

State of Delaware

SEBC Meeting – Health Insurance RFP Discussion

July 11, 2016



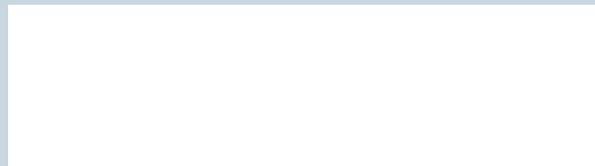
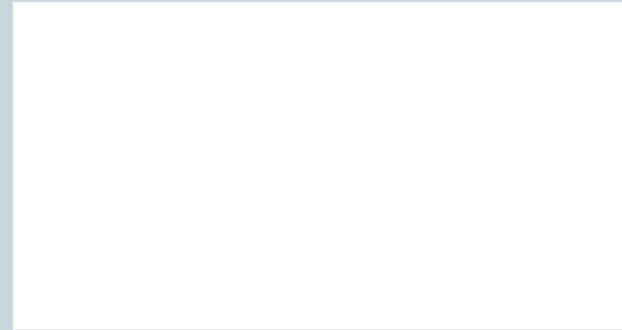
Agenda

 **Health Insurance RFP Update**

 **Health Insurance RFP Scoring**

 **Next Steps**

Health Insurance RFP Update



Health insurance RFP update

- Willis Towers Watson is working in conjunction with the Statewide Benefits Office (SBO) on developing the Health Insurance Request-for-Proposal (RFP)
 - Third draft of document in process of development
- As a reminder, the structure of the RFP is as follows:
 - RFP Introduction
 - RFP Background
 - Minimum Requirements
 - Detailed Questionnaire, consisting of five sub-sections
 - Bidder Profile
 - Medical Plan Administration
 - Health Care Delivery
 - Member Support, Tools and Resources
 - Health Management
 - Network Adequacy
 - Financial Proposal
- The RFP is being utilized as a tactic to address the State of Delaware's broader strategic framework (mission and goals) and will be developed over the coming months
 - As the RFP is broad in nature, covering both the State of Delaware's current plan options as well as potential modifications to maximize efficiency in cost, access and quality, **it will support the future goals and mission within the State's broader strategic framework**

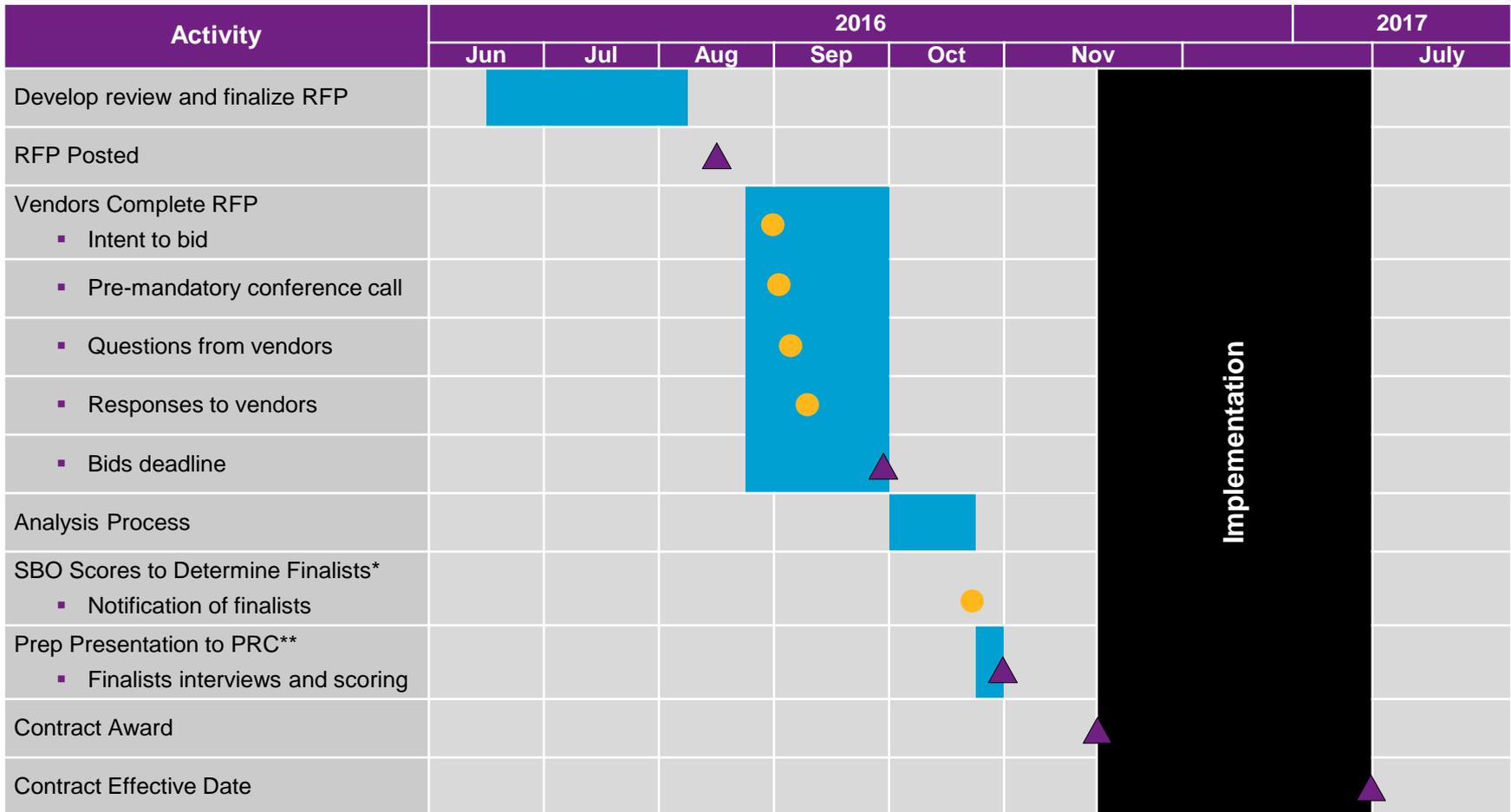
Health insurance RFP update

- As noted on the previous page, the RFP is segmented into several different sections
- The RFP aims to gather details on what the market can offer through many areas, including both traditional aspects of plan administration, as well as emerging models aimed at maximizing plan efficiency
- Below are examples of information that will be sought through this RFP process from bidders in review of both traditional models and emerging models

