

RFP 2017-24 General Agents

Questions and Answers

	QUESTIONS	ANSWERS
1.	<p>Section 2.2 Reassignment of Personnel – If a Bidder has many employees, not just one individual, in sales, sales support, new business processing and general operations, where personnel change from time to time, can Covered California further explain the intent of non-reassignment or substitution in an environment where there will not be one dedicated employee assigned to support this effort? Additionally, we are not understanding the hourly rate described in part 2 of this section as we understand contractor’s full and only compensation will come in the form of the negotiated override/commission rate for completed sales?</p>	<p>The RFP will be amended to strike sections 2.2.1 and 2.2.2. They are not applicable to this contract.</p> <p>Section 2.2.3 shall remain as written.</p>
2.	<p>Section 4.3.2 General Agency Activity Considerations – Can you further clarify the question being posed in Part (a) of section 4.3.2? Are you asking the General Agents to describe how they anticipate the working relationship with the Business Administrative vendor will develop and/or if we anticipate any issues with interacting with this vendor?</p>	<p>Yes. In reference to section 4.3.2.a, day-to-day operations for Covered California General Agents are performed between the General Agent and the Covered California for Small Business Administrative Vendor. The contractor shall recognize this arrangement and provide insight regarding specific considerations contractor may perform in making for a smooth on-boarding and on-going working relationship.</p>

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3.	<p>Section 4.3.4 Sales Statistics and Sales Projections - Item 2 asks for small group medical members enrolled per month for 2012-2016. Is Covered California looking for an annual monthly average for each of these years. For example, if Bidder wrote 12,000 members in 2016 the monthly average would be illustrated as 1000 and the data would look like this:</p> <p>2012- 850 members per month 2013- 900 members per month 2014- 1000 members per month 2015- 900 members per month 2016- 1000 members per month</p> <p>Can you confirm that this is the format you're looking for or clarify how the data should be illustrated?</p>	<p>An addendum to the RFP will revise section 4.3.4.2 to read: "Average new California small group medical members enrolled per month for 2012-2018 2016 to date."</p> <p>The format included with the question 3 is an acceptable response format. To help further, please see examples outlined below.</p> <p>Example 1: If 12,000 members were written over course of a full calendar year, the average would be 1,000 per month for that calendar year.</p> <p>Example 2: If 3,000 members were written through the month of June, 2018 (i.e., sixth month of year), the average would be 500 per month.</p>
4.	<p>Section 4.3.5 Marketing Activities – Should the response to proposal include Bidder's planned/anticipated marketing activities for Quarter 3 and Quarter 4 of 2018?</p>	<p>In reference to section 4.3.5, please provide quarterly overview of marketing activities including, but not limited to, launch events, agent sales events, social media, sales notices (mail/email), and sales training events, bidder would use to create enthusiasm and growth for CCSB. Periods to include by each quarter in response are:</p> <p>Q3 & Q4, 2018 Q1-Q4, 2019 Q1-Q4, 2020</p> <p>An addendum to the RFP will correct the dates.</p>
5.	<p>Section 4.3.6 Compensation- Is Covered California looking for any narrative related to the information shared in this section?</p>	<p>As bidder deems warranted, a narrative of no more than five pages may be offered in response to section 4.3.6. Important, as per section 4.3.8, compensation structure proposed by bidder must be included in Exhibit B, section A, subsection 3.</p>

