

ATTACHMENT K: MINIMUM REQUIREMENTS RESPONSE

ATTACHMENT K: MINIMUM REQUIREMENTS RESPONSE is posted on the Ariba landing page and can be accessed at the following link: <http://discovery.ariba.com/rfx/13956411>

Vendor shall complete ATTACHMENT K by only marking either “Confirm,” or Does Not Confirm” as a response for each Minimum Requirement. Under no circumstances will narrative or text from Vendor be accepted as a response.

5.1.1 Account Management Minimum Requirements

- a. Vendor has one (1) or more current or former administrative services only (ASO) clients with more than 25,000 Medicare primary members.

Confirm Does Not Confirm

- b. Vendor will exercise loyalty and a duty of care to the Plan and its Members in performing its responsibilities under this Contract. Vendor must assume and exercise the same fiduciary responsibility established in N.C.G.S. § 135-48.2 for the State Treasurer, Executive Administrator, and the Board.

Confirm Does Not Confirm

- c. Vendor will provide subject matter experts, in addition to account management resources, to work directly with Plan and Plan vendor staff.

Confirm Does Not Confirm

- d. Vendor has a “firewall” between its TPA services operations and any other service operations, such as a PBM, consulting group, or any other services.

Confirm Does Not Confirm

5.1.2 Finance and Banking Minimum Requirements

- a. Vendor will comply with N.C.G.S. § 147-77 regarding the deposit of funds belonging to the Plan and confirm agreement that all receipts and other moneys belonging to the Plan that are collected or received by Vendor shall be deposited daily to the Plan’s bank account(s) as designated by the State Treasurer and reported daily to the Plan.

Confirm Does Not Confirm

b. Vendor will comply with the Plan’s requirements regarding the disbursement of funds on the Plan’s behalf which are outlined by the Department of State Treasurer’s website:

<https://www.nctreasurer.com/media/3791/open>

Confirm Does Not Confirm

c. If Vendor will be disbursing funds from the Plan’s bank accounts, Vendor must (1) print checks with the Plan’s logo and digitized signature with guidance on the layout from the Department of State Treasurer based upon a standard format; and (2) prepare checks and EFTs for claims and other disbursements to be drawn directly from the Plan’s bank account upon approval and release by the Plan. Vendor must be fully operational at least 30 days prior to January 1, 2025. If Vendor will not be disbursing funds from the Plan bank accounts, Vendor should respond N/A to this requirement.

Confirm Does Not Confirm N/A

d. Vendor will email weekly disbursement requests to the Plan by 9:30 a.m. ET on the first State Business Day of the week and hold disbursements until approved by the Plan.

Confirm Does Not Confirm

e. Vendor will support the State of North Carolina’s financial processing, banking, and reporting requirements which can be found at the following links or exhibits:

i. State banking: <https://www.nctreasurer.com/media/3791/open>

ii. Cash management:

<https://www.osc.nc.gov/state-agency-resources/statewide-cash-management>

iii. Escheats: <https://www.nccash.com/holder-information-and-reporting>

iv. High level daily deposits and disbursements of state funds workflows: Exhibit 1, “Deposits and Disbursement Process.”

Confirm Does Not Confirm

f. Vendor will provide a SOC1, Type II, and if applicable, a bridge letter, upon request by the Plan.

Confirm Does Not Confirm

5.1.3 Network Management Minimum Requirements

a. Vendor agrees the Plan is a government payor.

Confirm Does Not Confirm

b. Vendor will provide a network that will support Plan Members residing in all 100 counties in North Carolina and throughout the United States.

Confirm

Does Not Confirm

c. Vendor will work with the Plan to develop and implement provider specific alternative payment arrangements.

Confirm

Does Not Confirm

d. Vendor will develop a “narrow” network, at the regional or state level, of lower cost, high quality providers to be paired with a custom Plan Design, if requested by the Plan. This offering may be a full replacement or offered alongside other Plan Design options.

Confirm

Does Not Confirm

e. Vendor’s current network includes bundled/episodic payment and clinically integrated network arrangements.

Confirm

Does Not Confirm

f. Vendor will work with the Plan to expand, and if necessary, customize bundled/episodic payment arrangements.

