



STATE OF TENNESSEE  
 FINANCE AND ADMINISTRATION, DIVISION OF BENEFITS ADMINISTRATION

**REQUEST FOR PROPOSALS # 31786-00127  
 AMENDMENT # 1  
 FOR VOLUNTARY DENTAL PREFERRED PROVIDER  
 ORGANIZATION INSURANCE PROGRAM**

DATE: May 19, 2015

RFP # 31786-00127 IS AMENDED AS FOLLOWS:

1. This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.

EVENT	TIME (central time zone)	DATE (all dates are state business days)
1. RFP Issued		April 27, 2015
2. Disability Accommodation Request Deadline	2:00 p.m.	April 30, 2015
3. Pre-response Conference	11:00 a.m.	May 1, 2015
4. Notice of Intent to Respond Deadline	2:00 p.m.	May 4, 2015
5. Written "Questions & Comments" Deadline	2:00 p.m.	May 11, 2015
6. State Response to Written "Questions & Comments"		May 19, 2015
7. Response Deadline	2:00 p.m.	June 2, 2015
8. State Completion of Technical Response Evaluations		June 16, 2015
9. State Opening & Scoring of Cost Proposals	2:00 p.m.	June 17, 2015
10. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	1 day after Insurance Committee Award of Contract
11. End of Open File Period		7 Calendar Days Later
12. State sends contract to Contractor for signature		8 BUSINESS DAYS LATER
13. Contractor Signature Deadline	2:00 p.m.	1 – 5 BUSINESS DAYS LATER

**2. State responses to questions and comments in the table below amend and clarify this RFP.**

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

QUESTION / COMMENT	STATE RESPONSE
<p>1 RFP 31786-00127 DPPO (PDF): Contract Attachment D Insurance Benefit Waiting Periods:</p> <p>Is the State interested in carriers pricing the cost to remove the current waiting periods or any additional enhancements in the plan design?</p>	<p><b>No, the State is not interested in carriers pricing the costs to remove current waiting periods or add additional enhancements.</b></p> <p><b>Respondent responses must be based upon the benefit design shown within the RFP. Alternative plan design and costs are not permitted in the Contractor’s official response.</b></p> <p><b>However, Respondents may offer the State additional enhancements at no cost within the Proposal response.</b></p> <p><b>After the contract has been awarded the Contractor may submit potential plan design changes which will be to the benefit of members and will keep the premiums and maximum allowable charges at or below the submitted cost in the Contractor’s official response to the RFP.</b></p>
<p>2 RFP 31786-00127 DPPO (PDF): Contract Attachment D Insurance Benefits Limitations and Exclusions:</p> <p>Is data available on the frequency of defaulting to the coinsurance replacement schedule on the Crowns, cast restorations, and fixed bridges?</p>	<p><b>This data is not available.</b></p>
<p>3 RFP 31786-00127 DPPO (PDF): Contract Attachment D:</p> <p>Please confirm the actives and retirees have the same plan design.</p>	<p><b>It is confirmed that the actives and the retirees have the same plan design.</b></p>
<p>4 RFP 31786-00127 DPPO (PDF): Attachment F Appendix 7.1:</p> <p>Are all historical plan design changes reflected in the Attachment F certificates of coverage (effective 1/1/2011)?</p>	<p><b>Attachment F Appendix 7.1 reflects the plan design under the current contract for coverage period January 1, 2011 through December 31, 2015.</b></p> <p><b>Any plan design prior to January 1, 2011 is not reflected in the certificate.</b></p>
<p>5 RFP 31786-00127 DPPO (PDF): Appendix 7.3 Current Contract and Amendments:</p>	<p><b>The current contract includes an option to implement a “Basic Only” plan design in addition to the full DPPO benefit. The State</b></p>

