CONNECTICUT HEALTH INSURANCE EXCHANGE

Request for Information

To qualified vendors capable of supporting the business processes of the Connecticut Health Insurance Exchange

March 9, 2012

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Scope of Work

SECTION I: INTRODUCTION

The Connecticut Health Insurance Exchange (Exchange) – established pursuant to Public Act 11-53 – is issuing this Request for Information (RFI) to qualified vendors capable of supporting the information technology and business processes of the Exchange. This RFI seeks information from vendors with solutions that will facilitate the purchase of insurance by individuals and small employers, as well as assist the Exchange in meeting its myriad responsibilities pursuant to the Patient Protection and Affordable Care Act (ACA) and subsequent federal regulations, guidance and bulletins.

Responses to this RFI are non-binding and are for informational purposes only. We may invite select vendors to participate in web-based demonstrations or in-person reviews to better understand the proposed solution, the organization, and the relevant experience of select respondents.

We are also interested in understanding estimated costs associated with providing the services. However, this RFI does not commit the Exchange to any purchases, nor does it in any way bind the responder with regard to any cost estimates included in the response.

The Exchange is not responsible for any vendor costs incurred in responding to this RFI.

SECTION II: BACKGROUND

In March 2010, the ACA was enacted by Congress and signed into law by the President. The ACA creates an opportunity to transform the health insurance marketplace so that all Americans are offered quality, affordable health coverage. The law mandates the creation of state-based Health Benefit Exchanges (Exchange) that will allow consumers to access and evaluate health plans, apply for publicly-subsidized health coverage (e.g., Medicaid, the Children's Health Insurance Program (CHIP), and subsidized commercial insurance through the Exchange), and enroll in a health plan that best meets their needs.

Exchanges are organized marketplaces designed to help consumers and small employers purchase health insurance in a way that permits easy comparison of qualified health plans (QHPs) based on price, benefits and quality. Health Benefit Exchanges are intended to promote efficient and competitive marketplaces that facilitate the purchase of QHPs by individuals – through the American Health Benefit Exchange (AHBE) – and by employees of small employers – through the Small Business Health Options Program (SHOP) Exchange.

Integrating eligibility determination and enrollment processes for publicly-subsidized health coverage programs and providing seamless coordination between the Exchange, Medicaid and the Children's Health Insurance Program (the state's CHIP program, which is known as HUSKY in Connecticut) will be

critical to providing a "one-stop shop" for health coverage for hundreds of thousands of Connecticut residents starting in late 2013. Individuals will be able to supply a limited amount of information to determine whether they are eligible for coverage under any of the state's publicly-subsidized health coverage programs.

In 2011, an estimated 365,000 Connecticut residents lacked health coverage. Many of these residents will likely be eligible for subsidized health insurance, either through the expansion of Medicaid or through the Connecticut Exchange.

The successful establishment and operation of the Exchange will likely determine whether the ACA meets its goal of extending coverage to the uninsured and underinsured. Non-elderly individuals with income up to 133 percent[1] of the federal poverty level (FPL), based on the applicant's Modified Adjusted Gross Income (MAGI), will be eligible for expanded Medicaid. Through the Exchange, lower and middle-income individuals with MAGI up to 400 percent FPL who are not offered affordable employer-sponsored insurance and who are not eligible for Medicaid or Medicare may be eligible for subsidized commercial health insurance, with limits on point-of-service cost sharing and caps on out-of-pocket expenses, through the Exchange. Small employers with lower-wage workers that provide employer-sponsored insurance purchased through the Exchange may be eligible for premium subsidies for up to two (2) years.

Systems and processes must be in place by mid-2013 to support these programs. We recognize the need to move quickly in designing and establishing an Exchange that works best for Connecticut residents and businesses. This RFI is an important part of our design process, and we plan on using information received in response to this RFI to support the development and operation of a fully functioning, consumer-centric Exchange for Connecticut.

SECTION III: SCOPE

This RFI seeks information from vendors with information technology and business processes that will facilitate the purchase of insurance by individuals and employers, as well as support the Exchange in meeting its myriad responsibilities pursuant to the ACA and subsequent federal regulations, guidance and bulletins. Connecticut is most interested in obtaining information on information technology and business processes that support the following functions:

1) Eligibility Determination for Publicly-Subsidized Coverage
2) Management of Qualified Health Plans
3) Premium Development, Calculation of Advance Premium Tax Credits, and Reduced Cost Sharing

1 The ACA provides for a 5% income disregard, which effectively increases the income eligibility for Medicaid to 138% FPL.