Confirm

Does Not Confirm

g. Vendor will work with the Plan to develop and administer a custom network for the Plan with a Medicare-based reimbursement methodology model that will include, at a minimum, different reimbursement rates for professional, inpatient, and outpatient services, upon request by the Plan.

Confirm

Does Not Confirm

h. If the Plan implements a Medicare-based reimbursement model, Vendor will adjust any payment and/or medical policies required to better align with Medicare pricing guidelines.

Confirm

Does Not Confirm

i. If the Plan implements a Medicare-based reimbursement model, Vendor will administer any other Medicare medical and payment policies adopted by the Plan.

Confirm

Does Not Confirm

j. Vendor will integrate with Optum Insight or a comparable tool to support and maintain the existing repricing/pricing structure if requested by the Plan.

Confirm Does Not Confirm

k. Upon request, Vendor will supplement the Plan's custom network with other providers contracted directly by Vendor for services such as reference labs, durable medical equipment, and other commodity services as well as to ensure access to care standards are met in North Carolina.

Confirm Does Not Confirm

l. Vendor will administer other reference-based pricing models, if requested by the Plan.

Confirm Does Not Confirm

5.1.4 Product and Plan Design Management Minimum Requirements

a. Vendor will administer the covered benefits and exclusions as outlined in the Enhanced PPO Plan (80/20), Base PPO Plan (70/30) and HDHP benefit booklets. The Plan understands that utilization and Medical Management programs as well as out-of-network processes may vary from the Plan's current programs.

- i. Enhanced PPO Plan (80/20): <https://www.shpnc.org/media/2583/download?attachment>
- ii. Base PPO Plan (70/30): <https://www.shpnc.org/media/2582/download?attachment>
- iii. HDHP: <https://www.shpnc.org/media/2584/open>

Confirm Does Not Confirm

b. Vendor will administer a tiered copay program that will reduce a copay when the Member visits the Primary Care Provider (PCP) listed on his or her ID card or another PCP in the same practice, regardless of practice location. See grid in Exhibit 2, "PCP Copay Incentive Scenarios," for more detailed information about the current program.

Confirm Does Not Confirm

c. Vendor will customize its current value-based and incentive Plan Design features and/or implement new, customized ones, if requested by the Plan.

Confirm Does Not Confirm

d. Vendor will integrate real-time or near real-time deductible and/or out-of-pocket (OOP) accumulators with the Plan's PBM to support a combined Medical/Rx deductible and OOP maximums.

Confirm Does Not Confirm

e. Vendor will administer all benefits as required by Article 3B of Chapter 135 and, to the extent applicable, Chapter 58 of the North Carolina General Statutes and as may be amended from time to time.

Confirm

Does Not Confirm

f. Vendor will administer benefits in accordance with all Federal and State requirements and notify the Plan of new mandates, or other requirements, that will require benefit changes to maintain compliance.

Confirm

Does Not Confirm

g. Vendor will partner with the Plan to design custom benefits and/or Plan Design features, as requested by the Plan and provide associated financial/actuarial impact analysis.

Confirm

Does Not Confirm

5.1.5 Medical Management Programs Minimum Requirements

a. Vendor will pass 100% of specialty pharmacy Rebates to the Plan.

Confirm

Does Not Confirm

b. Vendor will carve-out PBM services from this Contract.

Confirm

Does Not Confirm

c. Vendor will customize any of the Medical Management programs, if requested by the Plan.

Confirm

Does Not Confirm

5.1.6 Enrollment, EDI, and Data Management Minimum Requirements

a. Vendor will support the Plan's Group set-up structure which includes establishing, maintaining, and reporting on more than 400 individual Employing Units, the Retirement Systems Group, the Direct Bill Group, the Sponsored Dependent Group, and the COBRA Group. A list of the Plan's current Group structure, which includes Group and Entity identifiers, can be found in Exhibit 3, "Group Structure."

Confirm

Does Not Confirm

b. Vendor will support the addition of new Groups throughout the year and assist with any Group name changes or reporting requirements, as needed.

Confirm

Does Not Confirm

c. Vendor will have the capability to accept at least 500,000 transactions in a single file transmission.

Confirm Does Not Confirm

d. Vendor will have the capability to extract and send up to 500,000 transactions to Plan vendors in a single file.