QUESTION / COMMENT	STATE RESPONSE
<p>Why are there two sets of rates for calendar year 2012 (four tiered guaranteed monthly basic benefits) and a basic benefit reflected in the 2012 certificate amendment?</p>	<p><b>chose not to implement the Basic Only plan.</b></p>
<p>6 RFP 31786-00127 DPPO (PDF): Appendix 7.3 MAC Schedule:</p> <p>Are the guaranteed maximum allowable charge schedules available for 2013 through 2015?</p>	<p><b>Please see Attachment 3 to this amendment for the Excel file showing the MAC for years 2013-2015 for both General and Specialist dentists provided for respondents.</b></p>
<p>7 Appendix 7.2 (Excel):</p> <p>Does the premium and active subscribers include actives, retirees, and those on cobra (57,464 subscribers for 2014; census Appendix 7.6 has 82,880 enrolled)?</p>	<p><b>Yes. Appendix 7.2 lists the number of subscribers in the DPPO. Appendix 7.6 lists in the enrolled column the number of subscribers in the DPPO and the Preferred plans.</b></p>
<p>8 Appendix 7.2(Excel):</p> <p>Please provide 36 months of premium, claims (In and Out of Network), EOB's or claim counts, and average lives (eligible and enrolled) on a monthly basis split by active and retiree.</p>	<p><b>Please see Attachment 1 to this amendment for this information.</b></p>
<p>9 Appendix 7.6 (Excel):</p> <p>Does this file represent members and dependents? Please add gender, tier (EE, EE+SP, etc), status (active, retiree, cobra), and plan (DPPO or Prepaid) to the census file.</p>	<p><b>Please see Attachment 2 to this amendment for the new Excel file provided for respondents.</b></p>
<p>10 Please confirm the historical and proposed rates should be net of any commissions.</p>	<p><b>The State does not pay or account for commissions. Historical rates were the exact amounts paid by subscribers. The submitted premium rates should be the fixed amount to be paid by the subscribers each month based upon enrollment level chosen.</b></p>
<p>11 Please confirm the plan has always been voluntary with no State contributions.</p>	<p><b>Confirmed.</b></p>

QUESTION / COMMENT	STATE RESPONSE
<p>12 RFP Attachment 6.2 – Section B, Item Ref. # B.15, subsection (c) (i),</p> <p>please confirm that the State has not established a “target” or “goal” for participation of business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises acting in a subcontractor capacity?</p>	<p><b>The State has established a current goal of 12.56% diversity participation for procurements. This goal is Statewide.</b></p>
<p>13 RFP Attachment 6.2 – Section B, Item Ref. # B.15, subsection (c) (i), in insurance contracts, the far majority of the “total contract value” is set aside to pay claims and cannot be touched or subcontracted in any way, the remaining portion, however, is considered retention (administrative expenses, overhead, etc.).</p> <p>Please confirm that the State would like the estimated participation percentage of the total estimated contract value to be based on the retention portion of the total contract value only.</p>	<p><b>That is correct; the percentage should be based only on the retention.</b></p>
<p>14 Contract, section A.8 Website, subsection (i.), how do your current carriers demonstrate their ability to comply with Section 508 of the Rehabilitation Act of 1973 (29 USC Section 784d) and regulations at 36 CFR 1194 Parts A-D?</p> <p>Is there a specific certification that the State uses or a particular governing body or technical team to authenticate a carrier’s compliance with these regulations? We want to ensure we meet the State’s expectation and can equally demonstrate compliance and are therefore asking for clarity.</p>	<p><b>The state does not require a particular application that must be used to ensure 508 compliance, nor do we require proof of compliance. We do expect that the vendor will use due diligence and their preferred app to ensure that their site is 508 compliant. PDF documents should be tested via Adobe Acrobat accessibility testing.</b></p>
<p>15 What methods does the State of Tennessee currently use to communicate benefits information to employees (e.g., mail to homes, online, email, telephone, employee meetings)?</p>	<p><b>The State currently utilizes several different methods to communicate to employees such as, mail to homes, online via our websites, email distributed via agency benefits coordinators, and employee meetings held by agencies.</b></p>

