



UNIVERSITY
OF KENTUCKY

Purchasing Division

Request for Proposal

UK-0928-10

Proposal Due Date- 12/01/09

Student Health Insurance



UNIVERSITY OF KENTUCKY

Purchasing Division

REQUEST FOR PROPOSAL (RFP)

ATTENTION: This is not an order. Read all instructions, terms and conditions carefully.

PROPOSAL NO.: <u>UK-0928-10</u>	RETURN ORIGINAL COPY OF PROPOSAL TO:
Issue Date: <u>11/04/09</u>	UNIVERSITY OF KENTUCKY
Title: <u>Student Health Insurance</u>	PURCHASING DIVISION
Purchasing Officer: <u>John E. Deans, C.P.M.</u>	411 S LIMESTONE
Phone: <u>859-257-6759</u>	ROOM 322 PETERSON SERVICE BLDG.
	LEXINGTON, KY 40506-0005
IMPORTANT: PROPOSALS MUST BE RECEIVED BY: <u>12/01/09</u> <u>3:00 P.M. Lexington, KY time.</u>	

NOTICE OF REQUIREMENTS

1. The University's General Terms and Conditions and Instructions to Bidders, viewable at www.uky.edu/Purchasing/terms.htm, apply to this Request for Proposal. When the Request for Proposal includes construction services, the University's General Conditions for Construction and Instructions to Bidders, viewable at www.uky.edu/Purchasing/ccphome.htm, apply to the Request for Proposal.
2. Contracts resulting from this RFP must be governed by and in accordance with the laws of the Commonwealth of Kentucky.
3. Any agreement or collusion among Offerors or prospective Offerors, which restrains, tends to restrain, or is reasonably calculated to restrain competition by agreement to bid at a fixed price or to refrain from offering, or otherwise, is prohibited.
4. Any person who violates any provisions of KRS 45A.325 shall be guilty of a felony and shall be punished by a fine of not less than five thousand dollars nor more than ten thousand dollars, or be imprisoned not less than one year nor more than five years, or both such fine and imprisonment. Any firm, corporation, or association who violates any of the provisions of KRS 45A.325 shall, upon conviction, may be fined not less than ten thousand dollars or more than twenty thousand dollars.

AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST

I hereby swear (or affirm) under the penalty for false swearing as provided by KRS 523.040:

1. That I am the offeror (if the offeror is an individual), a partner, (if the offeror is a partnership), or an officer or employee of the bidding corporation having authority to sign on its behalf (if the offeror is a corporation);
2. That the attached proposal has been arrived at by the offeror independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other Contractor of materials, supplies, equipment or services described in the Request for Proposal, designed to limit independent bidding or competition;
3. That the contents of the proposal have not been communicated by the offeror or its employees or agents to any person not an employee or agent of the offeror or its surety on any bond furnished with the proposal and will not be communicated to any such person prior to the official closing of the RFP;
4. That the offeror is legally entitled to enter into contracts with the University of Kentucky and is not in violation of any prohibited conflict of interest, including those prohibited by the provisions of KRS 45A.330 to .340, 164.390, and
5. That the Offeror, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sale and use tax imposed by Chapter 139 to the extent required by Kentucky law and will remain registered for the duration of any contract award.
6. That I have fully informed myself regarding the accuracy of the statement made above.

SWORN STATEMENT OF COMPLIANCE WITH CAMPAIGN FINANCE LAWS

In accordance with KRS45A.110 (2), the undersigned hereby swears under penalty of perjury that he/she has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky and that the award of a contract to a bidder will not violate any provision of the campaign finance laws of the Commonwealth of Kentucky.

CONTRACTOR REPORT OF PRIOR VIOLATIONS OF KRS CHAPTERS 136, 139, 141, 337, 338, 341 & 342

The Contractor by signing and submitting a proposal agrees as required by 45A.485 to submit final determinations of any violations of the provisions of KRS Chapters 136, 139, 141, 337, 338, 341 and 342 that have occurred in the previous five (5) years prior to the award of a contract and agrees to remain in continuous compliance with the provisions of the statutes during the duration of any contract that may be established. Final determinations of violations of these statutes must be provided to the University by the successful Contractor prior to the award of a contract.

CERTIFICATION OF NON-SEGREGATED FACILITIES

The Contractor, by submitting a proposal, certifies that he/she is in compliance with the Code of Federal Regulations, No. 41 CFR 60-1.8(b) that prohibits the maintaining of segregated facilities.

SIGNATURE REQUIRED: This proposal cannot be considered valid unless signed and dated by an authorized agent of the offeror. Type or print the signatory's name, title, address, phone number and fax number in the spaces provided. Offers signed by an agent are to be accompanied by evidence of his/her authority unless such evidence has been previously furnished to the issuing office.

DELIVERY TIME:	NAME OF COMPANY:	PHONE:
PROPOSAL FIRM THROUGH:	ADDRESS:	FAX:
PAYMENT TERMS:	CITY, STATE & ZIP CODE:	E-MAIL:
SHIPPING TERMS: F.O.B. DESTINATION - PREPAID AND ALLOWED	TYPED OR PRINTED NAME:	WEB ADDRESS:
FEDERAL EMPLOYER ID NO.:	SIGNATURE:	DATE:

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1.0 **DEFINITIONS**

The term "addenda" means written or graphic instructions issued by the University of Kentucky prior to the receipt of Proposals that modify or interpret the Request for Proposal documents by addition, deletions, clarification, or corrections.

