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ADDENDUM 1

To: All Interested Bidders
From: Araceli Hernandez, Inventory Bid Technician
Date: August 12, 2014
Subject: RFP# 14-038, Workers Compensation Third Party Administration & Cost Containment Services

This addendum has been issued to notify vendors of the following questions:

1. How many open claims does the County anticipate transferring from current TPA? How many are coded Indemnity or involve lost time from work?

Response: 129 total claims

84 - Indemnity claims

45 - Medical only claims

2. What is the average number of new claims reported each year? How many are Indemnity? How many are Medical Only? How many are Record Only?

Response: Based on a five year average:

108 - Indemnity claims

89 - Medical only claims

117 - Record only claims

3. We are requesting detailed loss runs for the last 5 years for the above mentioned RFP.

Response: Please see Attachments.

4. Will you be providing a cost proposal form for cost containment for this RFP or should the individual vendors provide their own format?

Response: The price sheet is on the website to download. Please go www.epcounty.com click on bids and more, click on list of bids to download the specifications, attachments and price sheet.

5. Please clarify the “not to exceed 25 pages” statement on page 15 section D.1. Do you mean that the entire proposal cannot be longer than 25 pages or that the response to the questionnaire cannot be longer than 25 pages?

Response: The proposal is limited to 25 pages excluding samples and questionnaire.

6. What was the total spend for the following services over the 2013 calendar year? IME, Peer Review and Drug Utilization Review

Response: \$21,860.10

7. What is the expected implementation time frame?

Response: October 1, 2014

8. Will a proposer be awarded a contract if they are able to provide all services using their own W2 FTE's and does not need to sub-contract?

Response: Yes

9. What medical cost containment work is done in house other than vendor oversight?

Response: None

10. What is the average number of preauthorization's processed per month for the year 2013? How many of these were at nurse level? Physician level?

Response: Average number of pre-authorizations for calendar year 2013 was 36 per month. For 2013, 338 preauthorizations processed by nurse and 93 preauthorizations processed by physician.

11. What percent of bills come through e-billing/clearing houses?

Response: No e-billing service is currently being provided.

12. What percentage of the medical bill auditing is hospital vs pharmaceutical?

Response: Hospital is 4% and pharmaceutical is 19%

13. Can the proposal have a protective cover?

Response: Yes

14. Must the questions be submitted in the same format as Attachment A or just the outlined order in the RFP?

Response: Purpose of Attachment A is for use by the evaluation team. The RFP is requesting proposers to respond in the same order as Attachment A.