

**Florida Health Choices, Inc.**  
**September 2011 Solicitation of Interest for Vendors**

Questions and comments received about the September 2011 Solicitation of Interest are below.

Direct additional questions to: [Info@myfloridachchoices.org](mailto:Info@myfloridachchoices.org)

**Opening Remarks by the Corporation**

The draft Solicitation of Interest was published in September 2011 and Florida Health Choices received comments and questions from interested vendors. Ninety-eight questions or comments are presented below with the Corporation's initial response.

The Corporation welcomes the opportunity to continue the dialogue with vendors and is willing to accept additional suggestions to improve the marketplace. As additional information is received, the Corporation may revise the response provided.

The draft Solicitation of Interest has now been revised to provide additional clarity and to incorporate some amendments to the proposed Participation Agreement that were suggested by vendors. The updated Solicitation of Interest was republished on October 7, 2011 and is available for viewing at [www.myfloridachchoices.org/resources](http://www.myfloridachchoices.org/resources).

Many thanks to the vendors that submitted questions.

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Ques. #	Question/Comment	Answer/Response
<b>Established by the State of Florida</b>		
	No question submitted	
<b>Eligibility of Employers and Individuals</b>		
	No question submitted	
<b>Eligible Agents</b>		
	No question submitted	
<b>Eligible Vendors</b>		
	No question submitted	
<b>Implementation is Phased</b>		
1	A slight adjustment is required to make the SOI consistent: On the top of page 6, it says that mid-term programs include “dental, vision and other risk-bearing coverage,” rather than “dental, vision, other risk-bearing coverage and other products regulated by the Florida Office of Insurance Regulation.”	This suggestion will be incorporated into the final SOI
2	It is our understanding that DMPOs can only offer in quick start if they offer major medical. Not necessarily insurance since they are non-risk bearing, but medical discount plans. Would a DMPO physician and hospital plan be able to be considered for the quick start?	<p>During the Quick Start/Small Group Pilot, the marketplace will accept vendors meeting all requirements of the insurance code and which offer small group major medical plans with no imbedded dental.</p> <p>If a DMPO vendor meets all requirements of the insurance code and offers an OIR approved small group major medical plan with no imbedded dental, it is eligible for quick start.</p>

3	Recommend addressing the following discrepancy: page five of the SOI limits the number of participating whereas page eight imposes no limit.	Clarification will be made that the FHC proposes to support 3 to 9 vendors without imposing a specific limitation on the number of vendors during the small group pilot.
4	It would be helpful to understand the Board’s thinking on the investments that will need to be made for each phase of the Marketplace and how these investments will be financed.	<p>System development is a deliverable under the contract for third party administration. The entity providing this service at each phase is compensated through a fee structure that includes recoupment of development costs over the life of the contract.</p> <p>Each year, new requirements consuming 3,000 hours of development time or less are also included in the above fee structure.</p> <p>New system requirements exceeding the 3,000 hour limit in any given one year period are paid for by the FHC at an established contract rate. All of the above are for marketplace system development contained in the contract for third party administration.</p> <p>More recently, the FHC and its vendor steering committee identified the need for a new solution that was not included in the third party administration contract. The quoting hub is the only new development that requires additional financing at this time. (See quoting hub questions below)</p> <p>It is intended that the marketplace have minimal, if any, impact on participating vendor systems. Any vendor system impacts that are identified by the vendor will be financed by the impacted vendor.</p> <p>The FHC received an initial appropriation from the State of Florida of \$1.5 million for initial start-up costs . The corporation will finance continuing operations from a 2.5% maximum surcharge on products and services sold.</p>

<b>Potential Impact of Health Care Reform</b>		
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	No question submitted	
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<b>Purpose of this Solicitation of Interest</b>		
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	No question submitted	
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<b>Calendar of Events</b>		
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	No question submitted	
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<b>Designated Contact</b>		
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	No question submitted	
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<b>Intent of the Small Group Pilot Project</b>		
5	Recommend addressing the following discrepancy: page five of the SOI limits the number of participating whereas page eight imposes no limit.	Clarification will be made that the FHC proposes to support 3 to 9 vendors without imposing a specific limitation on the number of vendor during the small group pilot.
<b>Value Proposition</b>		
	No question submitted	
<b>Eligible Vendors</b>		
6	A slight adjustment is required to make the SOI consistent: In middle of page 9, eligible vendors still includes “discount medical plans” instead of “discount medical plan organizations.”	This section will be revised in the final SOI.
7	We strongly recommend that the FHC move forward with the Pilot phase only after you have secured a commitment from a minimum of four Vendors. Additionally, the FHC should begin operations only when all of the Vendors are operationally ready to begin selling their products, within a reasonable timeframe (to be defined). Choice of Vendors is a key element of the FHC value proposition. Having fewer than four choices of companies to shop from seriously erodes the value of the shopping channel you are attempting to create.	The FHC is confident that the number and quality of vendors committing to the pilot phase will provide for an improved shopping channel for small employers. However, if the vendor wishes to submit a letter of interest that expresses the interest is subject to there being at least three other vendors committed, the vendor may do so.
<b>Small Group Offerings</b>		
	No question submitted	
<b>Program Options</b>		
	No question submitted	
<b>Eligible Agents and Brokers</b>		
8	Agents pay a one-time registration fee of \$150 and a monthly participation fee of \$25. The first year agents will pay \$450 for the ability to sell small group products through the FHC Marketplace. This will strongly discourage agent sales through the FHC. We recommend you eliminate these fees.	The FHC is meeting with the agent steering committee, marketing and outreach committee and our public relations team to develop a marketing plan to encourage agent registration. A proposal to waive application fees for early adopters is slated for discussion on October 17. Public Notice of the meeting has been made and you are invited to attend.
9	The SOI allows agents that are registered with the Marketplace to sell any products that are offered. This vendor will not allow agents that are not appointed with our company to sell our products. Our policy protects our customers and our Brand and ensures that our customers have a superior experience and fully understand the	First, the FHC encourages the vendor to consider accepting business generated by agents registered with the marketplace during the Small Group Pilot.  This is a pilot program designed to test a series of important marketplace functions and value propositions. (see page 8 of the SOI) The pilot project is limited in both duration and the type of

