

**Missouri Consolidated Health Care Plan
Responses to Vendor Questions
2018 Actuarial and Health Plan Management Consulting Services RFP
August 30, 2017**

These responses are provided by MCHCP to questions received from potential bidders for the 2018 Actuarial and Health Plan Management Consulting Services RFP.

General	Response
1 Will MCHCP entertain additional services that were not requested in the RFP, which would be complementary to the actuarial and plan management services?	Yes.
2 How long have you worked with your current consultant on this specific work? What are the current fees/hourly rates?	MCHCP has held a contract with Willis Towers Watson since 2008 under separate 5-year contracts. The current pricing is provided as an attachment to this Q&A document.
3 Would you consider changes to the Standard Terms & Conditions in your contract?	MCHCP will consider changes but makes no guarantees that suggested changes will be negotiated or accepted.
4 How frequently do ad-hoc projects occur? Over the last five years, please provide a sample list of these projects.	Ad Hoc projects come up on an as needed basis. There is no certainty on frequency. Examples of past projects include: Clinical Review of UMR Case Management Program, Onsite Health Center Feasibility Studies, Onsite Health Center Return on Investment Study, Aetna Medical Plan Implementation Audit, MCHCP Health and Wellness Brand Consulting Support, Health and Wellness Communication Project
5 How many consulting hours are estimated for each year of the contract?	MCHCP believes it is incumbent upon the bidder to determine the necessary hours to complete core services outlined in Section B4 of the RFP and plan year highlights provided in Attachment 2, and considering the experience and qualifications of your proposed team.
6 What is the main reason for marketing these services at this time? Are there any concerns with the current partner and/or motivation to make a change?	The current contract with Willis Towers Watson expires Dec. 31, 2017, necessitating the need for this Request for Proposals. There are currently no concerns with the Willis Towers Watson team.
7 In order to provide a more thoughtful and comprehensive response it would be helpful to have some basic demographic information, for actives. Are you able to provide any of the below: <input type="checkbox"/> Percent female vs. male <input type="checkbox"/> Overall average age of employees <input type="checkbox"/> Average age of female employee population <input type="checkbox"/> Average age of male employee population <input type="checkbox"/> Average compensation <input type="checkbox"/> Percent enrolled in the various coverage tiers (e.g., % in Employee Only vs. Employee Plus Spouse, etc.) <input type="checkbox"/> Percent enrolled in various medical and dental plan offerings including percent opting out	Please see attachment to this Q&A document. Compensation data are not readily available to MCHCP.

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8	Are you able to provide copies of current benefits and rates information?	<p>An overview of the state employee benefits can be found at http://www.mchcp.org/stateMembers/medicalPlans.asp. The premiums for state members can be found in the Premium Guide, available at http://www.mchcp.org/documents/st_premiums_2017.pdf.</p> <p>A summary of the plans available to local government members can be found at http://www.mchcp.org/publicEntity/medicalPlans.asp. Premiums for public entity employers are specific to each entity.</p>
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	Pricing	Response
1	Are the fees being requested estimates? Are they fixed fees? Are they not-to-exceed fees?	CY 2018 is a firm fixed pricing. Years 2 and 3 (CY 2019 and 2020) are negotiated with not-to exceed fees. Years 4 and 5 (CY 2021 and 2022) are negotiated.

**MCHCP/Willis Towers Watson 2017 Contract
Core Services**

Title	Total Hours	Base Hourly Rate	MCHCP Hourly Rate (reflects 18% discount)	Total Cost
Senior Actuary	142	\$ 665	\$ 545	\$ 77,390
Actuary	360	\$ 515	\$ 422	\$ 151,920
Senior Consultant	47	\$ 705	\$ 578	\$ 27,166
Consultant	15	\$ 455	\$ 373	\$ 5,595
Client Relationship Director	45	\$ 670	\$ 549	\$ 24,705
SME - Pharma	45	\$ 705	\$ 578	\$ 26,010
Actuary	70	\$ 555	\$ 455	\$ 31,850
SME - Wellness	20	\$ 705	\$ 578	\$ 11,560
SME - Legal	10	\$ 705	\$ 578	\$ 5,780
Analyst	75	\$ 315	\$ 258	\$ 19,350
Administrative	20	\$ 170	\$ 139	\$ 2,780
Total	849			\$ 384,106
Admin load				26,887
Not to Exceed				\$ 410,993

