



**STATE OF HAWAII**  
**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**

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**ADMINISTRATOR**  
SANDRA L. YAHIRO

February 11, 2014

ADDENDUM 2

TO

REQUEST FOR PROPOSALS

NO. 14-001

SEALED OFFERS FOR  
MEDICAL BENEFITS

**Due to recent amendments to Federal regulations, changes are made to the following (changes are underlined):**

- Section 1.4, Contact Period
- Section IV, Item 10, Active Part-Time and Temporary Employee Plan Administration
- Proposal Sheet #7A-1
- Proposal Sheet #9A-1

**Section 1.4 Contract Period, REPLACE with the following:**

**1.4 CONTRACT PERIOD**

The active employee plans are on a fiscal year term of July through June and the retiree plans are on a calendar year term. The term of any contracts resulting from this RFP, subject to approval by the State, shall be as follows: (All contract periods referenced throughout this RFP will be for these effective dates including proposal sheets)

- a. Active Employee Plans: (Including the Active Part-Time and Temporary Employee Plan)
  - i. First Contract Period – July 1, 2015 – June 30, 2016
  - ii. Optional Second Contract Period - July 1, 2016 - June 30, 2017

- iii. Optional Third Contract Period - July 1, 2017 - June 30, 2018
- b. Retiree Plans (Non-Medicare and Medicare):
  - i. First Contract Period – January 1, 2015 – December 31, 2015
  - ii. Optional Second Contract Period - January 1, 2016 – December 31, 2016
  - iii. Optional Third Contract Period - January 1, 2017 - December 31, 2017

**Section IV, Item 10, Active Part-Time and Temporary Employee Plan Administration, REPLACE with the following:**

10. Active Part-Time and Temporary Employee Plan Administration

Commencing July 1, 2015, the Employers participating in the EUTF, in order to comply with the requirements under the Patient Protection and Affordable Care Act (PPACA), will offer temporary and part-time employees the opportunity to enroll themselves and their dependent children to age 26 and optionally, the spouse of the employee, in the lowest cost plan of the EUTF (currently the 75%/25% PPO Plan and/or Kaiser Standard Plan) at the time of initial employment and during the annual open enrollment period. The premium will entirely be paid by the employee. The EUTF requires the services described below from the contractor for the 75%/25% plan and the Closed Plan Standard HMO plan. Separate rates will be developed for this group, and the experience for this group may not be applied against the experience of the EUTF plans. The rates for this group should be community rated and guaranteed for each of the contract periods of the active plan. The EUTF will not bear any of the expense of offering these plans. The premiums charged must be self supporting and the plan agreement must be structured as a group plan offered by the employer so as to prevent the employers from exposure to the penalties under PPACA, Section 4980(H)(a). *NOTE: OFFEROR is requested to offer a bid with and without including the spouse in the bid.*

Contractor shall:

- Conduct all open enrollment sessions
- Receive enrollment election form from the Employer
- Process enrollment and maintain database of enrolled employees and dependents
- Distribute all ID cards and enrollment material to the enrollee
- Provide full customer service with respect to questions from the participants with regard to eligibility, billing, claims and benefits
- Report enrollment to the individual employers and EUTF if required
- Send premium billing to participant and collect all premiums monthly
- Comply with all continuation requirements under COBRA and administer same for this group
- Send cancellation notices upon non-payment of premium
- Process any change of enrollment requests during the plan year due to the permitted addition or deletion of dependents as required under all applicable laws, including but not limited to HIPAA
- Separately account for the claim experience of this group in reporting to the EUTF

- Process terminations when reported by the individual employers
- Provide all federal and State required communication and information to the participants
- Provide written notification to the EUTF of any annual rate changes 120 days prior to the commencement of the EUTF annual open enrollment for Active Employee Plans subject to the rate maximum included in the response to this Request for Proposal.
- Include in the rates, all taxes, fees and all ACA fees as required under PPACA
- Perform all reporting to the federal and State agencies as required under PPACA and,
- Issue annual insurance certificates as required under PPACA in order for the participants to comply with the Individual Mandates under PPACA

**Proposal Sheet #7A-1 and Proposal Sheet #9A-1 REPLACE with the following:**

**Closed Panel HMO Standard Plan - Active Part-Time and Temporary Employees  
Premium Rate Table Fully Insured  
 Complete the following table on a monthly, per capita tiered basis *ONLY***

Closed Panel HMO Standard Plan	Contract Period 1 (7/1/15-6/30/16)		Contract Period 2 (7/1/16-6/30/17)		Contract Period 3 (7/1/17-6/30/18)	
	Employee and Dependent	Employee, Spouse and Dependent	Employee and Dependent	Employee, Spouse and Dependent	Employee and Dependent	Employee, Spouse and Dependent
<b>Total Premium*</b>						
Single						
Two-Party						
Family						
<b>ACA Fees to be Added to the Above Rate, Per Employee, Per Month</b>						
Patient-Centered Outcomes Research Institute (PCORI) Fee						
Reinsurer Fee						
Insurer Fee						

NOTES:

- (1) The EUTF reserves the right to offer multiple options.
- (2) No adjustments to the proposed rates based on actual initial enrollment or subsequent enrollment changes are acceptable.
- \* Offeror shall include all administrative services specified in Section IV of this RFP.

\_\_\_\_\_  
**Authorized Signature**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Name of Company**

\_\_\_\_\_  
**Date**

**INSURED/RISK  
SHARING**

**75/25 PPO Plan - Active Part-Time and Temporary Employees  
Premium Rate Table (Community Rated, Non Experience Rated)  
Complete the following table on a monthly, per capita tiered basis ONLY**

HMSA 75/25 PPO Plan	Contract Period 1 (7/1/15-6/30/16)		Contract Period 2 (7/1/16-6/30/17)		Contract Period 3 (7/1/17-6/30/18)	
	Employee and Dependent	Employee, Spouse and Dependent	Employee and Dependent	Employee, Spouse and Dependent	Employee and Dependent	Employee, Spouse and Dependent
<b>Medical Premium</b>						
Single						
Two-Party						
Family						
<b>Prescription Drug Premium</b>						
Single						
Two-Party						
Family						
<b>Total Premium* (Medical and Drug)</b>						
Single						
Two-Party						
Family						
<b>ACA Fees to be Added to the Above Rate, Per Employee, Per Month</b>						
Patient-Centered Outcomes Research Institute (PCORI) Fee						
Reinsurer Fee						
Insurer Fee						

NOTES:

- (1) The EUTF reserves the right to offer multiple options.
- (2) No adjustments to the proposed rates based on actual initial enrollment or subsequent enrollment changes are acceptable.
- \* Offeror shall include all administrative services specified in Section IV of this RFP

\_\_\_\_\_  
**Authorized Signature**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Name of Company**

\_\_\_\_\_  
**Date**