QUESTION / COMMENT	STATE RESPONSE
<p>16 Can the State please confirm if they are exempt or not from State premium tax?</p>	<p><b>The DPPO Insurance Program is fully-insured by the Contractor. Therefore, the Contractor would be subject to any applicable premium tax.</b></p> <p><b>These plans are not exempt from the State premium tax.</b></p>
<p>17 Which methods of communication are preferred?</p>	<p><b>Of course, we want a printed handbook to be provided to members enrolled in their product in December. Anything that MUST reach all members needs to be mailed to their homes. That is the only way to ensure that everyone gets the information. Information can also be emailed by the State to Agency Benefits Coordinators with the request that they forward it to members. This is not a reliable way to communicate.</b></p>
<p>18 Approximately what percentage of the employee population does the State of Tennessee communicate with electronically (email, etc.)?</p>	<p><b>The state does not have the ability to communicate with all members electronically. For the state employee active population, we can reach approximately 30%. (no higher ed or retirees) We rely on our agency benefits coordinators to provide electronic communications with staff if feasible.</b></p>
<p>19 Does the State of Tennessee host events such as benefit fairs to answer employee questions and promote enrollment?</p>	<p><b>The state does not host benefit fairs; however, many of our participating agencies do. We will list the vendor's preferred contact information on a document available to Agency Benefits Coordinators. They may invite vendors to participate in health fairs. The state's communications director must be notified by email of each request the vendor receives.</b></p>
<p>20 Given the State's defined timeline and due date, and with the State's responses to questions being sent on the 18<sup>th</sup>, along with the Memorial Day holiday weekend, would the State consider a one-week extension to the due date to ensure the State receives the most competitive and thorough responses from all competing carriers?</p>	<p><b>Yes, a one week extension has been provided; please refer to Amendment Section 1 above.</b></p>
<p>21 With respect to the State's various Assignment clauses, specifically section 4.4.1 of General Contracting Information &amp; Requirements and section D.7. of the Pro</p>	<p><b>Thank you for this suggestion, however the State chooses not to modify this clause and will</b></p>

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<p>Forma Contract, we request that the following language be added to the beginning of the provision: “Other than in connection with an assignment to an affiliate or a sale of its assets ....”</p>	<p><b>retain the current Pro Forma contract language.</b></p>
<p>22 With respect to section D.19. Hold Harmless of the Pro Forma Contract we request acceptance of the following edit:</p> <p>“The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of <b>any negligent or willful acts or, omissions, or negligence</b> on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract. In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.”</p>	<p><b>Thank you for this suggestion, however the State chooses not to modify this clause and will retain the current Pro Forma contract language.</b></p>
<p>23 With respect to Section D.20.c (consistent with Section E.8.c. of Appendix 7.3 of Contract between State of Tennessee and Delta Dental) of the Pro Forma Contract we request acceptance of the following edit:</p> <p style="text-align: center;">D.20. HIPAA AND HITECH Compliance.</p> <p><del>c. The Contractor agrees that its duties under this contract qualify it as a “business associate” of the State as that term is defined under HIPAA. Contractor will sign the State’s business associate agreement, which is attached as Attachment E. The State, in its discretion may, accept changes to the business associate agreement if it finds that</del></p>	<p><b>Thank you for this suggestion, however the State chooses not to modify this clause and will retain the current Pro Forma contract language.</b></p>

QUESTION / COMMENT	STATE RESPONSE
<p>such changes are appropriate, or may determine that HIPAA does not require a business associate agreement. <b>The State and the Contractor will sign documents, including but not limited to business associate agreements, as may be required by HIPAA and that are reasonably necessary to keep the State and Contractor in compliance with HIPAA.</b></p>	
<p>24 Please provide the State's monthly claims, premium, and enrollment for at least the last 2 years.</p>	<p><b>Please see the response to question #8.</b></p>
<p>25</p> <p>Section A.1.g states, "The contractor shall provide advice, assistance and information with regard to applicable Federal and State laws, court holdings and regulations affecting group dental insurance and other Program related matters as needed."</p> <p><b><i>What type of advice, assistance and information is the State seeking regarding this section?</i></b></p>	<p><b>The State would expect the Contractor to utilize its expertise in the dental industry to provide advice to the State on matters that would impact the DPPO.</b></p>
<p>26</p> <p>Section A.4.b. (3) states, "The Contractor's Call Center shall accept calls, at a minimum, from 7:00 a.m. to 4:30 p.m. Central Time (CT), Monday through Friday."</p> <p><b><i>Is the call center required to accept calls on State, Federal and/or when the Contractor is normally closed?</i></b></p>	<p><b>No. The Contractor is not expected to accept call on State or Federal holidays when businesses are normally closed.</b></p>
<p>27</p> <p>Section A.9.b. states, "The Contractor shall provide advice, assistance and information to the State regarding applicable existing and proposed Federal and State laws and regulations affecting the Program."</p> <p><b><i>What type of advice, assistance and information is the State seeking regarding this section?</i></b></p>	<p><b>The State would expect the Contractor to utilize its expertise in the dental industry to provide advice to the State on matters that would impact the DPPO.</b></p>
<p>28 Does Delta Dental of Tennessee currently receive the subscriber number issued through</p>	<p><b>Yes.</b></p>