Confirm Does Not Confirm

e. Vendor will accept and load a daily industry standard and/or custom data files from the Plan's EES vendor. The data file will be received between 5:00 – 9:00 p.m. ET each night and must be processed and loaded by Vendor by 8:00 a.m. ET the following State Business Day.

Confirm Does Not Confirm

f. Vendor will produce recurring outbound data files for Plan vendors, the Plan and/or Plan Partners. For inbound and outbound data flows, see Exhibit 4, "Vendor Data Feeds."

Confirm Does Not Confirm

g. Vendor's daily outbound data file to the Plan's EES vendor must be sent by 12:00 p.m. ET on the first day after the daily data file from the Plan's EES vendor is received.

Confirm Does Not Confirm

h. Vendor will support the receipt of monthly Audit Files from the Plan's EES vendor and work with the Plan and the EES vendor to review and correct discrepancies. Refer to Exhibit 5 "Monthly Audit & Reconciliation" for Vendor audit process.

Confirm Does Not Confirm

i. Vendor will agree to other enrollment audits, as requested by the Plan, to address specific issues.

Confirm Does Not Confirm

j. Vendor will enroll and accurately process claims for both Medicare primary and Non-Medicare primary Members within the same Group and Plan Design.

Example: Employing Unit – Department of State Treasurer

Enhanced PPO Plan (80/20) includes:

- Non-Medicare primary Members
- Medicare primary Members

Base PPO Plan (70/30) includes:

- Non-Medicare primary Members
- Medicare primary Members

Confirm Does Not Confirm

k. Vendor will serve as the Plan's Responsible Reporting Entity (RRE) under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) Expanded Reporting Option.

Confirm Does Not Confirm

l. As an Expanded Reporter, Vendor will submit, at a minimum, a quarterly Query-Only File to CMS to obtain Part A, B, and C information on Plan Members and perform a quarterly Medicare Primacy audit with Plan Enrollment data in Vendor's system. Vendor shall utilize the results of the audit in conjunction with the Plan's Medicare rules, to determine which Plan Members' Medicare information requires updating.

Confirm Does Not Confirm

m. Vendor will update Vendor's system with the necessary updates from the Medicare audit and send Members' updated Medicare information to the Plan's EES vendor.

Confirm Does Not Confirm

n. Vendor will store and utilize the Medicare Beneficiary Identifier (MBI), in addition to other Member identification numbers, such as Social Security Number (SSN).

Confirm Does Not Confirm

o. Vendor will maintain Medicare Eligibility effective and termination dates as well as Medicare Part A and Part B effective and termination dates.

Confirm Does Not Confirm

p. Vendor will maintain Medicare primacy effective and termination dates.

Confirm Does Not Confirm

q. Vendor will maintain multiple Medicare entitlement reasons.

Confirm Does Not Confirm

r. Vendor will collect, store, and utilize other commercial insurance information to coordinate benefits for Plan Members. The EES Vendor will only collect Medicare information. All other commercial insurance information will be managed by the TPA.

Confirm Does Not Confirm

s. Vendor will enroll split-contracts where the family Members are split between Vendor and another carrier (i.e., Medicare primary Subscriber enrolled in a Medicare Advantage plan with another carrier and non-Medicare primary Dependents are enrolled on a Plan provided by Vendor).

Confirm Does Not Confirm

t. Vendor will support enrollments where one or more family Members are enrolled in one Plan Design as Medicare primary and other family Member(s) are enrolled in another Plan Design as Non-Medicare primary, or vice versa.

Confirm Does Not Confirm

u. Vendor will provide a PCP selection tool that can be integrated with the Plan's EES vendor's enrollment portal to facilitate the Members' PCP elections. See Exhibit 6, "PCP Selection Tool and Maintenance," for PCP selection overview.

Confirm Does Not Confirm

v. Vendor will routinely perform provider maintenance of PCP data to ensure that the PCP selection tool contains the most current PCP data and that only valid PCPs may be elected. See Exhibit 6, "PCP Selection Tool and Maintenance" for high level overview of PCP maintenance requirements.

