



**Date of Issuance:** December 31, 2020

**Solicitation No.** 0900000470

**Requisition No.** 0900014709

**Amendment No.** 1

Hour and date specified for receipt of offers is changed:  No  Yes, to: \_\_\_\_\_ CST

Pursuant to OAC 260:115-7-30(d), this document shall serve as official notice of amendment to the solicitation identified above. Such notice is being provided to all suppliers to which the original solicitation was sent. Suppliers submitting bids or quotations shall acknowledge receipt of this solicitation amendment prior to the hour and date specified in the solicitation as follows:

Sign and return a copy of this amendment with the solicitation response being submitted; or, If the supplier has already submitted a response, this acknowledgement must be signed and returned prior to the solicitation deadline. All amendment acknowledgements submitted separately shall have the solicitation number and bid opening date in the subject line of the email.

**ISSUED FROM:**

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**Description of Amendment:**

a. This is to incorporate the following:

- Q.1. Was there a prior audit? What part of the audit process would EGID like to improve over the past audits?  
A. 1. There have been prior audits for a number of years. The focus of the prior audits was targeting of known problem areas in claims processing. While not necessarily an improvement it is intended by EGID for the future audit to be performed in a statistically valid manner. Additionally, targeting activities would not be ruled out.
- Q.2. Why is the EGID going out for audit? Were there any issues with the current auditor? How many auditors and how many days were the auditors in the field for interim and final fieldwork?  
A.2. EGID believes that in addition to Internal Audit activities that it is appropriate to utilize the services of external health claim auditing experts. There were no issues encountered with the previous audit firm. The previous audit firm is no longer performing these services. The specific nature, goals and methods of the prior audit were not consistent with the services requested by this solicitation, but the auditing firm typically spent 2 to 3 weeks in the field utilizing 2 very experienced health claims auditors supported by a sophisticated health claim audit data mining program.
- Q.3. Outside of the audit process, what does EGID find/define value from its auditors?  
A.3. If the auditors determined the plan would be better served if plan design, operating details or other modifications were made, EGID would certainly consider the advice of the auditing firm.
- Q.4. What is the annual budget for this project?  
A.4. The current annual is around \$226,000 but due to the flexibility of the solicitations process and the final services to be provided a firm amount is not specifically available.
- Q.5. Are there any audit clauses or audit provisions within the service agreements EGID has with the contracted vendors? Please provide the details including any restrictions or limitations. Is there a limitation to the number of paid medical claims the TPA will accept for audit from the auditor? If so, what is the limitation?

A.5. The contract provides standard language that EGID or its designated representatives will have access to examine all records, data and systems which are directly related to the performance of the contract during normal business hours and upon forty-eight (48) hours' notice; and that EGID or its designated representative is authorized to perform claims review and/or a review of the operational procedures and adjudication process and the TPA shall assist EGID by promptly providing requested records, data, and reasonable access to the TPA's personnel.

Q.6. What are the actual Performance Guarantees EGID has with HSB in the contract?

A.6. The contract contains industry standard Performance Guarantees around turnaround time, financial accuracy, payment incidence accuracy, and any focused audits. The scope of any focused audits is mutually agreed upon between EGID and the TPA as to number and category of claims. Detailed Performance Guarantee information will be provided to the successful bidder.

Q.7. Will the auditor have access to ALL provider contracts that pertain to the EGID provider network? Please confirm.

A.7. Generally, EGID does not negotiate different reimbursement amounts and processes with each provider. EGID contracts with any willing provider at a consistent rate across the various groups and types of providers. Access to contracts and fee schedules will be made available.

Q.8. What is the mitigation plan if the auditee does not provide appropriate access to required data and information to perform the tasks under the scope of the audit?

A.8. This question should be answered by prospective bidders. Please see the Risk Assessment Plan exhibit and provide a mitigation plan.

Q.9. For the 2019 audit year, since this is two years prior to the audit, can we expect the TPA will correct errors and recover overpayments issued more than two years ago?

A.9. EGID will not pursue overpayments over two years old. Based on the timing of this contract award and the time required for the subsequent activities necessary to result in any audit findings, EGID will likely forgo the audit for at least some portion of 2019 upon mutual agreement between EGID and the successful bidder.

Q.10. How many different benefit structures are there in the Plan?

A.10. See HealthChoice Health Handbook at: <https://omes.ok.gov/sites/g/files/gmc316/f/documents/202001/2020HealthHandbook.pdf>

Q.11. Can the Summary Plan Description(s) / Summaries of Material Modification / or Evidence Of Coverage detailing the benefits be provided?

A.11. See HealthChoice Health Handbook in Question #10 above.

Q.12. Can the claims processing accuracy and timeliness standards within the contracts between the Employees Group Insurance Division (EGID) and HealthSCOPE Benefits (HSB) be provided?

A.12. Please see Question and Answer #6.

Q.13. Are there areas of concern outside of the statistical audit?

A.13. EGID is open to addressing other claim issues that are inherent to the industry and would be interested in the thoughts of the auditing firm.

Q.14. Regarding item 2.1.2 in Attachment A, has EGID required any special projects in the past? If so, what was the general scope of the project(s)?

A.14. EGID has found the need for numerous special projects from a variety of external contractors. To date none have been specific to the prior health claim auditing firm.

Q.15. How long has the State of Oklahoma used HSB as its TPA?

A.15. HSB's initial year as TPA was calendar year 2018.

Q.16. Will this be the first audit of HSB's services?

A.16. No, 2018 claims were audited on a targeted basis. Additionally, HSB contracts with a firm to assist with verification of performance standards and EGID internal staff members also perform claims audits.

Q.17. Who is the current or prior audit firm?

A.17. QBA Consulting Corporation a firm associated with Richard M Stohl, CPA located in Dallas, Texas.

Q.18. Has the State of Oklahoma or its auditor identified any issues or concerns regarding HSB's administration of the Plan?

A.18. The administration of a health plan of this size inherently involves issues and concerns. EGID believes that with HSB's consistent high level of performance and effort issues have been kept to a normal and expected level.

Q.19. What were the fees for the most recent medical claims audit?  
A.19. Approximately \$226,000.

Q.20. What was the scope of the last medical claims audit?  
A.20. The most recent audit was conducted with an emphasis on known common industry claim processing issues.

Q.21. Can the RFP due date be moved from January 20<sup>th</sup>, 2021 to January 27<sup>th</sup>, 2021?  
A.21. No. The holidays were taken into consideration when the RFP timeline was created.

b. All other terms and conditions remain unchanged.

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Supplier Company Name (**PRINT**) Date

\_\_\_\_\_  
Authorized Representative Name (**PRINT**) Title Authorized Representative Signature