

**REQUEST FOR PROPOSAL
BY
THE STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD**

The State of Connecticut Teachers' Retirement Board (CTRB) is seeking proposals from qualified bidders to provide consulting services for the administration of its health benefit plans for retired teachers. CTRB wishes to retain a contractor with the experience and expertise related to developing plan design features that will effectively control costs and maintain benefit levels, establishing budgetary premium rates, developing funding and cost models, recommending legislative changes necessary to insure the solvency of the plan, evaluating issues and advising CTRB on matters related to health care issues.

The request for proposal is available online at www.state.ct.us/trb or from Paula Goyette, Teachers' Retirement Board, 21 Grand Street, Hartford, CT 06106 Telephone (860) 241-8404 Fax (860) 241-9295. Deadline for response submission is 4:00 P.M., Friday, November 07, 2003.

The Connecticut State Teachers' Retirement Board administers a medical benefits program for retired members and spouses who are eligible for and participating in Medicare Part A, Hospital Insurance. The program is self-funded from active teacher contributions, retired teacher premiums and state funds. The hospital, medical, major medical, vision and hearing benefits programs are administered by Stirling & Stirling, a benefits administrator located in Milford, CT. A prescription drug program is administered by Medco, Franklin Lakes, NJ. The dental program is administered by Delta Dental, Parsipanny, NJ. There are approximately 11,500 participants in the plan, of which approximately 4,500 have optional dental coverage.

In addition, CTRB also provides a subsidy to retired members and spouses enrolled in Local School District (LSD) plans. There are approximately 15,500 participants enrolled in LSD plans who receive a subsidy from CTRB toward the cost of health insurance premiums.

The State desires that the period of the contract be for three years. The State Teachers' Retirement Board will be the contracting agency for the state. Extensions of the contract will be based upon satisfactory performance and the needs of the State of Connecticut.

A. Scope of Services

1. Serve as a management consultant/ administrator on health insurance related matters and attend Teacher Retirement Board meetings or subcommittees as required up to four times per year.

2. Provide the Board with plan design change recommendations, when applicable, to reduce or eliminate redundant coverage between Medicare and the health plans offered by the Board.
3. Assist and advise the Board in the administration of the health insurance plans and potential bulk purchasing initiatives related to health care delivery.
4. Assist and advise the Board in the issuance of Request for Proposals and selection of health insurance plan vendors.
5. Conduct studies and analyses as requested by the Board related to healthcare benefits.
6. Maintain cost model for the Board.
7. Produce rates for coverages based on acceptable methodology, trends and past experience of the Board's health plans.
8. Assist the Board in claim issues.
9. Interact with vendors as an advocate for members.
10. Assist Board with regulatory compliance issues.
11. Serve as HIPAA coordinator.
12. Review program costs and funding quarterly.
13. Produce Ad Hoc reports as requested by the board, not to exceed five per year.

B. Qualifications

1. Extensive experience and knowledge with actuarial, consulting and administrative work in large public or private sector health care programs, including managed care, dental care and other medical plans.
2. Ability to communicate actuarial and technical issues to a lay audience.
3. Ability to research, analyze, review and prepare draft language with regard to the State's proposed health care initiatives.
4. Knowledge of Connecticut and Federal law and regulations relevant to health insurance.
5. Experience of the bidder in dealing with health care vendors, particularly Pharmacy Benefits Managers (PBM).
6. Experience of the bidder in calculating the budgeted premium for a self-insured health care plan.

C. Contract Period

The contract shall begin on February 1, 2004 and end on January 31, 2007.

D. Contract Award Procedures

1. The State is an Equal Opportunity and Affirmative Action employer and does not discriminate in its hiring, employment, or business practices. The State is committed to complying with the Americans with Disabilities Act of 1990 (ADA) and does not discriminate on the basis of disability, in admission to, access to, or operation of its programs, services, or activities.