Confirm Does Not Confirm

w. Vendor will implement workflows that support the maintenance of the PCPs which may require that Vendor notify Members if their elected PCP is no longer in network and notify the EES vendor, via the daily return file to the EES vendor, if any PCP code information, including provider termination, has occurred. The Member communication should include instructions for electing a new PCP. The final workflows will be defined during Contract implementation. See Exhibit 6, "PCP Selection Tool and Maintenance" for high level overview of PCP synchronization requirements.

Confirm Does Not Confirm

x. Vendor will customize ID cards with all data elements requested by the Plan, including, but not limited to, each of the following: (See Exhibit 7, "Sample ID Cards," for examples of the Plan's current ID card.)

- i. Plan's logo.
- ii. Plan's messaging.

- iii. Plan's network (if applicable).
- iv. Out-of-NC network.
- v. Member out-of-pockets.
- vi. Plan's Rx BIN and PBM information.
- vii. Group Name (e.g., Wake County Schools, University of North Carolina, Department of Transportation).
- viii. Member's unique ID number.
- ix. Member's selected PCP.

Confirm Does Not Confirm

- y. Vendor will meet all Plan, Federal, and State mandated Plan enrollment communication and/or reporting requirements such as, but not limited to, the production of Certificates of Creditable Coverage (CCC) and reporting needs under sections 6055 and 6056 of the IRS code.

Confirm Does Not Confirm

- z. Vendor will provide a custom claims data files to the Plan on a monthly basis, or more frequently, if requested by the Plan. The file requirements will be documented in a BRD during implementation and may be updated from time to time throughout the lifetime of the Contract, as requested by the Plan.

Confirm Does Not Confirm

- aa. Vendor will provide a custom provider data file(s) to the Plan on a bi-weekly basis. The file(s) requirements will be documented in a BRD during implementation and may be updated from time to time throughout the lifetime of the Contract, as requested by the Plan.

Confirm Does Not Confirm

- bb. Vendor will provide other, ad hoc data files, as requested by the Plan. The specifics of the data file requests will be outlined in an ADM and/or BRD.

Confirm Does Not Confirm

- cc. Vendor will implement a process with the Plan to respond to data quality (DQ) issues with any files provided to the Plan. The specifics of the DQ checks will be developed during implementation and may be amended throughout the lifetime of the Contract, as requested by the Plan.

Confirm Does Not Confirm

dd. Vendor will release data to the Plan as described in state and federal law.

Confirm Does Not Confirm

ee. Vendor will not place limitations on the Plan's use of data that are more restrictive than described in state and federal law.

Confirm Does Not Confirm

5.1.7 Customer Experience Minimum Requirements

a. Vendor will provide a dedicated customer call center with hours of operation from at least 8:00 a.m. to 5:00 p.m. ET, each State Business Day, to respond to Member inquiries.

Confirm Does Not Confirm

b. Vendor will have a dedicated toll-free number for Plan Members.

Confirm Does Not Confirm

c. Vendor will answer the phones with a greeting that identifies the call center as a representative for the Plan.

Confirm Does Not Confirm

d. Vendor will customize its interactive voice response (IVR) script with a Plan-specific greeting and prompts, and transfers to other Plan vendors.

Confirm Does Not Confirm

e. Vendor will make and receive warm and cold transfers to/from other Plan vendors who may be required to resolve the Members' issues.

Confirm Does Not Confirm

f. Vendor will record and track all Member calls including date of initial call, inquiry closed, representative who handled the call, call status, if and where the call was referred for handling, reason for call (issue), and what was communicated to the Member.

Confirm Does Not Confirm

g. Vendor will allow the Plan to include customized inserts or messaging in ID Cards and Explanation of Benefits (EOB) mailings as well as offer customization of the EOB and ID Cards as directed by the Plan. Refer to Exhibit 7, "Sample ID Cards" and Exhibit 8, "Sample EOB."

Confirm Does Not Confirm

h. Vendor will customize the content of any and all letters or other materials Vendor will send and/or display to Members.

Confirm Does Not Confirm

i. Vendor will co-brand letters or other materials Vendor sends to Members.

Confirm Does Not Confirm

j. Vendor will customize the portal with the Plan's branding (logo).

Confirm Does Not Confirm

k. Vendor will provide an employer portal to be utilized by Plan staff to view real-time individual Member enrollment and claim information.