4) Consumer Decision Support Tools
5) Enrollment
6) SHOP Exchange
7) Appeals
8) Broker/Navigator Relationship Management
9) Marketing and Outreach
10) Customer Service & Account Management
11) Financial Management/Reporting
12) Cost Estimate

Listed below is a brief description of each of the key functions for which information is requested. Vendors are encouraged to identify additional functionality or services that they feel would be beneficial to the Connecticut Exchange. Connecticut is most interested in receiving responses from vendors that can provide the full array of services, including the use of subcontractors as needed. However, vendors not able to offer a complete "solution," with or without the use of subcontractors, may submit information that addresses a subset of the functions described below.

Eligibility Determination

The ACA directs states to establish a single application/entry point to enable individuals and families to submit information to determine eligibility for Medicaid, HUSKY, the Exchange, and any other publicly-subsidized health coverage program. The intent of the law is to provide legal residents with a "no wrong door" approach that allows an individual or family to supply a limited amount of information so that they may determine whether they are eligible for subsidized health coverage through these programs.

While Connecticut is considering modifications to its existing Medicaid eligibility system, which may be leveraged by the Exchange, through this RFI we are seeking information from respondents with regard to a stand-alone eligibility system that may be used by the Exchange to adjudicated eligibility based on MAGI and the associated eligibility criteria pursuant to the requirements of the ACA. Respondents should describe how their proposed solution can fulfill this function. Respondents should describe how their solution can be used not only by the Exchange, but also how the proposed solution may be used to determine MAGI-based eligibility for the state's Medicaid and CHIP programs, and interface with the federal data services hub.

Management of Qualified Health Plans

The Qualified Health Plans (QHP) function supports the Exchange's assessment of QHP's, including, but not limited to, the QHP's actuarial value, benefit design, coverage of essential health benefits, and cost and quality metrics. This function is used by the Exchange to certify, recertify and decertify QHPs. Responders should describe how to achieve this functionality, including functionality that allows the Exchange to track health plan cost and quality metrics.

Responders should also discuss their capability to coordinate QHP certification, recertification and decertification processes with the Connecticut Insurance Department (CID) and how their solution may interface with the National Association of Insurance Commissioner's (NAIC) System for Electronic Rate and Form Filing (SERFF).

Premium Development, Calculation of Advance Premium Tax Credits and Reduced Cost Sharing

The Premium Development, Calculation of Advance Premium Tax Credits and Reduced Cost Sharing function generates rates for the QHPs, identifies the second lowest cost "Silver" level plan in order to determine the applicant's advance premium tax credit, applies the tax credit, and displays premiums – the applicant's share and the federal government's share – for all QHPs available to the applicant. This function should also determine whether a member is eligible for reduced cost sharing, and if so, inform the applicant of the health plans for which reduced cost sharing is available, and display the applicable QHPs to the applicant.

Consumer Decision Support Tools

The Consumer Decision Support Tools function should provide potential enrollees in the Exchange with information and resources to help them make an informed decision regarding the selection of a QHP. This function facilitates the comparison of products or services by allowing an applicant to enter information and personal preferences to compare different QHPs prior to enrollment. The information provided must include, at a minimum: QHP benefits, premiums, cost sharing, carrier information, and provider networks. The Exchange Web site, call center, and walk-in center and other resources should be structured so that consumers are able to compare qualified health plans, narrow their choices, and select a plan that best meets their needs.

Respondents should elaborate on the ability of their solution to assist the applicant in understanding their options and choosing among available QHPs, and how the proposed solution would guide the applicant through the shopping experience in a reliable, accurate and consumer-friendly manner that supports efficient data entry (e.g., requiring the minimum amount of data and supporting documentation from the applicant) in as close to real-time as possible. Respondents should demonstrate their ability to assist a diverse population, some with limited English proficiency, many of whom will be purchasing health insurance for the first time.

Enrollment

The Enrollment function enables an applicant to enroll in a QHP, renew coverage, change QHPs during open enrollment periods and special enrollment periods, and terminate coverage. Responders should demonstrate how the proposed solution will be designed, configured and how it will execute the enrollment process; how it will incorporate the premium development, advance premium tax credits and reduced cost sharing, as well as the cost calculator; and how the proposed solution will manage open and special enrollment periods, and allow for consumer-centric shopping and QHP selection.

Responders should describe the interfaces with the eligibility system, the federal government and health insurers; data retention and records management; as well as how the proposed solution will support state and federal reporting requirements.

