

STATE OF ALASKA

Department of Administration
Division of Risk Management



Workers Compensation Third Party Administrator

RFP# 2024-0200-0359 / 02-132-24

Amendment One

June 24, 2024

This amendment is being issued *for questions and answers*

Important Note to Offerors: You must sign and return this page of the amendment document with your proposal. Failure to do so may result in the rejection of your proposal. Only the RFP terms and conditions referenced in this amendment are being changed. All other terms and conditions of the RFP remain the same.

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COMPANY SUBMITTING PROPOSAL

AUTHORIZED SIGNATURE

DATE

Questions submitted by potential offerors and answers from the state:

Question 1: Claims Data - To provide accurate and competitive pricing, we ask if the State can provide detailed Workers' Compensation claims data 01/01/2016 thru 06/01/2024. This loss data (MS Excel data is needed) should include but not be limited to:

- a. Dates: Loss Date, Report Date, Close Date, Coverage Year / Calendar Year
- b. Claim Status: Open, Closed, Re-Opened
- c. Litigation: Yes or No data
- d. Employee: Job Description / Class Code / Department
- e. Claim Type: Lost Time, Medical-Only, Incident/Report Only
- f. Expenses:
 - i. [1] Reserves, [2] Paid, [3] Total Incurred for the following columns:
 - o (a) Indemnity, (b) Medical, (c) Legal, (d) Other, and (e) Total Incurred

Answer: See Attachment A – Workers Comp Claims 01.01.16 – 06.01.24

Question 2: Claims Data - How many open indemnity claims effective 06.01.2024?

Answer: 382 as of June 1, 2024

Question 3: Claims Data - How many open medical-only open effective 06.01.2024?

Answer: 300 as of June 1, 2024

Question 4: Claims Data - How many of Alaska's indemnity claims pre-date 2016?

Answer: 144

Question 5: Claims Data - Are there any open claims that are still "paper" files?

Answer: No

Question 6: Claims Data - Are all open indemnity claims currently "digitized"?

Answer: Yes

Question 7: Claims Data - Does the State still have its own RMIS system (ex. Origami)?

Answer: Yes, we are currently using Riskconnect

Question 8: Claims Data - Does incumbent Penser administrate Alaska's claims within the State's RMIS?

Answer: Yes

Question 9: Claims Data - If yes to the TPA utilizing Alaska's RMIS for claims administration, is access 24/7?

Answer: Yes, with the exception of preplanned closures for updates for which Riskconnect gives advanced notice.

Question 10: Claims Data - Does incumbent Penser administrate Alaska's claims within their own RMIS and then transfer data to the State's RMIS?

Answer: No

Question 11: Claims Data - If yes to data transfer, what is the data transfer frequency (real-time / daily / other)?

Answer: N/A (See question 10)

Question 12: Claims Data - How many "banker boxes" of claims files and other claims content will the next TPA be the custodian of under the next service agreement?

Answer: None

Question 13: Client Services - Will the State allow remoted claims administration review meetings?

Answer: Yes

Question 14: Client Services - What is the State's current claims review meeting schedule (ex. quarterly/monthly)?

Answer: Monthly, typically there are status update meetings and not always claims review meetings in the typical definition.

Question 15: Client Services - In addition to regularly scheduled claims review meetings, approximately how many additional administrative meetings does the State require from its TPA partner?

Answer: Annual in-person meetings.

Question 16: Incumbent - Please provide the in-force contract / current addendum for WC claims administration and medical management services.

Answer: A request for public records is required to receive this information. All public records request must be in writing and emailed to doa.oppm.procurement@alaska.gov.

Question 17: Incumbent - Will all open claims from all prior years be transferred to a new claims administrator?

Answer: Yes

Question 18: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred)

- a) Does the State utilize the incumbent's nurse case managers or a separate vendor?
- b) What is the average number of annual telephonic nurse case manager assignments per year for the past three years?
- c) What is the average number of annual field nurse case manager assignments for the past three years?

Answer: a) Separate vendor
b) Not tracked
c) Not tracked

Question 19: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred) - If there is no NCM detail, what was the State's annual spend for Nurse Case Management 01/01/2021 thru 12/31/2023 broken down between telephonic and field assignments?

Answer: Not tracked

Question 20: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred) - Does the State utilize the incumbent's PBM services or a separate vendor?

Answer: Separate vendor

Question 21: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred) - May we have three years of PBM data? For preferred pricing and an annual flat annual rate option, we ask for detail to include <in order of priority>:

- Number of bills
- Total paid
- Total Savings
- What percentage of pharmacy is through mail order

- Annual aggregate incurred totals
- Gross Savings
- Net Savings

Answer: See Attachment B – PBM Data

Question 22: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred) - Does the State utilize the incumbent's Bill Review services or a separate vendor?

Answer: Separate vendor

Question 23: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred) - May we have three years of Bill Review data? For preferred pricing and an annual flat annual rate option, we ask for detail to include <in order of priority>:

- Total billed charges
- Total fee schedule/UCR savings
- Total PPO reductions

- Gross Savings
- Net Savings
- Total out of network/specialty review reductions

Answer: See Attachment C – Bill Review Savings & Fee Report 12.20.21 – 04.24.24

Question 24: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred) - Does the State utilize the incumbent's Utilization Review services or a separate vendor?

Answer: Separate vendor

Question 25: Bill Review, Managed Care, and Subro Data (MS Excel date is preferred) - May we have three years of Utilization Review data? For preferred pricing and an annual flat annual rate option, we ask for detail to include <in order of priority>:

- Total number of RFAs annually for the past 3 years
- Total number of adjuster approvals for the past 3 years

- Total number of nurse reviews for the past 3 years

- Total number of peer reviews for the past 3 years
- Gross Savings
- Net Savings

Answer: Not tracked

Question 26: What have been the State’s annual subrogation recoveries 01/01/2019 thru 12/31/2023 (MS Excel data is preferred)

Answer: See Attachment D – Subrogation Payments 2019 – 2023

Year	Subrogation total
2019	\$ 123,678.13
2020	\$ 56,015.22
2021	\$ 43,353.51
2022	\$ 239,288.10
2023	\$ 57,458.78

Question 27: What is the incumbent’s percentage of saving “fee” for subrogation, and is there a maximum cap?

Answer: There is no fee for subrogation work from the incumbent. Every item of workers’ comp adjustment, including subrogation, is built into the annual contract amount and billed monthly.

Question 28: What are the biggest contributing factors regarding the State’s experiencing a dramatic 10-year decrease in reported indemnity and medical-only claims?

Answer: The division is exploring the factors for increases or decreases in indemnity and medical-only claims and that information is not currently available.

Question 29: I know of changes in Alaska law and rules but curious if other changes are amplifying this positive direction. What have been the primary drivers of the massive reduction in frequency and severity of claims since 2013?

Answer: Answer not available. Additional research needs to be completed.

Question 30: Do you think that this reduced frequency and severity of new claims will continue or start to plateau for 2024 going into 2025?

Answer: Unknown