2. TRB contact person is Paula Goyette, Teachers' Retirement Board, 21 Grand Street, Hartford, Connecticut. Telephone (860) 241-8404, Fax (860) 241-9295, email paula.goyette@po.state.ct.us
3. Those interested in submitting a proposal in response to this RFP **must** submit a letter of intent, by mail, FAX, or e-mail to the TRB contact person as identified in paragraph 2 above, no later than 4:00 PM, Wednesday, October 22, 2003. Failure to submit a letter of intent will result in disqualification from competition.
4. The original and six (6) paper copies of the proposal as well as an electronic version of the proposal in Microsoft Word 97 or COMPATABLE SOFTWARE must be received at the above address no later than 4:00 PM, Friday, November 7, 2003.
5. All questions regarding this RFP and submission requirements must be directed, in writing, to the TRB contact person identified in paragraph 2 above by 4:00 PM, Wednesday, October 22, 2003. Bidders are required to limit their contact regarding this RFP to the person named herein. Written responses to all questions received will be posted to TRB's Internet and forwarded to all vendors who submitted the letter of intent required in paragraph 3 above by Wednesday, October 29, 2003.
6. A Selection Committee composed of representatives of TRB will review all proposals and recommend finalists for consideration by Wednesday, November 19, 2003.
7. It is our intention to notify the successful bidder by Wednesday, November 26, 2003, and to initiate this engagement as soon as possible thereafter.

Schedule of Deadlines

October 22, 2003	Letter of Intent due to TRB
October 22, 2003	Questions regarding RFP due to TRB
October 29, 2003	Response to questions regarding RFP
November 7, 2003	Proposal due to TRB
November 19, 2003	Finalists recommended
November 26, 2003	Notification of successful bidder

E. Conditions

All bidders must be willing to adhere to the following conditions and must positively state this in the proposal. (See Vendor Profile Sheet.):

All proposals in response to this RFP are to be the sole property of the State. Bidders are encouraged **NOT** to include in their proposals any information that is proprietary. All materials associated with this procurement process are subject to the terms of state laws defining freedom of information and privacy and all rules, regulations and interpretations resulting from those laws.

Any product, whether acceptable or unacceptable, developed under a contract awarded as a result of the RFP is to be the sole property of the State.

Timing and sequence of events resulting from this RFP will ultimately be determined by the State.

The bidder agrees that the proposal will remain valid for a period of 90 days after the closing date for the submission and may be extended beyond that time by mutual agreement.

The State may amend or cancel this RFP, prior to the due date and time, if the State deems it to be necessary, appropriate or otherwise in the best interests of the State. Failure to acknowledge receipt of amendments, in accordance with the instructions contained in the amendments, may result in a firm's proposal not being considered.

The bidder must certify that the personnel identified in its response to this RFP will be the persons actually assigned to the project. Any additions, deletions or changes in personnel from the proposal during the course of the project must be approved by the State, with the exception of personnel who have terminated employment. Replacements for personnel who have terminated employment are subject to approval by the State. At its discretion, the State may require the removal and replacement of any of the bidder's personnel who do not perform adequately, regardless of whether they were previously approved by the State.

Any costs and expenses incurred by bidders in preparing or submitting proposals are the sole responsibility of the bidder.

A bidder, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in the proposal.

No additions or changes to the original proposal will be allowed after submittal. While changes are not permitted, clarification of proposals may be required by the State at the bidder's sole cost and expense.

In some cases, bidders may have to give presentations or further explanation to the RFP selection committee.

The bidder represents and warrants that the proposal is not made in connection with any other bidder and is in all respects fair and without collusion or fraud. The bidder further represents and warrants that they did not participate in any part of the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no agent, representative or employee of the State participated directly in the bidder's proposal preparation.

All responses to the RFP must conform to instruction. Failure to answer all questions or to follow the requested format may be considered appropriate cause for rejection of the response.

The bidder accepts the State's standard contract language. (See Attachment A.)

The contract document will represent the entire agreement between the bidder and TRB and will supersede all prior negotiations, representations or agreements, alleged or made, between the parties. The State shall assume no liability for payment of services under the terms of the contract until the successful bidder is notified that the contract has been accepted and approved by the state and by the Attorney General's Office. The contract may be amended only by means of a written instrument signed by the State, the bidder, and the Attorney General's Office.

