Date: 8/9/2022

To: Prospective Proposers

Subject: Addendum No. 1
General Questions and Answers

This addendum forms part of the proposal and contract documents and modifies the original solicitation documents dated 7/13/2022. Acknowledge receipt of this addendum in the space provided below. FAILURE TO DO SO WILL SUBJECT OFFEROR TO DISQUALIFICATION.

1. Number of employees/active retirees under 65 for COG & Park Board
   816 active employees and 16 retirees covered by plan.

2. RX Annual Script Spend
   Last 12 months RX script spend was approximately $1.8 million

3. Rx Annual Claims Count
   Last 12 months Rx annual prescription claims count was approximately 16,000.

4. HDHP membership count
   There are 0 employees currently enrolled in HDHP as it is not offered at this time.

5. Pain points we wish to address
   N/A

6. I see that you are currently working with HUB International, which I’m aware is a medical consultant. Is it the city’s goal to stay with HUB for the consulting piece or can this bid be presented through another broker/consultant?
   a. If so, if more competitive, would the City give another broker/consultant a chance at earning the business?

   Current consultant is HUB. This RFP is for TPA, PBM and Patient Advocacy services only.
7. The RFP noted that HUB was the COG’s consultant. It was read that you wanted proposals from carriers and not brokers and all proposals were to be net of commissions. Please advise when the COG agreement with HUB will expire and when the COG will entertain proposals for consulting services and/or broker of record for your benefit plans.

   **Current consultant is HUB. This RFP is for TPA, PBM and Patient Advocacy services only.**

8. Will you accept bids for just a PBM & patient advocacy service only?
   Yes, PBM and Patient Advocacy can be proposed on a standalone basis.

9. Could COG provide 12 months of PBM claim data for analysis?
   Claims data has been provided via email as an attachment labeled “Claims by Coverage Tier Galveston City May 2022, Claims by Coverage Tier Galveston Park May 2022”

10. How many members does COG have under its current Medical plan and pharmacy plan?
    Current total enrolled is approximately 1685.

11. Are there any retires included under the plans?
    Yes, there are currently 16 retirees enrolled.

12. Could you please provide PBM plan design or summary of benefits of coverage?
    Plan design has been provided via email as an attachment labeled “SPD PPO Plan BCBS” Summary of Benefits of coverage is labeled “2022 City of Galveston SBC”

13. Could you provide current list of pharmacies?
    Included in the Pharmacy Pricing and Disruption file provided.

14. Will you be considering standalone offers for Pharmacy services?
    Yes, standalone PBM proposals are requested.

15. Are you currently working with a broker or advisor? If yes, which one.
    Yes, HUB is COG’s Consultant.

16. What is the total expected membership that will be covered under this agreement?
    Average membership over the last 6 months is 1685.
17. May we please request updated claims data

   Updated claims has been provided via email as an attachment labeled “Claims by Coverage Tier Galveston City May 2022, Dynamic Claimant Galveston City May 2022, Enrollment by Coverage Tier City May 2022, Claims by Coverage Tier Galveston Park May 2022, Enrollment by Coverage Tier Galveston Park May 2022”

18. What is the total number of employees working for the city covered under this scope as well as the total number of eligible members?
   The total number of Park Board and City covered employees is approximately 830 and the total number of employees is approximately 980.

19. As written, the proposer’s questionnaire does not include an area for bidders to acknowledge and sign. Please confirm bidders are only required to complete and submit this document without signing.
   This document does not require a signature.

20. Please confirm bidders can use their own template for proposals as long as all formatting requirements are followed.
   Bidders can use their own template for proposals, however the questionnaires and required submission forms must be included as required.

21. In section 1.2 you state “COG makes no representations of any kind that an award will be made as a result of this RFP.” If this statement is assumed to be true, can you assure us this is not a market check?
   This is a formal RFP for the services stated.

22. In 3.5 you reference HUB as the consultant. Will HUB be retained as the consultant going forward in 2023? Additionally, how long has COG utilized the services of BCBS and Prime as your medical and PBM providers?
   HUB is currently the consultant. Galveston has used BCBS since 2019.

23. In 3.5.3 you reference 3.6.8. The RFP received by us does not have a Section 3.6.8, only 3.5.8. Are we missing 3.6.8?
   It was a typo and it should reference 3.5.8

24. Page 14 – Current Medical Administration Fees does not include any PBM fees. Are you willing to provide current PBM fees, including all ancillary fees by line item, to us? Are the PBM fees included in the medical claims administration fees? If yes, can you break them out?
The PBM fees are included in the BCBS renewal document provided on the Rx tab.

25. In 3.5.2 you state your interest in carving out the PBM however, in Section 4, Pricing Proposal letter it says “the undersigned proposes to furnish Self-Funded Medical and Pharmacy Plan Services & Patient Advocacy Services…….” If 3.5.2 is true, and your interest is acceptable to carving out the PBM, does the PBM need to sign this Section if the PBM is responding for PBM only? Additionally, we do not see a signature line in Section 4.
   No signature is required for this section.

26. In the Pharmacy Benefit Management Submission Form, could you explain in detail what this statement means? “Confirm agreement to provide an audit allowance for $20,000 to be used for Pharmacy Audit.”
   The City is requesting funds to be provided for an Audit of the 2023 PBM claims, rebates and services in 2024.

27. Section 9 – Agreement for Services. Will you accept arbitration language vs the current language in #22 – Dispute Resolution? In #23 – Termination - will you adjust the timeframe for termination to 90 days’ notice?
   COG will not change our dispute resolution language. The City will accept 90-day termination notice.

28. What support do your employees have to navigate the healthcare system today?
   The City has BCBS Blue Access for Members.

29. How are your employees utilizing your entire curated eco system of benefits? What is the utilization of your benefits?
   This question is not relevant to this proposal.

30. How are your employees finding cost and doctor recommendations for care and treatment?
   The City has BCBS Blue Access for Members.

31. Could additional information be provided on what the carriers are providing members in the areas of provider cost and transparency tools? Also is the utilization of these services measures today? If so, can that be shared?
   The City has BCBS Blue Access for Members.

32. Are all current vendor tools that are in place today open for all employees or do any have specific eligibility requirements?
   No, these services are only available to employees enrolled in the medical plan.
33. Does the City have any special network requirements for example COEs or narrow networks, either plan or condition specific in place today?  
   No.

34. Can information be provided on the City’s history communication strategies with employees and their dependents to drive engagement and awareness of the plan offerings?  
   No.

35. Can a breakdown of the employees be provided?  
   This question is too general for response.

36. Can additional information be provided about the state’s current collective bargaining agreements in place that have an impact to benefits eligibility or plans that would differ from non-bargained employees?  
   This question is not relevant to this proposal.

37. Are you planning any benefits changes for 1/1/23?  
   The City is considering an offering of an HDHP for 1/1/2023 and Patient Advocacy Services.

38. Are you interested in support for the non-medically enrolled population?  
   Yes.

I hereby certify receipt of this addendum and have incorporated its information or changes in preparation of my submittal.

__________________________________  _____________________________  
Authorized Signature                Date

__________________________________  _____________________________  
Printed Name                        Company Name

A COPY OF THE ADDENDUM MUST BE SIGNED AND RETURNED WITH YOUR PROPOSAL