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6.	Section 4.3.8 Model Contract Response- If a Bidder chooses to include an alternative method of compensation for year two, should Bidder include both the first year's compensation and the second year's alternate form of compensation in Exhibit B, section A, subsection 3.	Yes. In reference to section 4.3.8, all compensation structure information must be included in Exhibit B, section A, subsection 3. This includes any first year and second year alternate proposals Bidder may make.
7.	CD ROM- Is it acceptable for the various documents and narrative to be saved in separate files to the CD ROM or if it necessary for them to all be included in a single file document?	Please save the documents as separate files as opposed to all documents in one single file.
8.	Standard Agreement Page. It looks like the exhibits do not need to be individually signed and bidder is just required to sign the Standard Agreement page. Should section 3 of the document, maximum amount of this agreement be left "TDB?"	The exhibits do not get individually signed, nor does Bidder sign or alter the Standard Agreement (STD 213) including the TBD amount. Once the award is made, the contract will be finalized with the appropriate winning bidder's information and sent to the bidder (contractor) for execution.
9.	Section 2 Project Team. Does the Bidder need to submit the Project Team as part of the RFP response?	Just the primary bidder organization needs to be identified. If the bid is a consortium or collaborative, please indicate that in the proposal. It is at bidder's discretion to name team members assigned to the Project Team.
10.	Section 4.3.1. Please clarify if CCSB is asking for a table that per week versus 40 hours per week. Note this may be difficult to complete in the RFP process given that we are not currently a contracted GA.	In reference to section 4.3.1, the RFP will be amended to delete the following sentence: "Provide a table showing hours per week by person covering the contract term."
11.	Section 4.3.6. Does CCSB pay contracted General Agents the same compensation? If not, how does compensation differ?	Compensation is per bidder as established per competitive bid and negotiation.

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12.	<p>Section 4.3.6. The Model Contract addresses first year and renewal commission levels. Exhibit B, section A, states that the commission rates shall be permanently set as of when the Employer first enrolls. Is it appropriate for Bidder to respond with separate commissions for 1-50 and 51-100 for the first year as well as year two and beyond?</p>	<p>As bidder deems warranted, a narrative of no more than five pages may be offered in response to section 4.3.6. This may include commissions as applicable to group size, enrollment year, and renewal.</p> <p>Important, as per section 4.3.8, compensation structure proposed by bidder must be included in Exhibit B, section A, subsection 3.</p>
13.	<p>Section 5.2. If there are four (4) or more bidders, will CCSB only conduct interviews with up to the three (3) highest-rated bidders?</p>	<p>The number of Bidders interviewed and the decision whether to conduct interviews at all shall be within the sole discretion of Covered California.</p>
14.	<p>Section 5.3. Does a bidder have to score a certain number of points in the evaluation criteria in order to be issued a General Agent contract?</p>	<p>If proposals pass the requirements in section 1.11(2) Business in Good Standing, and section 4.2 Administrative Requirements, they are forwarded to the evaluation team which gives proposals a score in accordance with section 5.3 Evaluation Criteria. The highest scored bidder receives initial recommendation. Covered California reserves the right to recommend more than one bidder.</p>
15.	<p>Section 5.5. CCSB shows a comparative analysis for GA bids based on percent override comparison; however, Exhibit B calls for separate overrides for 1-50 and 51-100. Are Bidders allowed to provide separate overrides per defined market segment in Exhibit B? Will CCSB aggregate both segments for scoring or will they be individually scored?</p>	<p>Per section 4.3.8, compensation structure proposed by bidder must be included in Exhibit B, section A, subsection 3.</p> <p>Bidders are allowed to provide different compensation structures for the 1-50 and 51-100 segments.</p>
16.	<p>Exhibit A, section E. May a GA be permitted to operate from in its own location (Southern California) and its Regional Offices? Or would be expected to operate from 1601 Exposition Boulevard, Sacramento, CA?</p>	<p>Bidder is permitted to operate from their normal locations. As required, any travel to Covered California is at the sole expense of the bidder.</p>

