17. What is the Vendor's credentialing and re-credentialing process for all discount dental care providers? [REDACTED]
- K.17.a. How often does the Vendor conduct the re-credentialing process? [REDACTED]
- K.18. How does the Vendor screen or solicit dentists into its network? [REDACTED]
- K.19. The Vendor shall provide sample copies of its reporting package that was not identified or requested in Article IX, *Operational Specifications*, Section D. Vendor Program Reporting.

## XVI. Appendices

- A. Signature Pages
- B. Contractual Agreement **(to be published at a later date and time)**
- C. Business Associate Agreement
- D. Data Security and Breach Notification Agreement
- E. Member Handbook for DHMO and PPO
- F. Master Benefit Plan Document describing the State of Texas Dental ChoicePlan<sup>sm</sup>
- G. Performance Guarantees **(to be published at a later date and time)**
- H. Dental PPO Schedule of Benefits
- I. Dental HMO Schedule of Benefits
- J. Weekly/Monthly File Layouts
- K. Experience Data:
  - Experience Data Instructions
  - A. GBP Enrollment and Premium History
  - B. Total Program Enrollment – April 2013
  - C. Dental Plan Enrollment Demographics – April 2013
  - D. Plan Enrollment by County – April 2013
  - E. Plan Enrollment by ZIP Code – April 2013
  - F. Dental Plan Rate History
  - G. Dental PPO Plan Claims Lag Report
  - H. Dental PPO Plan Utilization Data
  - I. Dental HMO Plan Utilization Data
  - J. Dental PPO Plan Enrollment and Claims by Zip Code – FY 2012
  - K. Dental PPO Plan Claims Experience for FY 2012
- L. ERS Style Guide and Usage Manual – March 2013
- M. ERS Brand Guidelines
- N. GBP Utilization CDT Codes
- O. Call Center Metrics
- P. Sample Go-Live Contingency Plan
- Q. Sample Monthly Administrative Performance Report