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AGENDA ITEM

Action Item

Information Only

Date: July 23, 2020

Item Number: VIII

Title: Results of Request For Information (RFI)

BACKGROUND

At the January 23, 2020 PEBP Board meeting, the Board approved further analysis on a variety of possible enhancement requests, including an independent actuarial review and a possible eligibility enrollment system replacement. Request For Information (RFI) were posted for both services and PEBP received responses from multiple vendors.

REPORT

ACTUARIAL REVIEW

The request for Actuarial Review services was one of the budget enhancement requests received from the advocate groups. The intent of the review is to provide independent verification of the actuarial services provided by Aon to PEBP. In order to have a better understanding of the cost for this type of service, and to include it as a budget enhancement, PEBP solicited an RFI and received responses from Wakely Consulting Group, Diamond Consulting Group and The Segal Group.

Although the cost proposals provided by each of the vendors varied somewhat in scope and are only high-level estimates based on the level of detail and services PEBP would choose to utilize, the proposals came in very similarly priced overall, at approximately \$100,000.

ELIGIBILITY AND ENROLLMENT SYSTEM

In January, staff proposed an RFI for an eligibility and enrollment system as a necessary step should the Board should choose to cancel Morneau Shepell's two-year amendment. At the May 28th Board meeting, the Board did vote to cancel the amendment and directed staff to proceed with a competitive solicitation. Staff has since developed a Request For Proposal (RFP) and the

solicitation is currently underway. Because of the active status of this solicitation, only the following high-level updates for the corresponding RFI are being presented:

- 8 responses were received
- The complex nature of PEBP's eligibility and enrollment system and PEBP plan rules present a significant degree of difficulty for vendors to be able to accurately price a system absent a discovery phase and much more detail than can be provided in an RFI. As expected, vendors presented cost solutions that varied significantly from one to another. Some presented higher PMPM fees with no up-front implementation costs and others presented the inverse as well as variations of the two.

CONCLUSION

Unfortunately, the pandemic has changed the economic landscape of the state since the PEBP Board was presented with possible program enhancements in January. Although no formal guidance on Fiscal Year 22/23 has been provided to date, PEBP does not anticipate any enhancements being incorporated into the agencies FY22/23 budget.