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17.	Exhibit A, section D. Please describe the electronic formats available and/or required for submission (i.e., EDI, API, email, etc.).	All awarded contractors are required to key all employer and employee applications into the GA Portal. Additionally, if contracted GA uses a CCSB approved API vendor's software, CCSB will accept electronic submission directly into the GA Portal. GA's proprietary system may also be considered for electronic submission directly into the GA portal under a separate Memorandum of Understanding.
18.	Exhibit A, section D.3. Can CCSB summarize all of the required Certified Insurance Agents training?	Exhibit A, section D.3 pertains to Authorized Representatives who are licensed by the California Department of Insurance completing all Certified Insurance Agent (CIA) required training administered by the Exchange. More information on this can be found by following steps shown at https://www.coveredca.com/agents/steps/ . Note: CCSB is currently in process of creating GA onboarding program which focuses on CCSB only.
19.	Exhibit A, section D.6. Please provide a list of approved quote engines and what is required to achieve approval for the GA to utilize its own quote engine. If General Agency has a proprietary quote engine, will CCSB allow the General Agent to use its proprietary quote engine for CCSB quotes? Will CCSB provide General Agency all rate, plan and benefit detail to support quotes?	CCSB does not approve quoting engines. GA may use quoting engine of their choice providing CCSB rates are included and fairly presented. If GA has their own proprietary quoting engine, CCSB will add them to the distribution list for all CCSB rates and benefits releases.
20.	Exhibit A, section D.7. Can CCSB provide a summary of training required?	Training as referenced in Exhibit A, section D.7 pertains to all non-licensed Authorized Representatives (i.e. General Agent staff) who work on Covered California business completing training as may be required as per Covered California policies, procedures, and use of Covered California systems. There is no formal certification required as part of this item.

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21.	Exhibit B. We expect to enroll both medical and dental/ancillary groups. Due to ancillary product lower premiums, compensation for ancillary products traditionally is higher than medical. Should we submit a separate schedule for medical and ancillary compensation? How would this impact the scoring?	CCSB pays the same commission rate compensation for medical and dental revenue generated. At this time, other ancillary products are not available through CCSB.
Questions and Answers 22 through 32 refer to Exhibit B, section A.1.		
22.	Will General Agent (GA) have access to view our book of business through regular reports or an online portal?	At this time, the CCSB GA portal facilitates case submission only. Book of Business reports are available upon request. Other functionalities are being considered and developed for future deployment.
23.	If online portal will be accessible to the GA, what information will be available? (e.g. current active status, effective dates, Broker of record, renewal dates, etc.)	At this time, the CCSB GA portal facilitates case submission only. Monthly commission statements contain most of the information noted in the question. Other functionalities are being considered and developed for future deployment.
24.	Once a policy is sold does Covered CA accept broker of record changes? If so what is the process?	Yes. The process is within industry norms. Details will be shared upon contract award.
25.	Does GA send an invoice to Covered CA for commission payment or is payment generated by Covered CA automatically as premium payments are received by Qualified Employers?	CCSB contracted GA's do not create invoices for payment. Payment is generated by Covered California as premium payments are received and then processed.
26.	If Covered CA requires an invoice, what supporting information is required from GA to substantiate the amount invoiced?	Not applicable. Reference reply to question 25.
27.	How often does the GA receive commission checks from Covered CA?	GA payments are processed monthly.

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28.	Does a statement accompany the commissions check detailing group, premium and coverage period information?	Yes.
29.	How will statement be received (online, email, mail)? What type of file will be received (PDF, Excel, text, csv, printed copy)?	Currently commission statements are emailed in an Excel format. Proposed future system upgrades include commission statements available in the GA portal.
30.	If Qualified Employers pay premiums in advance, does Covered CA pay GA these commissions in advance?	Details will be shared upon contract award. The process is within industry norms.
31.	As policies terminate will GA be informed the group has terminated? If yes, how will GA obtain the information?	Currently, GA is not notified. Indication can be derived from commission statements.
32.	On an ongoing basis, will the GA have a Covered CA contact for questions related to the GA commission payments we receive or related to our Book of Business?	Yes.
33.	Exhibit B, section A.2. Are commissions on Effective dates prior to GA amendments vested through life of policy?	Generally, Yes. This can be altered upon mutual agreement between GA and Covered California.
34.	Exhibit B, section E. Other than commissions, what other services would the GA be eligible to invoice Covered CA?	Commissions are not invoiced from the GA to Covered California. No other services are eligible for invoicing Covered California.
35.	Exhibit C, section B. The Term of this Agreement shall be for one year. Please clarify, Exhibit C states the term is one year, the RFP states 14 months. Which is correct?	The RFP is correct. The term will be from September 1, 2018, through December 31, 2019. Exhibit C will be corrected.
36.	Exhibit C, section CC. Please clarify, if Independent Insurance Brokers and Agencies are not considered sub-contractors pursuant to this contract.	Independent insurance Brokers (aka Agents) and Agencies are not subcontractors pursuant to any contract resulting from this RFP.