Various Payment Models	Consumer Awareness	Disease Management Options	Other Potential Initiatives
<ul style="list-style-type: none"> - Traditional Fee-for-Service (including % of billed charges, DRGS & APCs) - Accountable Care Organizations (ACOs) - Patient-Centered Medical Homes (PCMHs) - Centers of Excellence (COEs) - High Performing Networks 	<ul style="list-style-type: none"> - Provider data transparency - Member self-service: technology and portals - Decision support tools - Additional programs that can aid in providing awareness and education to members 	<ul style="list-style-type: none"> - Health Management programs (Disease Management, Care Management) - Care coordination - Gaps in care technology - Alternative Health 	<ul style="list-style-type: none"> - Coordination with On-site Health Centers - Telemedicine - Additional options such as Health Savings Accounts (HSAs) and Medicare Advantage Plans - Coordination with Statewide Initiatives (such as the all claims payer database)

Health insurance RFP timeline

- Work in progress
- ▲ Key milestones
- Due dates for other deliverables

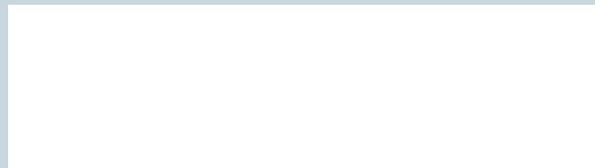
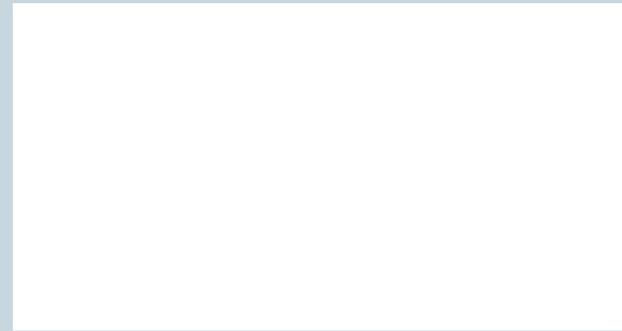


- ▲ **Key Milestone Dates:**
 RFP Posted: 8/15
 Bid Deadline: 9/26
 Finalists Interviews: 10/31 & 11/1
 Contract Award: 11/14
 Contract Effective Date: 7/1/2017

* Regular Monday meeting

** SBO will review drafts during Monday meeting before interviews

Health Insurance RFP Scoring



Health insurance RFP scorecard draft

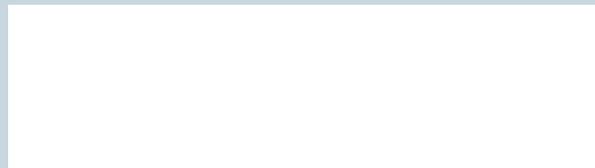
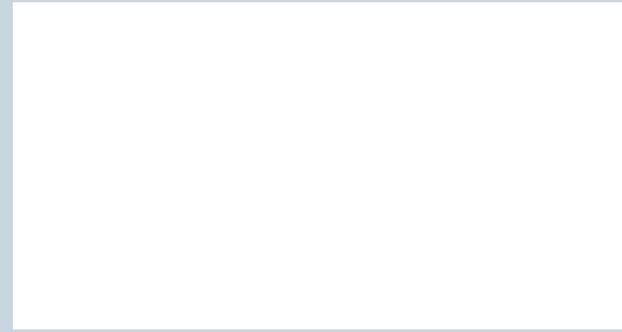
- Willis Towers Watson is working in conjunction with the Statewide Benefits Office (SBO) on developing scoring for the Health Insurance Request-for-Proposal
- Below is a high-level scorecard with sections and weightings *for consideration—additional handout provided with detailed breakdown of sections*

Category	2016 Health Insurance RFP - WTW Recommendations*	
	Non-Medicare Plans	Medicare Plan Only**
Plan Administration	15%	20%
Plan Design Capabilities and Services	13%	18%
Adequate Network Access**	20%	n/a
Financial Terms	30%	35%
Experience and References	10%	15%
Responsiveness	2%	2%
Tools & Technology	5%	5%
Integration	5%	5%
TOTAL	100%	100%

*Scoring will be expanded for all plans so that each vendor will be evaluated on each type of plan included in their proposal (i.e., both current plans such as the HMO, PPO, First State Basic, Consumer-Driven Plan, Medicare Supplement, and future plans not in place today, such as a value-based care network or a Medicare Advantage plan).

**For the Medicare Supplemental plan, the 20% weighting reflected under Adequate Network Access will be redistributed in 5% increments to Plan Administration, Plan Design Capabilities and Services, Financial Terms and Experience and References.

Next Steps



Next steps

- RFP finalization and posting for public response on August 15, 2016
- Strategy development roadmap to be reviewed and discussed at next SEBC meeting (July 25, 2016)
 - Willis Towers Watson will provide overview of mission and goal setting **process** with the aim of helping to develop a short- and long-term sustainable benefits strategy
 - The Health Insurance RFP will be used as a tactic to move the strategic framework forward