QUESTION / COMMENT	STATE RESPONSE
the Edison system?	
<p>29</p> <p>Section c.3.b. of the Technical Qualifications, Experience and Approach</p> <p><b><i>Are you requesting reports for the average speed of answer, average hold in queue and first call resolution rates member calls or all calls?</i></b></p>	<p><b>We are expecting these metrics for calls from Members.</b></p>
<p>30</p> <p>Can you provide dental incurred claims vs premium experience for the past 24 months on the PPO, including monthly enrolled lives?</p>	<p><b>Please see the response to question #8.</b></p>
<p>31</p> <p>Can you provide a full census showing PPO elections, family tiers, zip codes, DOB's, and genders?</p>	<p><b>Please see the response to question #8; however, DOB's cannot be provided.</b></p>
<p>32</p> <p><b>Waiting Period – RFP</b></p> <p>Inlay/Onlay Restorations, Crowns, Complete or Partial Dentures, Fixed Partial Dentures, Implants - 6 month waiting period</p> <p><b>Waiting Period – Current Benefits</b></p> <p>12 months waiting period</p> <p><b>Recommendation</b> – Maintain current benefits for consistency.</p>	<p><b>Thank you for this recommendation, the State does not intend to make this change to the RFP document.</b></p>
<p>33</p> <p><b>Diagnostic and Preventive Benefits – RFP</b></p> <p>Exams and cleaning 2 in calendar year with additional allowed if medically necessary and the dentist receives prior authorization from the dental insurance company</p> <p><b>Diagnostic and Preventive Benefits – Current Benefits</b></p> <p>2 in calendar year, only allows for additional cleanings under the Evidenced Based Dentistry and does not require prior authorization, no additional exams are allowed.</p> <p><b>Question</b></p> <p>Please define medically necessary.</p> <p><b>Recommendation</b> – Maintain current benefits.</p>	<p><b>Medically necessary as defined by the Contractor's generally accepted policy for providing additional services when medical conditions for the patient warrant such additional services; for example, diabetes may be one factor listed in the Contractor's guide.</b></p>

QUESTION / COMMENT	STATE RESPONSE
<p>34 <b>Diagnostic and Preventive Benefits – RFP</b></p> <p>Radiographs covered benefits shall be based upon the most current recommendations published by the ADA- FMX-1 in 5 years- bitewings-1 in 24 months for patients 15 and older.</p> <p><b>Diagnostic and Preventive Benefits – Current Benefits</b></p> <p>Bitewing x-rays are payable once per calendar year age 11 and under, once in any period of 18 consecutive months for ages 12 through 17, and once in any period of 24 consecutive months age 18 and over. Full mouth x-rays (which include bitewing x-rays) or a panorex are payable once per lifetime for individuals age 9 and under and once per 60 months for age 10 and over.</p> <p><b>Question</b></p> <p>What x-ray benefits are allowed for patients under the age of 15?</p>	<p>The State will clarify that in “Contract Attachment D, III Schedule of Benefits, Limitations and Exclusions, c)” that children under the age of 15 shall have a benefit of bitewing x-rays payable once per calendar year and full mouth x-rays payable once per every three calendar years with additional x-rays allowed if medically necessary and the dentist receives prior authorization from the dental insurance company.</p>
<p>35 <b>Basic Benefits – RFP</b></p> <p>No mention of posterior composite alternate benefit</p> <p><b>Basic Benefits – Current Benefits</b></p> <p>Although composites on the facial surfaces of the bicuspid teeth are an allowable benefit, composites used in molars or on the chewing surfaces of bicuspid teeth are considered optional services</p> <p><b>Recommendation</b></p> <p>Maintain current benefit</p>	<p>Thank you for this recommendation, the State does not intend to make this change to the RFP document.</p>
<p>36 <b>Basic Benefits – RFP</b></p> <p>Endodontic at basic</p> <p><b>Basic Benefits – Current Benefits</b></p> <p>Endodontic at major</p> <p><b>Recommendation</b></p> <p>Maintain current benefit level at Major</p>	<p>Thank you for this recommendation, the State does not intend to make this change to the RFP document.</p>
<p>37 <b>Basic Benefits – RFP</b></p> <p>Periodontics at basic</p> <p><b>Basic Benefits – Current Benefits</b></p> <p>Periodontics at major</p>	<p>Thank you for this recommendation, the State does not intend to make this change to the RFP document.</p>

