



STATE OF HAWAII
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

P.O. BOX 2121
HONOLULU, HAWAII 96805-2121
Oahu (808) 586-7390
Toll Free 1(800) 295-0089
www.eutf.hawaii.gov

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ADMINISTRATOR
SANDRA L. YAHIRO

April 23, 2014

ADDENDUM 1

TO

REQUEST FOR PROPOSALS

NO. 14-005

SEALED OFFERS FOR

VISION BENEFITS

1. Please provide historical vision claim data with services identified by procedure code and/or any available claim summaries by procedure type/category.

ANSWER: Not available.

2. Which VSP network has been historically utilized for the vision coverage?

ANSWER: Signature Network.

3. Please clarify what "Stand Alone" refers to in the Plan Description on census (e.g. "HSTA VB Vision – Stand Alone")

ANSWER: Employees can choose stand-alone vision benefits without medical coverage.

4. Please confirm that current dental and vision plans are non-participating. If there is currently a risk sharing arrangement in place, please describe it.

ANSWER: Both benefits have one-way (surplus refunding with no deficit collection) participating contracts. The vendors guarantee a maximum retention percentage and any premium surpluses above the claims plus guaranteed retention gets refunded at the end of the year. The monthly premium is the maximum exposure to the EUTF.

5. What is the percentage of vision claims currently paid in network?

ANSWER: The claim file has been included which provides the provider information.

6. Are lenticular lenses, progressives, and polycarbonates (for adults and/or children) obtained out-of-network covered by the vision program? If so, please provide maximum reimbursement amounts.

ANSWER: Out-of-Network reimbursement amounts are as follows:

Exam	Up to \$45.00
Single Vision Lenses	Up to \$45.00
Lined Bifocal Lenses	Up to \$65.00
Lined Trifocal Lenses	Up to \$85.00
Frame	Up to \$47.00
Contacts	Up to \$105.00

7. Please confirm if the vision plan currently offers a discount for polycarbonate lenses for adults and for progressive lenses.

ANSWER: Polycarbonate lenses are covered for dependent children up to age 18. Average 35-40% savings on all non-covered lens options (such as tints, progressive lenses, anti-scratch coatings, etc.).

8. Are there any additional discounts or reimbursement available for UV protection, anti-reflective and scratch-resistant coatings, photochromics and tints under the vision plan?

ANSWER: Average 35-40% savings on all non-covered lens options (such as tints, progressive lenses, anti-scratch coatings, etc.). UV coating is covered at no extra charge. Please see updated Section 5, Plan Comparison Summary.

9. Please confirm if 3 ring binders are acceptable for the requested Ten (10) hard copies of the proposal. Each copy shall be marked, "Copy ___ of 10." Copies may be bound and double sided. (This is listed on page 6 of the State of Hawaii Life.pdf RFP)

ANSWER: Confirmed.

10. Please confirm that the questionnaire in Word is the only document to be included on the "Twelve (12) electronic copies (on 12 CDs) of the proposal. Electronic copies of the proposals shall be submitted in Word format for the completed proposal sheets and Word format for the questions." (This is listed on page 6 of the State of Hawaii Life.pdf RFP)

ANSWER: No. The offeror's full proposal should be included on the (12) electronic copies (PDF permitted). The fee quotation forms and questionnaires should be also included on the CDs as a separate file in Word format.

11. Please confirm the need to maintain auto insurance as described in the RFP as auto insurance does not traditionally factor into the administration of insurance and benefits. (This is listed on page 13 of the State of Hawaii Life.pdf RFP)

ANSWER: Auto insurance, at the coverage levels described, is required.

12. We standardly use read/write protected CDs for our proposals. Are you requesting that the questionnaire is returned on CDs that can be modified based on this request "DO NOT PDF or otherwise protect the CD?" (This is listed on page 12 of the State of Hawaii Life.pdf RFP)

ANSWER No. We would like the proposal to be submitted on a CD in which we are able to able open and view the files. We do not need to be able to edit the files that you send us on CD.

Changes are made to the following:

- Section V, Plan Comparison Summary
- Section X, Exhibit D, Contract Form and General Conditions

Section V, Plan Comparison Summary, REPLACE with the following:

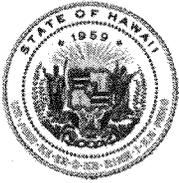
PLAN COMPARISON SUMMARY

Please refer to the evidence of coverage in Exhibit E for a full description of benefits. All proposals should match current benefits. Please note any deviations only if you cannot match the current benefits. Unless noted, it will be assumed that proposed benefits match the requested benefits exactly.