	<p>benefits of their coverage with this company. We will not agree to let agents that are not appointed with us sell our products.</p>	<p>offerings that will be available. Therefore, the vendor's concern is confined to a single line of business, a limited number of plans, and a finite period of time. By law, a vendor may assume up to 24 risks from a licensed health agent without being required to secure an appointment of that agent. (See 626.837 Florida Statutes)</p> <p>Other comments by the corporation follow:</p> <ul style="list-style-type: none"> <li>A. If the vendor can suggest a reasonable method for limiting an agent's access to the vendor's plan detail and, likewise, limit that agent's employer client's access, while also providing choice in the marketplace, the FHC can consider it. In considering such a vendor suggestion, the FHC will need to identify system impacts and assess any delay in program implementation the suggestion may cause.</li> <li>B. Is the vendor suggesting the FHC limit agent access to the marketplace and permit only those agents appointed by all participating vendors? It is unknown at this time if such a policy would unreasonably restrict the number of agents available to assist employers and employees.</li> <li>C. The FHC is obligated by state law to refer an employer seeking assistance in the marketplace to an agent in their local area. The FHC would be concerned about meeting this requirement if the vendor limited the marketplace to only those agents acceptable to the vendor and, likewise, if the agent pool was limited only to those agents appointed by all participating vendors.</li> <li>D. The FHC was created in part to ease the burden for employers who offer employer-sponsored benefits. The restriction on agents suggested by the vendor may require an employer to seek assistance from multiple agents in order to get quotes from all vendors doing business in marketplace. Doing so will increase the burden on employers.</li> <li>E. Will the vendor consider appointing all agents that register with the marketplace?</li> <li>F. Participation in the marketplace is voluntary. If the FHC cannot reasonably meet the vendor's</li> </ul>
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		stated requirement, the vendor is not obligated to respond to this SOI.
<b>Eligible Employers</b>		
10	Suggest amending the default three month waiting period to a period of 30 days; keeping the employer's option to modify as indicated, upon initial set-up.	The FHC's vendor workgroup and vendor steering committee suggested 90 days as the default waiting period. So long as the employer has the option to modify upon initial set-up this should be sufficient.
<b>Eligible Employees</b>		
	No question submitted	
<b>Ineligible Employers and Employees</b>		
	No question submitted	
<b>Enrollment and Eligibility Periods</b>		
11	What happens to an employee whose application is not sent within the time period prior to the effective date?	The employee would not be eligible to enroll until the next annual open enrollment period.
<b>Quoting Hub</b>		
12	On middle of page 10, eligible vendors still includes "discount medical plans" instead of "discount medical plan organizations."	This change will be corrected in to the final SOI.
13	The process for underwriting with the FHC is outside our systems and instead requires Vendors to use the "Quoting Hub". The impact to vendors is that it requires that they create a new workflow process. This materially impacts vendors and requires that our IT staff have the opportunity to consult with your technical resources to determine the requirements of this interface and the time required to build that interface. Until this consultation occurs and we have the time to assess its impact we cannot commit to an implementation date.	<p>The need for a uniform medical questionnaire and the ability to manage completed questionnaires among multiple vendors is warranted for the small group pilot project recommended by the vendor community.</p> <p>During discussions with health plan vendors, the FHC was advised by multiple vendors of a preference for a quoting hub that does not initially interface with vendor systems electronically. The FHC will seek a quoting hub solution that is capable of electronic interface in the future but it is not required during the initial launch of the small group pilot project.</p> <p>In explaining their preference for a non-interfacing solution initially, vendors were seeking the lowest impact possible and the quickest implementation date.</p>
14	What are the estimated costs of maintaining the Hub?	The FHC is currently soliciting potential hub solutions through a Request for Information/Invitation to Negotiate. The deadline for interested hub providers to request an exploratory conference and to schedule a web demonstration of a proposed solution is Friday, October 7. The identification of potential hub providers and solutions will permit the FHC to better understand the potential development and
15	Who is responsible for the maintenance costs of the Hub?	