F. Mandatory Response Format of Proposal

All proposals must follow the required format and address all requirements listed in the prescribed order and using the prescribed numbering convention. Proposals must set forth accurate and complete information inclusive of the following items. At TRB's discretion, failure to include any of this information will result in exclusion from consideration:

1. Information about the Bidder The name, location, mailing addresses, telephone numbers, FEIN/SSN of the bidder and other pertinent information. (See Bidder Profile Sheet.)
2. Description of How Work Will Be Performed (Workplan) Describe how you propose to perform the work outlined in Section A, Scope of Services. Bidders must address and describe how the bidder will provide each listed service in Section A in the order set forth therein. Please limit this part to no more than ten (10) pages.
3. Personnel Listing A complete listing of the professional staff identified in the work plan with their resumes. Each resume shall include the individual's qualifications and experience in the area of health insurance.
4. Fees Provide a fee schedule of hourly rates, expected number of maximum annual hours and expected maximum annual cost for each personnel who will be assigned to work under this contract. This fee schedule must reflect all expenses, including any and all increases projected to occur during the term of the contract. Note: The State of Connecticut is exempt from the payment of excise, transportation and sales taxes imposed by the Federal Government and/or the State. Such taxes must not be included in prices.

5. Summary of Relevant Experience List projects in the area of health care consulting services that the bidder has completed within the last three (3) years. Describe and quantify the knowledge and experience required of the bidder in Section B, Qualifications. Additionally, list any contracts in the last three (3) years between the bidder and any agency of the State of Connecticut or it's municipalities.
6. Conflict of Interest Disclose any current (within the last 3 years) business relationships, which may pose a conflict of interest including all business relationships with the State's present health plan vendors, their parent companies, corporations, limited liability companies, partnerships, subsidiaries or subcontractors.
7. Contract Compliance and Affirmative Action The proposal must include a Notification to Bidders Form, an Evidence of Nondiscrimination Form, and an Employment Information Form. (See Contractor/Grantee Package)
8. Writing Sample Include a recently drafted executive summary dealing with a proposed health care initiative.
9. Additional Data Any additional information, which the bidder wishes to bring to the attention of TRB, that is relevant to this RFP.
10. Bidder References Include not less than two (2) objective references who can attest to the bidders scope of work and prior experience for the qualifications outlined in Section B.

G. Evaluation of Proposals

The following criteria are expected to be among those utilized in the selection process. They are presented as a guide for the bidder in understanding the State's requirements and expectations for this project and are not necessarily all-inclusive or presented in order of importance.

1. Proposed statement of work. Emphasis will be on grasp of the problems involved, soundness of approach and the quality of the overall proposal.
2. Proposed fee schedule for assigned personnel.
3. Experience, expertise, and capabilities of the bidder in the area of health care insurance, plans and benefits. Background, qualifications, and previous experience of personnel to be assigned to the project and their demonstrated competence, experience and expertise in the area of health care insurance, plans and benefits.
4. Experience of the bidder in dealing with health insurance plan vendors.
5. Capability for establishing working relationships based on past performance.
6. Demonstrated commitment to Affirmative Action:

Regulations of Connecticut State Agencies Section 46a-68j-30(10) require an agency to consider the following factors when awarding a contract that is subject to contract compliance requirements:

- (a) the bidder's success in implementing an affirmative action plan;
- (b) the bidder's success in developing an apprenticeship program complying with Section 46a-68-1 to 46a-68-17 of the Connecticut General Statutes, inclusive;
- (c) the bidder's promise to develop and implement a successful affirmative action plan;
- (d) the bidder's submission of EEO-1 data indicating that the composition of its work force is at or near parity when compared to the racial and sexual composition of the work force in the relevant labor market area; and
- (e) the bidder's promise to set aside a portion of the contract for legitimate minority business enterprises. (See the Contractor/Grantee Package)

7. The bidder's references (minimum of two).

8. The additional data the bidder wishes to bring to TRB's attention.

H. Rights Reserved To The State

The State reserves the right to award in part, to reject any and all bids in whole or in part for misrepresentation or if the bidder is in default of any prior State contract, or if the proposal limits or modifies any of the terms and conditions and/or specifications of the RFP. The State also reserves the right to waive technical defect, irregularities and omissions if, in its judgment, the best interest of the State will be served.

The state reserves the right to correct inaccurate awards resulting from its clerical errors. This may include, in extreme circumstances, revoking the awarding of a contract already made to a bidder and subsequently awarding the contract to another bidder. Such action on the part of the State shall not constitute a breach of contract on the part of the State since the contract with the initial bidder is deemed to be void *ab initio* and of no effect as if no contract ever existed between the State and the bidder.