Request for Offer: Small Business Options Program (HBEX6): Questions & Response:

Please provide a list of the firms have contacted your office with inquiries regarding this solicitation.

As of February 22, 2012, the firms of PricewaterhouseCoopers, Navigant and T2C TopTier Consulting, have contacted the exchange about this solicitation. However this should not necessarily indicate the level of interest. Vendors frequently submit proposals without having contacted or made inquiries to the agency offering a contract.

Please confirm that deliberations about the Basic Health Plan will be undertaken independently. Please clarify the timing and availability of HBEX's evaluation of the Basic Health Plan option.

The Basic Health Plan Program is an optional program under the Affordable Care Act for lower income individuals with incomes just above the threshold for MediCal eligibility. It would be administered separately from the SHOP. Neither the Exchange Board, nor the Legislature has taken a formal position on whether California will establish a Basic Health Plan Program and under what governing authority it would be administered.

Attachment A, Statement of Work, Iteml.C.1.a: The SHOP model Statement of Work does not specifically address Essential Health Benefits. Does HBEX assume that the Scope of Work in HBEX5, the solicitation on Health Plan Management, will sufficiently address this issue?

Yes. The Exchange expects to be informed about issues surrounding Essential Health Benefits though its contract for the HBEX5 Solicitation, which has been tentatively awarded to PricewaterhouseCoopers, LLP and another contract, with Milliman, for an actuarial assessment of the recent federal proposal on benchmarks options for Essential Health Benefits. The findings of these contractors would be shared with the SHOP contractor.

Attachment A, Statement of Work, Item I.C. 2: The SHOP Statement of Work does not specifically address the issue of Essential Community Providers. Does HBEX assume that HBEX5, the solicitation on Health Plan Management, will sufficiently address this issue?

Yes. The Exchange expects to be informed about issues surrounding Essential Community Providers though its contract for the HBEX5 Solicitation. The findings of Health Plan Management contractor would be shared with the SHOP contractor if available.

Attachment A, Statement of Work, Item I.C.2.d: Please clarify or confirm that "mitigation strategy for lack of coverage" refers to potential issue of network adequacy and/or limited number of health plans available is in some geographic regions of the state.

Yes-that is precisely what the Exchange is seeking.

Attachment A, Statement of Work, Item I.C. 6: The HBEX has engaged University of California, Los Angeles Center for Health Policy and subcontractor UC Berkeley Labor Center to develop estimates for the exchange. What is the scope of that work and how is this solicitation request to estimate potential enrollment different from work already requested? Is it anticipated that the successful vendor will include budget for additional

work by UCLA/UC Berkeley to refine or revise the estimates that have already been requested, or will that work be funded separately by the Exchange?

The UCLA/ UC, Berkeley have or will be providing estimates of the eligible populations by poverty level and by employer market (both firm size and source of private or public insurance). The Exchange has not asked UC to do an estimate for the potential enrollment in the SHOP. The HBEX6 contractor is responsible for this estimate, but may separately subcontract with the University of California or other qualified entity, for this estimate. This should be explained in the response on sub-contracting. The UC findings would be shared with the Contractor.

Attachment A, Statement of Work, Item I.C. 7: What level of depth and detail is requested regarding the task to identify major operational issues for the Level II grant Will HBEX staff draft the grant application and request the contractor to review and comment on qualitative details and issues?

The Exchange would expect sufficient detail on operational issues to be able to inform and support our grant application for funding the SHOP. The Exchange does not expect the HBEX6 Contractor to write that portion of the Level II Grant application, but rather provide us with the information for explaining our SHOP options and to request adequate funding for SHOP implementation.

Attachment A, Statement of Work, Items I.C. 8.b. and 8.c. states, "in the event the SHOP is contracted out", identify scope of delegation and assist in the developing a solicitation and model contract. If such a decision is made, will this portion of the scope of work be considered an addition to the contract for scope and budget purposes or be included in the HBEX response?

Vendors should include the cost of doing these tasks in their proposal. If, based on the Exchange's acceptance of the Contractor's recommendation on managing the SHOP in-house, the tasks of developing the scope of delegation or the model contract would not be completed.

Attachment A, Statement of Work, Item I.C.9: Please discuss how this tasks on operational processes for transferring in and out of Exchange programs, may require the Contractor to coordinate and work with the selected CalHEERS contractor and review those deliverables. Please clarify or confirm that this task is to be focused on processes distinct from eligibility verification and initial enrollment.

The development of operational processes for transferring in and out of the SHOP would only be triggered under the CalHEERS contract if the Exchange decides to develop the SHOP, which will be informed by the findings of the HBEX6 Contractor. The HBEX6 Contractor is only tasked with recommending operational processes for facilitating the transfers, not the eligibility determinations that cause the need for transfer.

Please clarify how the report deliverables for HBEX6 are to be coordinated and/or integrated with deliverables requested under the HBEX5 solicitation. Is the contractor selected for the SHOP solicitation expected to work with the HBEX5 contractor to submit a single report or is the SHOP report expected to be a separate deliverable?

The Health Plan Management contract is a separate and distinct project. Although the Exchange expects a certain degree of collaboration between the two contracts, all reports will be separately developed and submitted.