		<p>maintenance costs of the hub.</p> <p>In conducting initial research, the FHC developed the following estimates:  Configuration, set up, customization 3-400K  Hosting 3-5K per month  Licensing 50-100K per year  Support, changes 150-185/hour</p> <p>The actual costs of the selected solution will likely vary from the above initial estimates. The FHC will consider one time grants or financing for initial development and is committed to developing a reasonable method to pay for ongoing maintenance by assessment of participation fees for those vendors utilizing the quoting hub.</p> <p>The FHC will articulate this issue more clearly in the final SOI</p>
<b>Third Party Administration</b>		
16	Suggest the FHC clarifies how fees associated with credit card payments made to the FHC will be paid. Vendors should not be held responsible for these fees.	Vendors are not responsible for credit card fees when credit card payments are made to the marketplace.
17	Suggest that the FHC specify what quality information will be disseminated by the Customer Contact center. Will this be determined during vendor discovery conferences?	This question can be addressed during the vendor discovery conference.
18	The FHC must provide a detailed list remittance of revenue received so that Vendors can appropriately book the revenue to the insured members and determine those members that are delinquent in the premium payments.	The FHC will provide a detailed Premium Distribution Report that will reflect premiums received and will do so by member.
19	The group setup process is critical for vendors because it is a prerequisite step in order to receive an 834 file from the FHC for the member level enrollments into a group/division structure.	The FHC agrees the group set-up process is a critical part of the initial group implementation. The Implementation Project Team will capture the group/division structure to be passed on the 834 eligibility file.
20	There is the issue of setting up the configuration for the 834 process. Today, we need certain group/division/package identifiers to be transmitted on the 834 to successfully process the file against our systems. We require some method of	The corporation's third party administrator will work directly with the vendor during the Planning & Design Phase to ensure that these identifiers are captured. They are very familiar with the identifiers mentioned and they will be tested after the development of the file has been completed.

	communicating these identifiers to the FHC so that the FHC can subsequently provide them on the 834 which is sent to us.	
<b>Marketing</b>		
	No question submitted	
<b>Vendor Responsibilities</b>		
	No question submitted	
<b>Enrollment Process Outline</b>		
	No question submitted	
<b>Other Program Rules</b>		
	No question submitted	
<b>Proposed Vendor Process</b>		
21	The Medical Benefit Template needs substantial revision as the template needs to be sufficiently flexible to permit Vendors to describe the key benefits and features of their products.	Please see specific revisions recommended below in Vendor Supply Requirements section and the FHC response to each.
22	Several aspects of federal health care reform, as established by the Affordable Care Act, will require issuers (Vendors) to contact employer groups for specific data in order to meet federal requirements. For example, beginning in 2012 issuers (Vendors) are required to pay rebates to plans/individuals if that issuer (Vendor) has not spent a certain minimum amount (80 percent of premiums for small groups) of the premiums collected on medical claims. In order for an issuer (Vendor) to accurately calculate and pay rebates, certain data (group size and employee contribution amounts) must be obtained from insured employer groups. We are concerned that the FHC's management of plan enrollment and billing functions may prevent us from obtaining the specific data we require. Since issuers (Vendors) will be the entity held accountable by the federal government for meeting this and other health care reform requirements, issuers (Vendors) should be contractually provided with the ability to directly contact the group for information, as needed.	The FHC has no objection to, and has not expressed a prohibition to, vendors contacting their insured groups to comply with state or federal laws.

Vendor Supply Requirements		
23	Medical Benefits Tab Are all benefits listed within the tab in-network only?	The tab referenced is for in network benefits, but there also have a section for Out of Network deductible, coinsurance, and Out Of Pocket limits.
24	Medical Benefits Tab Admin Fees, Row 10 Administrative fees are not applicable to small group, only large group.	This is a general section for any carrier that charges admin fees. No response is necessary.
25	Medical Benefits Tab Row 15: Product example provided in the "Medical Benefits" tab is described as HSA compliant. However, the deductible value is below the allowable minimum deductible for a compliant plan.	The values shown are examples. The information provided by the vendor is added to the online benefits pad provided there is enough character space.
26	Medical Benefits Tab Row 15: Typo, "deed" should be "ded".	Acknowledged.
27	Medical Benefits Tab Specialist, Row 17: Choices do not cover benefits available on indemnity plans e.g. Pays up to \$50 or the negotiated discount, whichever is less. Is this in-network only? There may need to be a reference to location of service or possibly restrictions on certain procedures or mandates. Also, primary care doctor may have different benefit levels depending on the type of procedure performed e.g. MRI in the office, administering IV drugs versus a standard office visit.	This is used to show basic benefits only. It is not meant as a catch all for benefits.
28	Medical Benefits Tab Periodic Health Exam, Row 18: What does this mean? Adult Wellness? Child Wellness? If wellness, values can be different for in-network and out-of-network. Also need to have a choice for an indemnity plan e.g. pay up to \$50, unless this is preventive services only.	This is an annual physical.
29	Medical Benefits Tab Periodic OB-GYN Exam, Row 19: Is this the annual OB/GYN exam or does periodic refer to maternity visits? Benefit values will be different if under Wellness or Routine examinations. Also need to consider having a choice for indemnity plans.	This is an annual physical.
30	Medical Benefits Tab Well Baby Care, Row 20: Recommend this be re-named Well Child as per the federal	This is an annual physical.