Hourly Rates for Non-Core Special Projects

Title	MCHCP Rate
Senior Actuary (\$665)	\$545
Senior Consultant (\$705)	\$578
Subject Matter Expert (\$705)	\$578
Actuary (\$555)	\$455
Consultant (\$455)	\$373
Client Relationship Dir. (\$670)	\$549
Admin. Assistant (\$170)	\$139

Rates reflect 18% discount

2018 Actuarial and Health Plan Management Consulting Services RFP
Active Employee Enrollment by Age and Gender
July, 2017

Active State Employees

	Gender		Average Age (in years)		
	% Female	% Male	Female	Male	Total
Employees	63.2%	36.8%	45.1	44.5	44.8
Spouses	45.3%	54.7%	46.3	50.7	48.7
Children	48.8%	51.2%	13.2	13.2	13.2
Total	55.7%	44.3%	34.4	31.4	33.1

Active Public Entity Employees

	Gender		Average Age (in years)		
	% Female	% Male	Female	Male	Total
Employees	55.4%	44.6%	47.3	43.9	45.8
Spouses	53.3%	46.7%	49.7	53.6	51.5
Children	51.2%	48.8%	12.9	13.9	13.4
Total	54.6%	45.4%	42.3	39.4	41.0

2018 Actuarial and Health Plan Management Consulting RFP
Active Employee Enrollment by Coverage Tier
July, 2017

State Employees - Medical Enrollment

<u>Rate Category</u>	<u>Percent Enrolled</u>
Employee Only	48.4%
Employee and spouse	9.9%
Employee and 1 child	13.3%
Employee and 2 children	11.2%
Employee and 3 children	3.9%
Employee and 4 children	1.0%
Employee and 5 or more children	0.3%
Employee, spouse and 1 child	4.4%
Employee, spouse and 2 children	4.7%
Employee, spouse and 3 children	1.9%
Employee, spouse and 4 children	0.6%
Employee, spouse and 5 or more children	<u>0.3%</u>
	100.0%
<i>Percent Waiving Coverage</i>	<i>9.1%</i>

Public Entity Employees - Medical Enrollment

<u>Rate Category</u>	<u>Percent Enrolled</u>
Employee Only	86.3%
Employee and spouse	3.6%
Employee and child(ren)	6.2%
Employee, spouse and child(ren)	<u>3.9%</u>
	100.0%
<i>Percent Waiving Coverage</i>	<i>18.0%</i>

State Employees - Dental Enrollment

<u>Rate Category</u>	<u>Percent Enrolled</u>
Employee Only	51.5%
Employee and spouse	11.3%
Employee and child(ren)	25.1%
Employee, spouse and child(ren)	<u>12.1%</u>
	100.0%
<i>Percent Waiving Coverage</i>	<i>28.3%</i>

Public Entity Employees - Dental Enrollment

<u>Rate Category</u>	<u>Percent Enrolled</u>
Employee Only	76.1%
Employee and spouse	14.3%
Employee and child(ren)	6.2%
Employee, spouse and child(ren)	<u>3.4%</u>
	100.0%
<i>Percent Waiving Coverage</i>	<i>22.0%</i>

2018 Actuarial and Health Plan Management Consulting RFP
Active Employee Enrollment by Medical Plan
July, 2017

State Employees

<u>Rate Category</u>	<u>Percent Enrolled</u>
UMR PPO 600	62.7%
UMR PPO 300	23.1%
UMR HSA Plan	8.4%
Aetna PPO 600	4.1%
Aetna PPO 300	1.4%
Aetna HSA Plan	<u>0.3%</u>
	100.0%

Public Entity Employees

<u>Rate Category</u>	<u>Percent Enrolled</u>
UMR PPO 600	43.5%
UMR PPO 1000	56.5%
UMR HSA Plan	<u>0.0%</u>
	100.0%