Confirm Does Not Confirm

5.1.8 Claims Processing and Appeals Management Minimum Requirements

a. Vendor will comply with all requirements set forth in Article 29B of Chapter 90 of the North Carolina General Statutes. As required, Vendor will validate provider enrollment in North Carolina's Health Information Exchange (NC HealthConnex) prior to paying Plan Member claims. If prohibited by the Statewide Health Information Exchange Act, Vendor must deny any claims received from providers that are not in compliance on the date of service.

Confirm Does Not Confirm

b. Vendor will process all claims, including claims that are Medicare primary and Medicare secondary, from the same claims processing platform.

Confirm Does Not Confirm

c. Vendor will administer the appeals process required by Chapters 58 and 135 of the North Carolina General Statutes, including appeals for the Plan's PBM. Refer to Benefits Booklets and N.C.G.S. § 135-48.24.

Confirm Does Not Confirm

d. Vendor will customize any appeals letters, as requested by the Plan.

Confirm Does Not Confirm

e. Vendor will work with the Plan to resolve and respond to any inquiries from the North Carolina Department of Insurance’s Smart NC Program.

Confirm Does Not Confirm

f. Vendor will support the Plan’s methodology for coordinating with Medicare Members who have not elected Medicare Part A and/or B. As required by state law, the Plan coordinates claims for Members who do not elect Medicare Parts A and/or B as if they had elected them. (a.k.a. Phantom Processing) See Exhibit 9, “Claims Processing Phantom Plan - Medicare Part B.”

Confirm Does Not Confirm

g. Vendor will reimburse the Plan on a weekly basis for any prompt pay penalties included in the weekly claims disbursement for that week as the Plan will pay no prompt-pay penalties for claims that are paid outside of the prompt-pay guidelines as a result of Vendor’s action, inaction, or system failure.

Confirm Does Not Confirm

h. Vendor will customize EOBs with the Plan’s logo and if applicable, custom network and other information as illustrated in Exhibit 8, “Sample EOB.”

Confirm Does Not Confirm

5.1.9 Claims Audit, Recovery, and Investigation Minimum Requirements

a. Vendor will support ongoing quarterly claims accuracy audits, or Standard Audits, performed on a statistically valid random claims sample selected by the Plan’s audit vendor which will be used to measure claims accuracy for Performance Guarantees on a quarterly basis. Vendor will share provider contracts and system pricing with the Plan’s auditors for review and audit. The audit will also include a targeted sample selected from a comprehensive analysis of all claims by the Plan’s audit vendor.

An audit plan will be provided prior to the initial quarterly audit that will define the ongoing Standard Audit timelines. Both the random claims sample and the targeted sample will be used to identify overpayments owed to the Plan. For purposes of Standard Audits, claims accuracy will be measured based on the following criteria:

- i. Financial Accuracy: Total dollar amount processed accurately divided by the total dollar amount processed in the audit sample. The total dollar amount processed accurately is calculated by subtracting the absolute values of the dollars processed in error from the total dollars processed. Underpayments and overpayments are not offset by one another.
- ii. Payment Accuracy: The number of claims with the correct benefit dollars paid divided by the total number of claims paid in the audit sample.

iii. Processing Accuracy: The number of claims processed with no procedural errors divided by the total number of claims processed.

For purposes of the above definitions, if Vendor has identified and recovered an overpayment or processed an underpayment prior to the audit, it is not an error. If Vendor has identified but not recovered the overpayment or processed the underpayment, it is an error.

Confirm Does Not Confirm

b. Vendor will, in addition to supporting ongoing quarterly claims accuracy audits, support Focus Audits, such as, but not limited to, coordination of benefits (COB) audits, duplicate claims audits, eligibility audits, and comprehensive electronic audits conducted by the Plan's auditor vendor on an as needed basis. All the rules outlined in Section 5.1.9.a above will apply to these audits.

Confirm Does Not Confirm

c. Vendor's recovery processes will follow all deposit and financial reporting requirements outlined in Section 5.2.2, Finance and Banking.

Confirm Does Not Confirm

d. Vendor will recover any overpayments to Providers by offsetting future payments or by demand without any limitation as to time since the Plan as a government payor is not subject to the two-year limitation established in N.C.G.S. § 58-3-225(h).

