

Employee Assistance Program Administration
Recommendation for Award of Contract
February 6, 2015

Background

- October 20, 2014 – Release of Request for Proposals (RFP) focused on continued services to assist eligible employees and covered individuals with marital or family problems, divorce/separation, parenting, emotional issues, child or elder care, legal and financial assistance, depression, interpersonal conflicts, substance abuse, stress management, anger, grief and loss, and identity theft through individual professional counseling, online services and onsite training and educational seminars.
- November 17, 2014 - SBO received bid responses from seven vendors: **HMS/Health Advocate, Aetna Behavioral Health, Deer Oaks EAP Services, Magellan Health Services, Humana, E4Health, Inc. and ComPsych Corporation.** All vendors confirmed acceptance of all minimum requirements contained within the RFP.
- December 19, 2014 – Based on analysis conducted by the Statewide Benefits Office with assistance from Segal Consulting and no objection from the Proposal Review Committee (PRC), HMS/Health Advocate and ComPsych Corporation were selected as finalists. The other vendors were removed from contention due to a combination of financial, plan design and coverage concerns. Specifically, higher per employee per month fees, not being agreeable to fees at risk or other minimum standards for performance guarantees, not allowing members to select their preferred provider, not scheduling provider appointments on behalf of members, reporting lower book of business participation than the State of Delaware in the programs and services solicited in the RFP and network provider concerns.
- January 15, 2015 – Finalist interviews were conducted with HMS/Health Advocate and ComPsych. Carriers were given the opportunity to present their processes and capabilities in the areas of plan administration, strength of network/providers, individual professional counseling, online work/life services and programs and on-site training and educational seminars.
 - Question and answer sessions followed each interview with strong participation by all members of the PRC which served to supplement the understanding of each vendor's ability to meet the SOD program requirements.
 - Discussion with the PRC following the interviews centered on:
 - Each finalist's provider network and how closely their networks aligned with the State's current medical plan administrator's network.
 - Referral process for participants in need of continued services through medical plan.
 - Website and online services - accessibility to employees.

- Accessibility to Facilitators for Onsite Seminars, Training and Critical Incidents.
- Pricing and depth and breadth of services available between the two finalists were similar with neither vendor having an advantage over the other.
- PRC scoring and subsequent vote resulted in a recommendation to award the contract for EAP services to HMS/Health Advocate for the following reasons:
 - An approximate 5.5% savings over the current contract.
 - HMS/Health Advocate is the current vendor for State of Delaware EAP Administration. The Statewide Benefits Office and HMS/Health Advocate have made significant progress in outreach and communication with State employees on the services and value of the EAP benefit. The PRC recognized that a change in vendor could have an adverse impact on the confidence and name recognition achieved by the incumbent vendor.
 - HMS/Health Advocate will extend benefits to parents and parents-in-law as of July 1, 2015 and at no additional cost to the State.
 - Five year per employee per month fee/rate guarantee (July 1, 2015 – June 30, 2020).
 - Under the current contract HMS/Health Advocate has exceeded contract expectations in terms of program administration and positive feedback by participants who have engaged HMS/Health Advocate for services offered under the EAP.

Recommendation

RESOLVED that with respect to the award of a contract pursuant to the Request for Proposal (RFP) for administration of the State of Delaware's Employee Assistance Program, the Proposal Review Committee recommends to the State Employee Benefits Committee as follows:

- Contract award for Employee Assistance Program Administration to HMS/Health Advocate for an initial term of three years beginning July 1, 2015 and two one-year optional renewal years. Rates shall be guaranteed for five years. Such award shall be subject to a finalized contract.