QUESTION / COMMENT	STATE RESPONSE
<p><b>Recommendation</b></p> <p>Maintain current benefit level at Major</p>	
<p>38 <b>Basic Benefits – RFP</b></p> <p><b>Periodontal Maintenance</b> is allowed twice per calendar year with additional periodontal maintenance allowed if medically necessary and the dentist receives prior authorization from the dental insurance company. RFP does not mention the Periodontal Maintenance combined with the cleaning frequency.</p> <p><b>Basic Benefits – Current Benefits</b></p> <p>Prophylaxes (cleanings), including periodontal prophylaxes, are payable twice per calendar year. Only allow additional cleanings under the EBD and does not require prior authorization.</p> <p><b>Question</b></p> <p>Please define medically necessary.</p> <p><b>Recommendation</b></p> <p>Maintain current benefit. Periodontal Maintenance typically follows periodontic surgery for a period of two years and is done in lieu of a routine prophylaxes.</p>	<p><b>Medically necessary as defined by the Contractor’s generally accepted policy for providing additional services when medical conditions for the patient warrant such additional services; for example, diabetes may be one factor listed in the Contractor’s guide.</b></p> <p><b>Thank you for this recommendation, the State does not intend to make this change to the RFP document.</b></p>
<p>39 <b>Basic Benefits – RFP</b></p> <p>Scaling and Root Planing and anti-microbial(PerioChip) is allowed once per quadrant in any 24 consecutive month period.</p> <p><b>Basic Benefits – Current Benefits</b></p> <p>Scaling and Root Planing is allowed once per quad in any 36 month period and anti-microbial (perioChip) is not a benefit.</p> <p><b>Recommendation</b></p> <p>Maintain current benefit which identifies the PerioChip as not a benefit.</p>	<p><b>Thank you for this recommendation, the State does not intend to make this change to the RFP document.</b></p>
<p>40 <b>Major Benefits – RFP</b></p> <p>Crowns or cast restorations 1 in 7 years, recommendation by same provider 1 in 12 months. If a crown is damaged beyond repair, prior to the end of the seven year period, the crown may be replaced with an annual pro-rated reduction in the co-insurance payable by the Program. co-insurance shall be.</p>	<p><b>Yes, the pro-rated benefit is still subject to the deductible, benefit levels, and annual plan maximum.</b></p> <p><b>A crown placed for the first time or replaced after the first seven years would be paid at 50% of the Maximum Allowable Charge (MAC) or of the provider’s fee, whichever is less. A damaged crown that has been in place for two years would be paid at 15% of the MAC or of the provider’s fee, whichever is less.</b></p>

QUESTION / COMMENT	STATE RESPONSE
<p>(a) Year one 10%</p> <p>(b) Year two 15%</p> <p>(c) Year three 20%</p> <p>(d) Year four 25%</p> <p>(e) Year five 30%</p> <p>(f) Year six 35%</p> <p><b>Major Benefits – Current Benefits</b></p> <p>Cast restorations (including crowns and onlays) and associated procedures (such as cores and substructures) on the same tooth are payable once in any seven-year period.</p> <p><b>Question</b></p> <p>Is the pro-rated reduction also based on the benefit level?</p> <p>Please clarify how this benefit would pay?</p> <p><b>Recommendation</b></p> <p>Maintain current benefit.</p>	
<p>41 <b>Major Benefits – RFP</b></p> <p>Porcelain, gold or veneer crowns for children <b>under 12 years of age are not a benefit.</b></p> <p><b>Major Benefits – Current Benefits</b></p> <p><b>under 16 years of age are not a benefit,</b> benefits are made <b>optional</b> to stainless steel crowns.</p> <p><b>Question</b></p> <p>Are you proposing making crowns under age 12 optional to stainless steel crowns?</p> <p>Please clarify how this benefit would pay?</p> <p><b>Recommendation</b></p> <p>Maintain current benefit. Data contraindicates making this type of change to lower the age limit to 12.</p>	<p><b>Stainless steel crowns would be covered for children under 12 years of age.</b></p> <p><b>Stainless steel crowns would be paid as a “Major Benefit” which is payable at 50% of the MAC or of the provider’s fee, whichever is less, subject to the waiting period, deductible, and annual maximum.</b></p>
<p>42 <b>Major Benefits – RFP</b></p> <p>Replacement of any fixed bridges or partial or complete dentures that the member received in the previous seven year is not a benefit. However, if a fixed bridge, partial denture or complete denture is damaged beyond repair, prior to the end of the seven year period, the appliance may be replaced with an annual pro-rated reduction in the co-insurance payable by the Program.</p>	<p><b>Yes, the pro-rated benefit is still subject to the deductible, benefit levels, and annual plan maximum.</b></p> <p><b>A fixed bridge, partial or complete dentures placed for the first time or replaced after the first seven years would be paid at 50% of the Maximum Allowable Charge (MAC) or of the provider’s fee, whichever is less. A damaged fixed bridge, partial or complete denture that has been in place for two years would be paid</b></p>