Confirm Does Not Confirm

e. Vendor will support the Plan's participation in the North Carolina Debt Setoff Program (North Carolina General Statutes, Chapter 105A, Article 1), the Retirement/Disability Offset Program (N.C.G.S. §§ 135-9(b), 128-31, 120-4.29), Wage Garnishment (N.C.G.S. § 135-48.37A), and Credit Card Intercepts (N.C.G.S. § 1- 359) and implement an accounts receivable collection process as outlined under the North Carolina Office of State Controller, Statewide Accounts Receivable Program. Refer to Exhibit 10, "State Health Plan Recovery Workflows."

Confirm Does Not Confirm

f. Vendor will ensure the Plan's compliance with all federal and state regulations not otherwise stated previously (i.e., prompt pay, mental health parity, disclosures, reporting, etc.).

Confirm Does Not Confirm

g. Vendor has an investigation or similar unit to investigate possible fraud and abuse and will share details about specific investigations that impact the Plan, including the names of the providers involved.

Confirm Does Not Confirm

5.1.10 Initial Implementation and Ongoing Testing Minimum Requirements

a. Vendor will have a fully assembled implementation team that includes the appropriate subject matter experts, ready to begin work within two (2) weeks of contract award. The team shall include an overall implementation manager and separate implementation resources for, at a minimum, each of the following work streams:

- i. Group Set-Up & Enrollment
- ii. Plan Vendor Integration & EDI, which includes:
 - 1) EES vendor Integration. (EDI, PCP Tool, SSOs, Audits)
 - 2) PBM vendor Integration. (Data files, SSOs, Accumulators)
 - 3) Billing vendor Integration. (Claims hold, Audits)
 - 4) Plan Data Warehouse Integration. (Data files)
- iii. Network Evaluation

Other workstreams will kick-off throughout 2023.

Confirm Does Not Confirm

b. Vendor will have the depository bank account(s) setup and tested at least 45 days prior to January 1, 2025.

Confirm Does Not Confirm

c. If applicable, Vendor will have the disbursement account(s) setup and tested at least 30 days prior to January 1, 2025.

Confirm Does Not Confirm

d. Vendor will have all services, including custom programs, operational by January 1, 2025.

Confirm Does Not Confirm

e. Vendor will work with the Plan to document in an ADM all custom processes developed to meet the Plan's unique requirements. The Plan's Contract Administrator for day-to-day activities is authorized to sign ADMs for the Plan.

Confirm Does Not Confirm

f. Vendor will work with the Plan to finalize Vendor Audit Schedule for 2025 and subsequent years. This Audit Schedule will be updated via ADM. The Plan's Contract Administrator for day-to-day activities is authorized to sign ADMs for the Plan.

Confirm Does Not Confirm

- g. For all technical components of the initial implementation as well as any implementations throughout the lifetime of the Contract, Vendor will develop functional requirements documents, Implementation Plans, Test Plans, Deployment Plans, and Close-Out Documentation derived from the Plan's Business Requirements. These documents must be mutually agreed upon by Vendor, the Plan, and any impacted Plan vendor. The Plan's Contract Administrator for day-to-day activities is authorized to sign these documents for the Plan.

Confirm

Does Not Confirm

- h. Vendor will support both Unit Testing and End-to-End Testing prior to Go-Live of any initiative. To support testing, Vendor must not only have the resources, but also the test environments, necessary to support multiple work streams at one time. As mentioned above, the Test Plan will be mutually agreed upon by Vendor, the Plan, and impacted Plan vendors. The Plan's Contract Administrator for day-to-day activities is authorized to sign these documents for the Plan.

Confirm

Does Not Confirm

- i. Vendor will support the 2025 Open Enrollment, which is currently scheduled for October 2024 but may be rescheduled to a different time at the Plan's sole discretion. Vendor must have the group set-up complete, the call center open, any required SSOs in place, the PCP selection tool integrated with the Plan's EES vendor and be able to accept EDI from Plan vendors during the month Open Enrollment occurs.

Confirm

Does Not Confirm

5.1.11 Reporting Minimum Requirement

- a. Vendor will agree to delivering the Standard Reports as described in Section 5.2.11.2.b.viii.2) – xvii.3), and based on the delivery schedule in Exhibit 11, "Standard Reports."

Confirm

Does Not Confirm