

# CONDUCTING A REQUEST FOR PROPOSAL



CPEEHCC Conference  
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## RFP OVERVIEW

- CONCEPTUAL ISSUES
- DIFFERENT SERVICES
- PREPARATION
- EVALUATION



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## RFP CONCEPTUAL ISSUES

- Alphabet Soup
  - RFP
  - RFI
  - RFQ
- Why Send Out an RFP?
  - Established Methodology
  - Fiduciary Responsibility
  - Market Check
  - Service / Quality Issues



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### RFP CONCEPTUAL ISSUES

- The Sender's Perspective
  - Determine needs/priorities
  - Frequency
- The Receiver's Perspective
  - Are they serious?
  - Understanding what is wanted



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### RFP CONCEPTUAL ISSUES

- The Sender's Perspective
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### RFP CONCEPTUAL ISSUES

- The Sender's Perspective
  - Determine needs/priorities
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  - Are they serious?
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### RFP DIFFERENT SERVICES

- Broker/Consultant
- JPA/JMT Management/Administration
- Medical Plans
  - Carve-outs
  - Stop-Los
  - Claims Administration
- Dental/Vision/Life



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### RFP DIFFERENT SERVICES

- Other
  - Legal
  - Audit
  - Banking
  - Investment Advisor
  - Wellness
  - Communications

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### PREPARING AN RFP

- Timelines
- RFI – RFP
- Who prepares
- Who receives



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## PREPARING AN RFP

- What does an RFP include?
  - Simple
    - Request
    - Deadline
    - Data



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## PREPARING AN RFP

- What does an RFP include?
  - Comprehensive
    - Statement of Authority / Background
    - Description / Scope of Services
    - Requested Services / Rates / Fees
    - *Questions / Description*
    - Current Plan Data
    - Responding to the RFP
    - Evaluation Process

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## PREPARING AN RFP

- QUESTIONS – Medical Plan
  - General
    - Service Team
    - Reports
    - Customer Service
    - Implementation / Eligibility
    - Benefit Comparisons / Deviations
    - Network
    - Wellness / Disease Management / Communications
    - References
    - Assumptions / Contingencies

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## PREPARING AN RFP

- QUESTIONS – Medical Plans
  - Funding
    - Fully Insured / Self Funded / Other
    - Rate Setting / Renewal Process
    - Reserves
    - Provider Contracts
    - Broker Compensation



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## PREPARING AN RFP

- QUESTIONS – Medical Plans
  - Purchasing Pool
    - Governance
    - Contractual Commitments
    - Reserves
    - Fees
    - Professional Advisors / Vendors
    - Administrative Procedures



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## PREPARING AN RFP

- COMMON MISTAKES
  - Intermixing Statements and Questions
  - Asking duplicate questions
  - Unclear format for responding
  - Not asking the right questions
  - Asking questions that are not relevant
  - Unrealistic timelines
  - Missing Data



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### RFP EVALUATION

- Establish consistent criteria for evaluation
- Review and analyze responses
- Verification of data
- Summarize responses
- Establish thresholds



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### RFP EVALUATION

- Benefits
- Rates
- Network / Disruption
- Other Financial Incentives
- Other Non-Financial Considerations
- Negotiations
  - Best and Final / Last Look
- Finalist Interviews
- Decision and Notification



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### QUESTIONS &



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