SHOP Exchange

The SHOP Exchange function will support the purchase of coverage by employers and employees, and support an "employee choice" purchasing model that offers employees the ability to select coverage from more than one health insurer and more than one QHP. Small employers will be eligible to participate in the Exchange if they meet certain criteria, including, but not limited to, the size of the group (i.e., number of employees), their location (i.e., Connecticut), eligibility of employees (e.g., hours worked, duration of employment), and (potentially) employer contribution and employee participation requirements. The Exchange will need to evaluate these and other criteria before allowing a small employer's employees to purchase qualified health plans through the Exchange. Respondents to this RFI should describe how their proposed solution supports these processes.

Certain small employers may be eligible for premium tax credits through the Exchange if they meet the wage-based criteria established by the ACA for tax credits. While the Connecticut Exchange will not determine an employer's eligibility for premium tax credits in the same way it will determine individuals' and families' eligibility for advance premium tax credits, the SHOP Exchange function should provide information and resources to help employers apply for tax credits.

The SHOP Exchange function must verify the eligibility of employers and employees, apply the employer contribution, provide information on the applicable QHPs available to employees, display the employee's and the employer's share of the premium (as well as limit employees' access to the employer's share of the premium, if applicable), and enroll employees in coverage. Post-enrollment, this function must aggregate premiums across insurers and QHPs, provide employers with a single (list billed) invoice, process premium billing, collection and remittance, communicate with employers and employees, and facilitate the payment of premiums to QHP issuers. This function must also include a means to track and report broker and navigator activity, support broker and navigator compensation, and enable brokers and navigators to manage their accounts, if applicable.

Appeals

The Appeals function enables the lodging, recording and results of an appeal, and facilitates management of appeals related to QHP eligibility, employer liability, and individual mandate exemption applications. Responders should discuss the proposed solution's ability to track appeals, and determine the status of appeals, log any action taken on appeals, and generate correspondence or notifications to members regarding appeal status and resolution.

Broker/Navigator Relationship Management

The Broker/Navigator Relationship Management function supports the relationship between the Exchange and a broker or navigator, as well as the relationship between an insurer and a broker or navigator. This function provides for the transfer of knowledge to brokers and navigators regarding plans and services offered through the Exchange, and ensures brokers and navigators are certified or otherwise eligible to participate on the Exchange. Responders should include details on the proposed solution's ability to connect brokers and navigators to consumers, measure and monitor broker and navigator performance, facilitate broker and navigator quoting of QHPs, and manage broker and navigator compensation, as applicable.

Marketing and Outreach

The Marketing and Outreach function facilitates public awareness of QHPs, and ensures that Exchange stakeholders, including employers, employees, consumers, carriers, brokers and navigators are aware of the Exchange. Responders should demonstrate how the proposed solution can support the marketing and outreach program. Responders should describe how the solution would facilitate distribution of marketing materials, manage sales leads, and provide a means to measure and monitor marketing and outreach activities.

Customer Service & Account Management

The Customer Service & Account Management function supports the relationship between the Exchange and its customers and manages a record of customer activity. This function should include call tracking; responses to consumer inquiries; transmission of enrollment and premium information to insurers; and management of broker and navigator interactions with Exchange customers. Responders should discuss their ability to establish and operate a call center to support consumers, including consumers with limited English proficiency, and consumers with limited health insurance literacy.

Responders should discuss their approach to providing customer service and account management to families that may have members enrolled in or eligible for different publicly-subsidized health coverage programs. Because some Connecticut families will have family members enrolled in or eligible for HUSKY, Medicaid and the Exchange, providing comprehensive consumer assistance to these families will require coordination across multiple entities/agencies. In addition, during the course of the year, individuals and families enrolled in the Exchange may become eligible for Medicaid and/or HUSKY, and vice versa. Providing assistance to these residents will be important to minimize any gaps in coverage that may occur during the transition between programs.

Financial Management / Reporting

The Financial Management / Reporting function provides overall financial management for the Exchange, generates financial reports, and delivers these reports to the Exchange. This function accounts for all financial transactions, assets and liabilities. Beyond the general budgeting, accounting and reporting needs of the Exchange, this function accounts for premium revenues collected by the Exchange and reconciles those revenues with payment obligations to carriers, brokers and navigators, as applicable. Responders should describe how the proposed solution provides for full transparency with federal, state and Exchange accounting requirements, cost allocation between the Exchange and other public programs (e.g., Medicaid, HUSKY), auditing, and financial reporting as directed by the Center for Consumer Information and Insurance Oversight (CCIIO), other federal agencies, and the state. The proposed solution should provide for Exchange users to access reports through multiple access points and mediums (e.g., Web, e-mail, hard copy).