	and state mandates reference children from age 0 to 16 (Florida) or under 19 years old (PPACA).	
31	Medical Benefits Tab Chiropractic, Row 21: Need to add a choice for indemnity plans e.g. pays up to \$50 or negotiated discount, whichever is less. Chiropractic maximum visits are sometimes combined with outpatient therapy. Need to add an outpatient therapy benefit display.	Indemnity is listed as a plan type.
32	Medical Benefits Tab Mental Health, Row 22: Different benefits for different locations of service e.g. physician's office, ER, inpatient hospital etc. Also need to add an indemnity benefit choice.	Indemnity is listed as a plan type.
33	Medical Benefits Tab Prescription Rx, Row 23: Must be clear that this is Retail only. There are differences in payment of drugs when under the Medical component of the contract versus the retail.	The values shown are examples. Information provided by the vendor is added to the online benefits pad provided there is enough character space.
34	Medical Benefits Tab Prescription Drugs (Generic), Row 24: The deductible can reference the plan deductible like an HSA qualified plan which requires all medical and Rx expenses be accumulated towards the deductible. Or it can reference a specific Rx deductible. This needs to be clear and there needs to be additional choices. For example, an HSA plan may be a co-pay of \$10 after the In-network plan deductible has been met so it should say "\$X copay after Medical Plan Deductible". In addition, need to add an indemnity option e.g. Pays up to \$15. May also need to add clarity on how Diabetic drugs and supplies are handled in a more free form style.	The values shown are examples. Information provided by the vendor is added to the online benefits pad provided there is enough character space.
35	Medical Benefits Tab Prescription Drugs, Row 25: Same comment as above (Row 24). Plus it is more common to have a Brand deductible for pharmacy plans. There needs to be consideration of the multiple tiers of brand name drugs currently preferred/non-preferred. Will	The values shown are examples. Information provided by the vendor is added to the online benefits pad provided there is enough character space.

	possibly move to a 4 tier pharmacy schedule with VBID.	
36	Medical Benefits Tab Prescription Drugs (Non-Formulary), Row 26: Should be titled "Prescription Drugs (Formulary/Non-Preferred)" to capture the 3rd tier of Rx benefits. Same comments regarding the Brand Deductible as above and the differentiation needed with the Medical Plan deductible e.g. HSA health plans.	The values shown are examples. Information provided by the vendor is added to the online benefits pad provided there is enough character space.
37	Medical Benefits Tab Prescription Drugs (Annual Deductible), Row 27: Recommend placing this benefit at the very beginning of the Rx section to eliminate confusion regarding the actual pharmacy benefits associated with the plan.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
38	Medical Benefits Tab Mail Order (Generic), Row 28: Appropriate attribute and choices for standard mail order e.g. 90 day supply. However, where do we add other types of pharmacy options such as Extended Supply i.e. 90 day prescription?	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
39	Medical Benefits Tab Mail Order (Brand), Row 29: Same comment as above (Row 28).	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
40	Medical Benefits Tab Mail Order (Non-Formulary), Row 30: Recommend re-naming attribute to "Mail Order (Non-Formulary/Non-Preferred). These are appropriate choices for standard mail order e.g. 90 day supply. However, where do we add other types of pharmacy options such as Extended Supply i.e. 90 day prescription?	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
41	Medical Benefits Tab Mail Order (Annual Deductible), Row 31: This would be confusing to consumers. If there is one Rx deductible for brand/preferred, it may appear as if they need to meet another deductible for mail order.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
42	Medical Benefits Tab	The corporation's third party administration will