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37.	Exhibit C, section KK. Can CCSB define who would be considered Key Staff for Ethics Training?	This section is related to section JJ Statement of Economic Interests. If any member of contractor's staff is required to file a Form 700, then a current certificate of ethics training is also required. As general agents as an entity do not meet the criteria, they will not be required to comply with sections JJ and KK.
38.	Exhibit D, section B Definitions. Item 3 identifies Federal Tax Information. Section C Applicable Laws, Item 4 again calls out FTI as information to be protected. We are not aware of any FTI required to complete the business purpose of the agreement. Please identify any FTI Covered California expects the GA to receive.	Please reference Attachment 4 Payee Data Record. This definition pertains to facilitation of payments between Covered California and contracted GA.
39.	Exhibit D, section C, item 3. Covered California states that they are not a Covered Entity as defined by HIPAA nor will the GA be a Business Associate to Covered California. Since the GA will hold PHI on behalf of some Covered Entity, does that mean the GA must have Business Associate agreements in place with every carrier that is part of Covered California?	No. Covered California contracted GA's are not required to have Business Associate agreements in place with carriers participating in CCSB.
40.	Exhibit E, section A, item 4. Define immediately. Is there leniency with regards to printed materials with existing inventory?	Updates to Brand Style Guide requires immediate compliance as stated. Exceptions pertaining to usage of previously printed and inventoried materials in existence at time of update notification may be made at the sole discretion of Covered California.
41.	Exhibit E, section L. With regards to Covered California approving advertising material, please define which advertising is required for approval prior to distribution (print, online, presentations, etc.) and if approval is required on all advertising including a Covered California mark.	Approval is needed if use of brand/image deviates from approved style guide parameters. Covered California reserves the right to request any marketing material as part of compliance review.

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42.	General. Are all Exhibit A model contract requirements currently in force for the existing GA partnerships with CCSB?	Covered California independently contracts for General Agents services.
43.	General. Will all GAs be provided responses to all other submitted questions in an aggregated response from CCSB?	The questions received from all perspective bidders and the answers thereto will be provided to all vendors who were invited to bid regardless of whether they submitted questions or not. Questions will be modified to keep the vendor anonymous.
44.	General. Can CCSB provide documentation around what connectivity CCSB currently has available; the type of connection, the type of data or documents that can be routed through it and any third-party vendors engaged and connected?	Reference reply to question 17.
45	General. Will CCSB limit the number of General Agent contracts awarded through this RFP?	The number of General Agent contracts awarded as a result of this RFP, if any, shall be at the sole discretion of Covered California.
46.	General. Can CCSB provide an overview of the Underwriting process with contracted carriers?	After initial on-boarding, CCSB performs annual carrier certifications.
47.	Regarding Exhibit B, section C(3)(b), can Covered California please clarify that a Business Associate Agreement is not required to work with Covered California? Does this extend to the health plans as well?	(Note: This response is made understand this question is referring to Exhibit D (as opposed to Exhibit B). Reference reply to question 39. Business Associate Agreements are not required.
48.	Should the end date in 4.3.4(2) of the RFP be 2018 to date?	Please reference reply to question 3.
49.	Please confirm the dates in 4.3.5 of the RFP are correct?	Please reference reply to question 4.

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50.	Section 5.3.1 of the RFP refers to “challenges, issues and risks faced by Covered California” as depicted in Model Contract, Exhibit A. However, these are not mentioned in Exhibit A. What specific challenges, issues and risks is Covered California facing in the small group market?	The exhibits in the Model Contract contain terms that will be legally binding on the parties. Regarding section 5.3.1 Understanding and Approach: Covered California’s evaluation team will be assessing how well a Bidder, from their perspective, addresses the challenges, issues, and risks they perceive CCSB faces in the market.