VISION PLAN		
	Current/VSP In-Network	Proposed
Vision Exam (Once every plan year)	\$10 co-pay	
Prescription Glasses	\$25 co-pay	
Lenses (Once every plan year)	Single vision, lined bifocal and lined trifocal lenses Polycarbonate lenses for dependent children up to age 18	
Frame (Once every other plan year)	\$120 allowance	
	20% off any out-of-pocket costs	
Contact Lenses (Once every plan year) –	In lieu of lenses and frame	
	\$120 allowance for contacts and the contact lens exam (fitting & evaluation)	

VISION PLAN		
Extra Discount and Savings	Current VSP	Proposed
Glasses and Sunglasses	Average 35-40% savings on lens options like progressives and scratch-resistant and anti-reflective coatings. UV protection for prescription glasses covered at no charge.	
	20% off additional glasses and sunglasses	
Contacts	15% off cost of contact lens exam (fitting and evaluation)	
Laser Vision Correction	Average 15% off the regular price or 5% off the promotional price from contracted facilities	
Out-of-Network Reimbursement Amounts	Current VSP	Proposed
Exam	Up to \$45.00	
Single Vision Lenses	Up to \$45.00	
Lined Bifocal Lenses	Up to \$65.00	
Lined Trifocal Lenses	Up to \$85.00	
Frame	Up to \$47.00	
Contacts	Up to \$105.00	

Section X, Exhibit D, Contract Form and General Conditions INSERT the following:



STATE OF HAWAII
CONTRACT FOR GOODS OR SERVICES
BASED UPON
COMPETITIVE SEALED PROPOSALS

This Contract, executed on the respective dates indicated below, is effective as of
between
State of Hawaii ("STATE"), by its
(hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
whose address is
and
("CONTRACTOR"), a
under the laws of the State of
whose business address and federal
and state taxpayer identification numbers are as follows:

RECITALS

- A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services or both.
B. The STATE has issued a request for competitive sealed proposals, and has received and reviewed proposals submitted in response to the request.
C. The solicitation for proposals and the selection of the CONTRACTOR were made in accordance with section 103D-303, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 6, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").
D. The CONTRACTOR has been identified as the responsible and responsive offeror whose proposal is the most advantageous for the STATE, taking into consideration price and the evaluation factors set forth in the request.
E. Pursuant to, the STATE is authorized to enter into this Contract.
F. Money is available to fund this Contract pursuant to:

(1)
(Identify state sources)
or (2)
(Identify federal sources)
or both, in the following amounts: State \$
Federal \$

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:
1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the request for competitive sealed proposals number ("RFP") and the CONTRACTOR'S accepted proposal ("Proposal"), both of which, even if not physically attached to this Contract, are made a part of this Contract.
2. Compensation. The CONTRACTOR shall be compensated for goods supplied

or services performed, or both, under this Contract in a total amount not to exceed

_____ DOLLARS

(\$ _____), including approved costs incurred and taxes, at the time and in the manner set forth in the RFP and CONTRACTOR'S Proposal.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR is required to provide or is not required to provide: a performance bond, a payment bond, a performance and payment bond in the amount of _____ DOLLARS (\$ _____).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the RFP, including all attachments and addenda; and (3) the Proposal.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of _____ DOLLARS (\$ _____) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE

(Signature)

(Print Name)

(Print Title)

(Date)

CONTRACTOR

(Name of Contractor)

(Signature)

(Print Name)

(Print Title)

(Date)

CORPORATE SEAL
(If available)

APPROVED AS TO FORM:

Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared _____ and _____, to me known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are _____ and _____ of _____, the CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: _____

Notary Name: _____ Circuit _____

Doc. Description: _____

(Notary Stamp or Seal)

Notary Signature Date

NOTARY CERTIFICATION



STATE OF HAWAII
CONTRACTOR'S
STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of _____, CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR is* is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

CONTRACTOR

By _____
(Signature)

Print Name _____

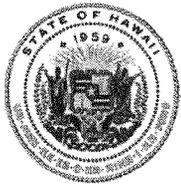
Print Title _____

Name of Contractor _____

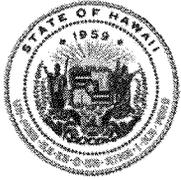
Date _____



STATE OF HAWAII
SCOPE OF SERVICES



STATE OF HAWAII
COMPENSATION AND PAYMENT SCHEDULE



STATE OF HAWAII
TIME OF PERFORMANCE



STATE OF HAWAII

CERTIFICATE OF EXEMPTION FROM CIVIL SERVICE

1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development (“DHRD”).*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)

(Date)

(Print Name)

(Print Title)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
(2) There is no employee-employer relationship; and
(3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to §76-16, HRS.

(Signature)

(Date)

(Print Name)

(Print Title, if designee of the Director of DHRD)

List of Attachments

- Attachment 1, Summary of Pre Proposal Conference

NEIL ABERCROMBIE
GOVERNOR



STATE OF HAWAII
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PRE-PROPOSAL CONFERENCE
FOR
REQUEST FOR PROPOSALS
NO. 14-005
VISION BENEFITS

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

TUESDAY, APRIL 8, 2014
1:45 PM (HST)

CITY FINANCIAL TOWER
201 MERCHANT STREET, SUITE 1520

- I. Introduction and Welcome
- II. Overview of RFP Process
 - a. Contract period
 - b. Schedule of significant dates
 - c. Communications with the EUTF
 - d. Submission of proposals
- III. Review of Requested Plan Design and Funding Arrangements
- IV. Review of Evaluation Process and Criteria and Points
 - a. Mandatory requirements
 - b. Plan comparison summaries and fee proposal forms
- V. Review of Attachments
 - a. Attachment 4, Confidential Information
 - b. Attachment 5, Exceptions
 - c. Attachment 6, Reference Information Questionnaire
 - d. Exhibit F, Performance Guarantees
- VI. Questions and Answers