Cost Estimate

In addition to a discussion of a solution to support the operations of the Connecticut Exchange, responders should include cost estimates for providing the technology and services to support an Exchange. As part of your submission, cost information must address the following:

1. Complete operational and implementation cost details.
2. Whether the solution must be purchased or licensed.
3. System requirements for hosting the proposed solution, if applicable.
4. Estimated pricing model to purchase, implement, and operate the proposed solution, including unit costs based on key variables such as data users, number of enrollees, number of QHPs and QHP issuers, interfaces, and other factors that will have a material effect on the cost estimate.
5. Document all assumptions underlying the cost estimate.

MINIMUM REQUIREMENTS FOR RESPONDENTS

The Connecticut Exchange expects vendors to demonstrate the following:

- A thorough understanding of federal requirements of the ACA, particularly those pertaining to the operations of the Exchange, as well as the requirements and specifications discussed in relevant federal rules, business requirements, IT standards, and bulletins issued through February 2012.
- Substantial effort on the part of responders in developing a comprehensive view of Exchange operations that includes, at a minimum, the functions described above.
- Proven organizational capacity and experience to deliver the resources, systems and services required by the Exchange.

- An understanding of the cost of implementing a state-based Exchange in Connecticut.

Interested entities should consider the following:

- What combination of resources, systems and services could the responder provide to meet the operational requirements of the Exchange?
- What are the roles envisioned for entities other than the responder, including health insurers, state and local government agencies, federal agencies and IT systems operated by these entities?
- With respect to information technology, how does the responder's solution address the federal guidance and requirements regarding technical architecture, adoption of standards, security, privacy and other global technical objectives?
- How does the responder's solution ensure seamless coordination and integration between the Exchange, the state's Medicaid program and HUSKY?
- What deployment steps and timing would be required to implement a fully operational Exchange in accordance with the federally mandated timelines?

RFI Process

SECTION I: TIMELINE FOR THIS RFI RESPONSE

Due to the aggressive timelines for Exchange implementation required by the ACA, responders that provide a comprehensive, integrated approach to all of the functions of the Exchange will be of greatest interest. Should responders need to create a team of resources from more than one entity to address the functions discussed above, the Connecticut Exchange encourages them to do so. Subcontractors may participate, but they must be explicitly identified and only responses from prime vendors will be considered.

- Vendors intending to respond should email their intent and contact information to the Exchange point of contact (listed below) no later than 5:00 p.m. Eastern Time, Friday, March 16, 2012.
- Questions or requests for clarification should be submitted via email to the contact listed below no later than 5:00 p.m. Eastern Time, Wednesday, March 21, 2012.
- Any updates to this RFI will be communicated directly to vendors that express intent to respond.
- Vendor responses are due no later than 5:00 p.m. Eastern Time, Friday, March 30, 2012.

To learn more about Connecticut's Exchange planning efforts, responders are encouraged to visit the Exchange Web site at (http://www.healthreform.ct.gov/ohri/cwp/view.asp?a=2742&q=333530).

SECTION II: SUBMISSION REQUIREMENTS

Submission Format Requirements

The Response must include the following components:

- Cover Letter (max 2 pages)
- Narrative Response Overview (max 3 pages)
  - In the functional description - indicate what is in production vs. planned
- Narrative Response that addresses each Functional Area (3 pages each, max 30 pages)
- Implementation timeline and Key Milestones/Deliverables
- Qualifications (max 10 pages)
  - Vendor Qualifications
  - Personnel Resumes or Biographical Statements
  - References
  - Subcontractors
- Proposal Pricing
- Appendix
  - Visual representation of the proposed solution
  - Workflows of each component of the proposed solution
  - Screenshots of proposed solutions
  - Additional documentation as necessary

Responses should be in PDF format and must be sent to the Exchange point of contact:

Amy Tibor
Planning Associate
Health Insurance Exchange
State of Connecticut
450 Capitol Avenue, MS# 52HIE
Hartford, Connecticut 06106-I379
Amy.tibor@ct.gov
(860) 418-6349 (phone)
(860) 418-6495 (fax)

Include a single electronic media (e. g., USB drive or CD-ROM) with five (5) copies of the printed response.

Pricing Format

Please describe how you typically price your services (e.g. Business Model) and how you are proposing to price your services to meet the Connecticut Exchange's needs (Pricing Model).

The Proposal Pricing section should contain:

1) Business Model
2) Pricing Model

Please identify:

- Staffing, skill levels and associated rates
- Implementation costs and operations costs
- Licenses and maintenance costs
- Base prices and variable prices