	Other, Row 32: This should be moved up to the medical portion of the benefit descriptions, not following Rx. And some of these benefits seem random or part of other benefits e.g. "Labor & Delivery Hospital Stay" which would be under the Inpatient Hospital benefit. Other benefits may need to be added as indicated below (see last bullet).	work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
43	Medical Benefits Tab Lab/X-Ray, Row 33: Is this in-network only? There needs to be the addition of an indemnity benefit. There may also be restrictions in locations of service that would need to be added in free form. Lab and X-Ray are also different cost shares depending upon whether they are diagnostic or preventive.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
44	Medical Benefits Tab Emergency Room, Row 34: Needs to be clear where this emergency room is -in a hospital, urgent care or critical care centers? Is this the facility benefit only? Also need to add an indemnity benefit. There are sometimes per visit deductibles and this needs to be clearly stated e.g. benefit could be PVD + INN DED + Coinsurance.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
45	Medical Benefits Tab Outpatient Surgery, Row 35: Add an indemnity benefit. Is this the facility benefit only? Physician services not displayed? Needs to be clarified.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
46	Medical Benefits Tab Hospitalization, Row 36: Add an indemnity benefit. Is this the facility benefit only? Physician services not displayed? Needs to be clarified. Also, some plans have a Per Admission Deductible (PAD) e.g. PAD + INN DED + Coinsurance. Need to add this as a choice as well as it is different from the plan deductible.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
47	Medical Benefits Tab Out-of-Network Coverage, Row 37: OON coverage can be on a plan or benefit level. On a plan level, choices are Y/N. Need to be able to say whether a POS option is	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.

	available with the plans. If this is meant to be on the benefit level, however, it would be better to allow input of in-network and out-of-network as it relates to each key benefit being displayed or clarify whether this is on a plan level.	
48	Medical Benefits Tab Out-of-Network Authorization Required, Row 38: Applies primarily with an HMO and when an OON specialty or location is required for that patient. But there may be different rules for different specialties e.g. auth. waive or mandated benefits such as emergency services always being paid at the in-network level. It would be difficult to explain all of these nuances in an Excel spreadsheet cell.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
49	Medical Benefits Tab Substance Abuse Coverage, Row 43: Recommend that Substance Abuse Coverage follow the Mental Health benefit with the same choices.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
50	Medical Benefits Tab Pre & Postnatal Office Visit, Row 44: Add indemnity benefit as a choice.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
51	Medical Benefits Tab Labor & Delivery Hospital Stay, Row 45: Add indemnity benefit as a choice.	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
52	Medical Benefits Tab Other Benefit Attributes to be considered: <ol style="list-style-type: none"> <li>1. Outpatient Therapy</li> <li>2. Home Health Care</li> <li>3. Ambulance</li> <li>4. Hospice Care</li> <li>5. Independent Clinical Lab</li> <li>6. Ambulatory Surgical Center</li> <li>7. Skilled Nursing Facility</li> <li>8. Durable Medical Equipment</li> <li>9. Medical Pharmacy</li> <li>10. Diabetic Equipment and Supplies</li> </ol>	The corporation's third party administration will work directly with the vendor to address these recommendations during the Vendor Discovery Conferences and during the Discovery Phase of the on boarding process.
53	Provider Search Tab Strongly recommend that vendors not be required to provide an electronic file of	The electronic submission of the provider directory will permit an important feature of the shop and compare experience and allow the shopper to

	<p>their provider directory. Our directory is accessible via our website, and we recommend that this be considered sufficient. If this recommendation is not feasible, we would need to be assured by a provision in the contract that the electronic file of our provider directory will remain proprietary and confidential.</p>	<p>search for a plan based upon their preferred physician or facility. Electronic submission is the most efficient method for the marketplace to gather and store the provider detail.</p> <p>The vendor is not required to submit a provider directory but it is recommended.</p> <p>The draft participation agreement does contain provisions directed at protection of vendor proprietary and confidential business information. Please see the participation agreement terms below.</p>
<b>Participation Agreement and Terms</b>		
	No question submitted (see Participation Agreement section for proposed amendments to the agreement)	
<b>Solicitation of Interest</b>		
54	<p>The instructions in the SOI include the following directions:</p> <p>"With the Letter of Interest, please provide evidence of appropriate licensure and indicate the Florida file numbers issued by the Office of Insurance Regulation, Life and Health Product Review unit, for each of the small group plans the vendor proposes to offer during the Quick Start Phase."</p> <p>Because the filings at OIR may be submitted next week by our vendors, the LOI may not have the file numbers yet issued by OIR. If this is the case, could a vendor submit the LOI and submit the file number at a later date upon receiving it from OIR?</p>	<p>In designing the Small Group Pilot the FHC was proposing to have a minimal impact on vendors and did not want to cause unreasonable burden on the vendors or the Office of Insurance Regulation by requiring modification to vendor products already on file and approved.</p> <p>The FHC acknowledges that a new filing is a choice the vendor may determine is an appropriate business decision. If the filing number is not available by the LOI deadline of October 14<sup>th</sup>, please indicate the date on which the new filing was submitted.</p> <p>Also in this case, the vendor on-boarding process will not commence prior to receiving confirmation of an OIR approved filing.</p>
55	<p>I know that some of these questions may not apply to the quick start since it is major medical only, but some of our vendors are planning on submitting an LOI so you have it on file and ready to go for the mid-term phase.</p> <p>Would an interested DMPO vendor need to submit all types of DMPO regulated products or only specific DMPO benefits?</p>	<p>Page 6 of the SOI encourages vendors that are not interested in offering products or services during the quick start/small group pilot to express interest in later phases.</p> <p>While this can be done in the form of a letter of interest as specified in the SOI, it is not required. The content and deadline specified for the letter of interest also do not apply.</p> <p>Any vendor may choose only to offer a subset of</p>