QUESTION / COMMENT	STATE RESPONSE
<p>(a) Year one 10%</p> <p>(b) Year two 15%</p> <p>(c) Year three 20%</p> <p>(d) Year four 25%</p> <p>(e) Year five 30%</p> <p>(f) Year six 35%</p> <p><b>Major Benefits – Current Benefits</b></p> <p>One in seven years- pre-existing tooth clause in place.</p> <p><b>Question</b></p> <p>Is the pro-rated reduction also based on the benefit level?</p> <p>Please clarify how this benefit would pay?</p> <p>Does it include treatment by the same provider?</p>	<p>at 15% of the MAC or of the provider’s fee, whichever is less.</p> <p>Yes, it includes treatment by the same provider or a different provider. The benefit is for the procedure.</p>
<p>43 <b>Major Benefits – RFP</b></p> <p>Payment for reline procedure is only a benefit if more than 6 months have passed since the initial insertion</p> <p><b>Major Benefits – Current Benefits</b></p> <p>payment is only a benefit if more then (sic) 12 months have passed since the initial insertion</p> <p><b>Question</b></p> <p>Is this for a chairside reline or a laboratory reline?</p> <p><b>Recommendation</b></p> <p>Maintain current benefits.</p>	<p>Per Major Benefits V.e) “Complete or Partial Denture Reline: Chair side or laboratory procedure to improve the fit of the appliance to the tissue (gums).”</p> <p>Therefore, Major Benefits V. Limitations and Exclusions On Major Benefits “h) ... Payment for a reline procedure is only a benefit if more than 6 months have passed since the initial insertion.” includes either chair side or laboratory.</p>
<p>44 <b>Orthodontic Benefits – RFP</b></p> <p>Harmful Habit devices are allowed once per lifetime for children under age 19</p> <p><b>Orthodontic Benefits – Current Benefits</b></p> <p>Children under age 16 and covered at D&amp;P benefits</p> <p><b>Question</b></p> <p>Would this be covered at Diagnostic and Preventive benefits?</p>	<p>No, the benefit for harmful habit device under the new contract will be considered as an orthodontic benefit.</p>

3. Delete RFP Attachment 6.6 Pro Forma Contract Section C.3.b in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

b. The Contractor shall be compensated based upon the following payment methodology:

- (1) For service performed from January 1, 2016, through December 31, 2017, the following rates shall apply:

<b>Four Tiered Guaranteed Monthly Premiums for Active Subscribers</b>	<b>Calendar Year 2016 1/1/2016 – 12/31/2016</b>	<b>Calendar Year 2017 1/1/2017 – 12/31/2017</b>
<b>Employee</b>	<b>\$ /Active Subscriber</b>	<b>\$ /Active Subscriber</b>
<b>Employee + Spouse</b>	<b>\$ /Active Subscriber</b>	<b>\$ /Active Subscriber</b>
<b>Employee + Child(ren)</b>	<b>\$ /Active Subscriber</b>	<b>\$ /Active Subscriber</b>
<b>Employee + Spouse + Child(ren)</b>	<b>\$ /Active Subscriber</b>	<b>\$ /Active Subscriber</b>
<b>Four Tiered Guaranteed Monthly Premiums for Retiree Subscribers</b>	<b>Calendar Year 2016 1/1/2016 – 12/31/2016</b>	<b>Calendar Year 2017 1/1/2017 – 12/31/2017</b>
<b>Retiree</b>	<b>\$ /Retiree Subscriber</b>	<b>\$ /Retiree Subscriber</b>
<b>Retiree + Spouse</b>	<b>\$ /Retiree Subscriber</b>	<b>\$ /Retiree Subscriber</b>
<b>Retiree + Child(ren)</b>	<b>\$ /Retiree Subscriber</b>	<b>\$ /Retiree Subscriber</b>
<b>Retiree + Spouse + Child(ren)</b>	<b>\$ /Retiree Subscriber</b>	<b>\$ /Retiree Subscriber</b>