	Should these be in packages or filed separately?  Also do you want any lifestyle products that are not regulated by OIR?	products or services and is not required to submit all products. The supply requirements file imbedded in the SOI is more appropriately used when submitting major medical small group offering and may not be as conducive to all product and service types that may be supported in future phases.
<b>General Conditions</b>		
	No question submitted	
<b>Vendor Steering Committee</b>		
	No question submitted	
<b>Enrollment Periods</b>		
	No question submitted	
<b>Qualifying Life Events</b>		
	No question submitted	
<b>Questionnaires</b>		
56	It is recommended that any forms contain a unique form number or other identification.	The FHC intends to establish a form number when the questionnaires are finalized and prior to their use.
57	The application should require the name and Florida license number of the agent.	The FHC will make this technical correction to the forms.
58	The Fraud Statement should read: "Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree."	The FHC will make this technical correction to the forms.
59	Questions in applications concerning medical conditions should be phrased so as to solicit responses that may be supported by the applicant's medical records. If the marketplace intends to use the term "Other" or "Other Conditions," the meaning of these terms should be clearly defined.	The FHC will consider this suggestion.
<b>Vendor Certification</b>		
	No question submitted	
<b>Participation Agreement</b>		
60	Page 37 1-13 Strike "Florida Statues" and insert "F.S."	The FHC accepts this technical revision.
61	Page 38 2-2 Section 2 – Term and Termination Require establishment of a set termination date and strongly recommend a yearlong contract which would renew yearly on	The vendor has the option to make January 1 the effective date by executing the contract on that date. Thereafter, the contract will renew yearly on January 1 <sup>st</sup> .

	January 1 <sup>st</sup> .	
62	Page 38 2-2 Section 2 – Term and Termination Require the vendor’s ability to terminate without cause, with adequate advance notice.	The FHC will define calendar quarters and permit termination without cause. The effective date of termination will be effective on last day of the next calendar quarter occurring after notification is provided.
63	Page 39, 2-2.4 strike the s in “regulations”	The FHC accepts this technical change.
64	Page 39, Section 3 Payments Payment Dispute Timeframes Strongly recommend increasing the following periods to 30 days: Period to communicate disagreements with amounts paid to vendors	The FHC accept this modification.
65	Page 39 Section 3 Payments Payment Dispute Timeframes Strongly recommend increasing the following periods to 30 days: Period to notify the FHC of an overpayment	The FHC accept this modification.
66	Page 39 Section 3 Payments Payment Dispute Timeframes Strongly recommend increasing the following periods to 30 days: Period to refund any overpayment amounts	The FHC accept this modification.
67	Page 40, 4-1.3, first line: strike “which” and insert “that”	The FHC accepts this technical change.
68	Page 41 Section 4-2.4 – Responsiveness to the FHC Strongly recommend expanding the required timeframe for vendor responses to any inquiry from the FHC to a minimum of 10 business days.	The FHC will extend the responsiveness time frame to five business days.
69	Page 41 Section 4-2.5 – Grievance Procedures <i>Attachment E</i> is left blank. Any procedures in addition to those mandated by Florida law are impermissible.	The grievance procedures are those adopted by the FHC board of directors and are primarily intended to address complaints and grievances reported to the third party administrator’s customer contact center. It is possible that a complaint filed with the contact center is more appropriately addressed by the vendor. In that case, a timely referral will be made to the vendor. It is not the intent of the FHC to impose additional procedures on the vendor but rather to ensure all complaints and grievances are handled by the appropriate party. The FHC grievance procedures will be incorporated in to the final SOI.
70	Page 41, 4-3.2: strike “will” two times and insert “shall”	The FHC accepts this technical change.