- (2) For service performed from January 1, 2018 through December 31, 2018, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.
- (3) For service performed from January 1, 2019 through December 31, 2019, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above [as modified in C.3.b.(2)] but adjusted, if requested by the Contractor, up to a

maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.

- (4) For service performed from January 1, 2020 through December 31, 2020, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above [as modified in C.3.b.(2) and (3)] but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.

**4. Add the following as RFP Attachment 6.6 Pro Forma Contract Section C.3.c. and renumber any subsequent sections as necessary:**

- c. In order for the Contractor to request a rate increase as described above, the Contractor's claims experience must reflect a dental loss ratio of 70% or greater based upon claims experience of the previous calendar year. Any rate escalation requests submitted for the State's consideration must be submitted no later April 30<sup>th</sup> of the preceding year.

**5. Delete RFP Attachment 6.6 Pro Forma Contract Section C.5 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

- C.5. Purchase Order in lieu of Invoicing. The State will generate a monthly purchase order and initiate payment of the purchase order, based upon payroll deduction information provided by the State, utilizing the rates listed above.

**6. Delete RFP Attachment 6.6 Pro Forma Contract Section C.6 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

- C.6. Payment of Purchase Order. A payment by the State shall not prejudice the State's right to object to or question any payment, purchase order, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount reflected on the purchase order.

**7. Delete RFP Attachment 6.6 Pro Forma Contract Section C.7 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

- C.7. Payment Reductions. The Contractor's payment shall be subject to reduction for amounts included in any purchase order or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.

**8. Add the following as RFP Attachment 6.6 Pro Forma Contract Attachment C, Section 13 and renumber any subsequent sections as necessary:**

13) **Rate Escalation Request**, submitted annually if necessary detailing a request from the Contractor to increase the current rates detailed in Contract Section C.

9. **RFP Amendment Effective Date**. The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.



**State of Tennessee**  
**Summary Plan Information by Premium Level**  
**May, 2012-April, 2015**

## Active

Premium Level	Average Subscribers	Premium	Claim Count	Total Claims
EE Only	20,653	\$ 15,366,151.79	115,181	\$12,959,573.16
EE + Spouse	8,973	\$ 12,624,165.22	102,631	\$12,237,529.34
EE + Child(ren)	5,942	\$ 10,171,968.86	86,173	\$9,265,513.61
EE + Family	10,938	\$ 30,098,327.45	247,566	\$26,452,134.66
<b>Total</b>	<b>46,506</b>	<b>\$ 68,260,613.32</b>	<b>551,551</b>	<b>\$ 60,914,750.77</b>

## Retire

Premium Level	Average Subscribers	Premium	Claim Count	Total Claims
EE Only	5,367	\$ 5,163,269.17	39,733	\$4,631,332.09
EE + Spouse	3,181	\$ 5,793,414.66	46,683	\$5,572,010.35
EE + Child(ren)	142	\$ 313,612.79	1,996	\$219,886.74
EE + Family	215	\$ 765,818.48	4,545	\$528,545.34
<b>Total</b>	<b>8,904</b>	<b>\$ 12,036,115.10</b>	<b>92,957</b>	<b>\$ 10,951,774.52</b>

## Total

Premium Level	Average Subscribers	Premium	Claim Count	Total Claims
EE Only	26,020	\$ 20,529,420.96	154,914	\$17,590,905.25
ED + Spouse	12,154	\$ 18,417,579.88	149,314	\$17,809,539.69
EE + Child(ren)	6,083	\$ 10,485,581.65	88,169	\$9,485,400.35
EE + Family	11,153	\$ 30,864,145.93	252,111	\$26,980,680.00
<b>Total</b>	<b>55,410</b>	<b>\$ 80,296,728.42</b>	<b>644,508</b>	<b>\$ 71,866,525.29</b>