71	<p>Page 42 Section 4-4 – Use of Subcontractors or Affiliates</p> <p>We recommend striking this section in its entirety. Why is this of importance to the FHC? Vendors are contractually required to meet the provisions of the contract. If striking the entire section is not feasible, we require the section to be modified to contain only the following verbiage:</p> <p><i>“Vendor may contract with subcontractors or affiliates to deliver services under this Contract and shall require that the subcontractor or affiliate fully complies with all terms and conditions of this Agreement between VENDOR and FHC. Failure of VENDOR to comply with the provisions of this section shall constitute a breach and renders this Agreement subject to cancellation by FHC.”</i></p>	<p>The FHC accepts the suggested rewording with minor modification:</p> <p><i>“Vendor may contract with subcontractors or affiliates to deliver services under this Agreement and shall require that the subcontractor or affiliate fully complies with all terms and conditions of this Agreement between VENDOR and FHC. Failure of VENDOR to comply with the provisions of this section shall constitute a breach and renders this Agreement subject to cancellation by FHC.”</i></p>
72	<p>Page 42, 4-4: replace the word “contract” with the word “Agreement” and strike “and that”. Change “complies” to “comply”</p>	<p>The FHC accepts this suggested modification. See above.</p>
73	<p>Page 42 Section 4-5 – Indemnification</p> <p>We cannot agree to indemnify our subcontractors. Accordingly, we require subsections B and C to be stricken in their entirety.</p>	<p>The FHC accepts the suggestion in part. Subsection B will be deleted and the word “subcontractor” will be deleted from Subsection C.</p>
74	<p>Page 42 Section 4-5 – Indemnification</p> <p>We also require subsection A to state the following:</p> <p><i>“gross negligence, intentional torts or breach of contract by VENDOR.”</i></p>	<p>This recommendation is not accepted by the FHC.</p>
75	<p>Page 42, 4-6: change “the Agreement” to “this Agreement”. Change “but not be limited” to “but is not limited”</p>	<p>The FHC accepts this technical change.</p>
76	<p>Page 42 4-6 Section 4-6 – Insurance</p> <p>Given the nature of our proposed role as a vendor, professional liability insurance of \$10M would appear to be a more appropriate form of required coverage than those listed in <i>Attachment F</i>.</p>	<p>The FHC agrees to accept professional liability of \$10 million in lieu of some of the insurance types listed in Attachment F.</p>
77	<p>Page 42 4-6 Section 4-6 – Insurance</p> <p>We strongly recommend replacing the requirement for Commercial General Liability, Automobile Liability, Workers</p>	<p>The FHC agrees to accept professional liability of \$10 million in lieu of some of the insurance types listed in Attachment F.</p>

	<p>Compensation and Umbrella Liability Insurance with Professional Liability Insurance, alone.</p>	
<p>78</p>	<p><i>Page 42 4-6</i>  <i>Section 4-6 – Insurance</i>  <i>If the changes recommended above are not feasible, the following amendments to Attachment F are required:</i></p> <p><i>Attachment F: Insurance Coverages (P. 60)</i>  <i>Without limiting any of VENDOR’s obligations or liabilities hereunder, VENDOR further agrees to procure and maintain at VENDOR’s sole cost and expense the following insurance on an occurrence basis:</i></p> <ol style="list-style-type: none"> <li><i>(1) Commercial General Liability Insurance, including but not limited to products and completed operations and contractual liability coverage, for bodily injury, death, and property damage with limits of liability of not less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate; and</i></li> <li><i>(2) Automobile Liability, covering all owned, non-owned, and hired vehicles with a combined limit of at least \$500,000 per person and \$1,000,000 per occurrence for bodily injury and \$1,000,000 per occurrence for property damage.</i></li> <li><i>(3) <del>Workers’ Compensation Insurance with statutorily required limits and Employers Liability Insurance in minimum amounts of \$500,000 for each accident for bodily injury by disease and \$500,000 for each employee for bodily injury by accident with a \$500,000 policy limit, and</del> <u>Comment: Vendor is self-insured for workers compensation and employers liability in Florida. Thus, we cannot agree to this. Recommend rephrasing to require provision of workers’ compensation benefits to employees in accordance with Florida law.</u></i></li> <li><i>(4) Umbrella Liability Insurance on an occurrence policy form in an amount</i></li> </ol>	<p>FHC will rephrase this section to require provision of workers’ compensation benefits to employees in accordance with Florida law.</p> <p>FHC will rephrase this section to replace “named insured” with “additional insured”</p>

	<p><del>not less than \$10,000,000, with such limits being either follow form or broader than the aforementioned liability coverage.</del></p> <p><u>Vendor Comment:</u> Remove limits requirements. We are unable to comply with this stipulation since our umbrella policy “follows form” to a great extent, but not 100%.</p> <p><del>FHC shall be a Named Insured on VENDOR’s policies of insurance specified in Paragraph 3(a)(1)-(4).</del></p> <p><u>Vendor Comment:</u> Vendor does not add outside entities as “named insured” on its policies. We require that the language be modified to state that FHC must be covered under our commercial general liability insurance, only, as an additional insured.</p>	
79	Page 43, 4-6 continued: At the end of paragraph one insert: “Failure to provide proof of insurance coverage when requested may result in the Agreement being terminated”	The FHC accepts addition of the recommended sentence.
80	Page 43, 4-6 continued. Strike the second paragraph on this page and replace it with: “FHC shall be exempt from and in no way liable for any sums of money that may represent a deductible, copay, or other cost sharing mechanisms in any insurance policy. FHC shall also be exempt from and in no way liable for any premiums paid on any insurance policy pursuant to this Agreement. The payment of such a deductible, copay, cost sharing mechanisms, or premiums shall be the sole responsibility of VENDOR and/or subcontractor holding such insurance.”	The FHC accepts the recommended rewording of this paragraph.
81	Page 43 5-3 Section 5-3 – Attorneys’ Fees Require that vendors be provided with mutual right to attorney’s fees. Additionally, language should be added to state that only the prevailing party will be permitted to recover attorney’s fees.	The FHC accepts the suggestion to add language to state that only the prevailing party will be permitted to recover attorney’s fees.
82	Page 43 5-4 – Bankruptcy Strongly recommend striking this provision	The FHC agrees in part and will offer alternative language.

	<p>in its entirety. The power given to the FHC by this provision is strictly reserved for the court system. Additionally, contracts would be between the FHC and the vendor, not including the vendor's approved subcontractors. Accordingly, the FHC should not have the right to terminate the contract if a vendor approved subcontractor files a petition for bankruptcy.</p>	
83	<p>Page 43-44 Section 5-5 – Change of Controlling Interest  Strongly recommend striking this provision in its entirety. The FHC should not have the right to terminate the agreement in the event of a change in ownership of the vendor or any of its approved subcontractors. This is restrictive of a vendor's freedom to make strategic business decisions as deemed necessary.</p>	<p>The FHC is of the opinion that Section 5-5 does not restrict a vendor's freedom to make strategic business decision as it deems necessary. It does require notice to the FHC of a change in controlling interest.</p> <p>The language proposed is substantially similar to contract terms contained in vendor contracts with public health care programs in the State of Florida.</p>
84	<p>Page 44 Section 5-6 – Confidentiality  Require that certain vendor information is also considered "proprietary confidential business information". Currently the agreement only protects the FHC's information.</p>	<p>The FHC is of the opinion that paragraph two of section 5-6 adequately protects the vendor's proprietary and confidential business information.</p>
85	<p>Page 44, 5-6: After the word "exempt" insert "from". Strike "Florida Statues" and replace with "F.S."</p>	<p>The FHC accepts this technical change.</p>
86	<p>Page 45 Section 5-7.3 – Non-Solicitation  Recommend removing the limitation on vendor ability to hire the FHC employees throughout the contract. The limitation on a vendor's ability to solicit and/or recruit the FHC's employees may remain.</p>	<p>The FHC rejects this proposed amendment.</p>
87	<p>Page 46, top of the page: change "on" to "or"</p>	<p>The FHC will consider this technical change.</p>
88	<p>Page 46  Section 5-9 – Governing Law; Venue  Require that all language relating to subcontractor compliance be removed from this section. Vendor's previous agreement to require subcontractors' compliance with the Agreement is sufficient. Furthermore, vendors are not</p>	<p>The FHC accepts this suggestion in part. Alternative language will offered by the FHC.</p>

	able to certify that their subcontractors do not discriminate against their employees or service recipients.	
89	Page 46, H: Correct the reference to OMB circulars	The FHC accepts this technical change.
90	Page 47, 5-10: strike the word "VENDOR" and insert "contractor"	The FHC accepts this technical change.
91	Page 48, 5-12: in the last paragraph on this subsection strike "will" and insert "shall"	The FHC accepts this technical change.
92	Page 52, Attachment A, Section A: Strike the word "The" before "Florida Health Choices"	The FHC accepts this technical change.
93	Page 53 Attachment C: Business Associate Agreement Strongly recommend replacing the BAA with a vendor certificate stating that the vendor is a HIPAA compliant covered entity, since issuers (Vendors) are already required to meet this standard.	The FHC will accept a certificate of HIPPA compliance in lieu of the Business Associate Agreement.  The FHC will also add a HIPPA reference to the list of governing laws.
94	Page 53 Attachment C: Business Associate Agreement (Page 53) If replacing the BAA is not deemed an acceptable course of action, vendor will require additional time to sufficiently analyze the agreement and subsequently present a modified version which would be acceptable. Upon cursory review, the agreement appears to require significant modifications.	See above.
95	Page 53 Attachment C: Who is the covered entity contemplated in the BAA agreement?	See above.
96	Page 54, Attachment C, Section 3, first paragraph change "BA agrees to not use" to "BA agrees not to use"	The FHC accepts this technical change.
97	Page 59 Attachment E: Grievance Procedures. Suggest the FHC clarifies its grievance procedures which are currently left blank ( <i>Attachment E</i> ). Grievance procedures are subject to Florida law; therefore additional procedures may not be imposed.	The grievance procedures are those adopted by the FHC board of directors and are primarily intended to address complaints and grievances reported to the third party administrator's customer contact center. It is possible that a complaint filed with the contact center is more appropriately addressed by the vendor. In that case, a timely referral will be made to the vendor. It is not the intent of the FHC to impose additional procedures on the vendor but rather to ensure all complaints and grievances are

		handled by the appropriate party. The FHC grievance procedures will be incorporated in to the final SOI.
98	Page 59: insert Attachment E "Grievance Procedures"	Attachment E will be incorporated into the final SOI. See above.