The term "competitive negotiations" means the method authorized in the Kentucky Revised Statutes, Chapter 45A.085.

The terms "offer" or "proposal" means the Offeror(s) response to this Request for Proposal.

The term "Offeror" means the entity or Contractor group submitting proposal.

The term "Contractor" means the entity receiving a contract award.

The term "Purchasing Agency" means the University of Kentucky, Division of Purchasing, Room 322 Peterson Service Building, Lexington, KY 40506-0005.

The term "Purchasing Official" means the University of Kentucky's appointed contracting representative.

The term "Responsible Offeror" means a person, company, or corporation who has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance.

The term "solicitation" means Request for Proposal (RFP).

The term "University" means University of Kentucky.

2.0 GENERAL OVERVIEW

2.1 Intent and Scope

This RFP is issued to solicit proposals from qualified, financially sound, responsible firms in order to select a contractor to provide a comprehensive student insurance program for the University of Kentucky students. It is the university's intent to award a single contract; however, we reserve the right to make multiple awards on a basis that best serves the university's needs.

Any Offeror submitting a response to this RFP must be willing to offer a policy according to the specifications outlined in this request and the same policy must be available for purchase by all University of Kentucky students and their dependents. The policy must be available for international and domestic students and the dependents of both groups. In addition, the policy must be available for purchase by participants and dependents of the following groups: J-1 Visa (visiting scholars), English as a Second Language students (ESL), University of Kentucky Dietetic Interns, Bluegrass Community and Technical College (BCTC) students at Cooper Drive, Regency Road, and Winchester Road Campuses, and other groups as deemed eligible by University of Kentucky.

The scope of services is further defined in Section 7.0.

2.2 Background Information

University Health Service (UHS) is a student health service with a wide range of outpatient services. University of Kentucky full-time graduate, professional and undergraduate students are required to pay a mandatory health fee; BCTC and part-time students may elect to pay the health fee or be seen on a fee-for-service basis. Spouses are eligible for care at UHS on a fee-for-service basis; children are not eligible for care. UHS includes a primary care clinic, a women's care clinic, and a behavioral health clinic. Professional staffing includes physicians and nurse practitioners. All physicians are board certified or board eligible in such areas as internal medicine, family practice, psychiatry and preventive medicine.

The health fee covers unlimited visits to University Health Service. UHS is open Monday - Friday from 8:00 a.m. to 6:00 p.m., and Saturday mornings from 9:00 a.m. to 11:00 a.m. when classes are in session. Hours are shortened between semesters and during the summer. A more extensive description of UHS, as well as those services covered by the health fee (and those not covered) is attached in the University Health Service Information Handbook. Appendix A.

2.3 University Information

Founded in 1865, the University of Kentucky (UK) is a public, research-extensive, land grant university dedicated to enriching people's lives through excellence in teaching, research, and service. UK's campus covers more than 716 acres and total enrollment is more than 27,000 students representing all Kentucky counties, every state in the nation, and 117 countries. There are more than 13,500 employees.

The University of Kentucky has long embraced its mission to provide excellent education to outstanding resident and non-resident students, recognizing that a knowledgeable populace is the best foundation for a prosperous Commonwealth. This mission has been further enhanced since

1997 when the Kentucky General Assembly mandated that UK become a Top 20 public research university by 2020. President Lee T. Todd Jr. focused the University on achieving this goal through the development of a Top 20 Business Plan in 2005 that gained national prominence for its vision and detail.

UK consists of some 200 major and degree programs in 17 academic and professional colleges. The colleges include: Agriculture, Arts and Sciences, Business and Economics, Communications and Information Studies, Dentistry, Design, Education, Engineering, Fine Arts, Health Sciences, Law, Libraries, Medicine, Nursing, Pharmacy, Public Health, and Social Work. UK boasts over 80 national rankings for academic excellence.

UK operates a nationally recognized research library system, with the capstone being the world-class William T. Young Library. UK's book endowment is the largest among public universities. Its library network and technology provide extraordinary service to students in the colleges of Medicine, Law, Engineering, Fine Arts and other programs. Meanwhile, students, faculty and Kentucky residents can use UK Libraries' advanced technology to access the most up-to-date information from online journals, government publications and private studies.

The UK Chandler Medical Center, which opened in 1960, is considered one of the nation's finest academic medical centers. As one of two Level 1 Trauma Centers in Kentucky, UK Hospital cares for the most critically injured and ill patients in the region. The 473-bed UK Hospital and UK Children's Hospital are supported by more than 500 faculty physicians and dentists, 400 resident physicians, and a staff of 3,200 health professionals committed to high-quality patient care.

In spring 2007, ground was broken for a new \$450 million UK Chandler Hospital. This more than 1-million square foot facility, to be completed in 2011, is the cornerstone of a 20-year, \$2.5 billion plan to construct the Commonwealth Medical Campus of the Future. Among the campus' components are a now-under-construction \$120 million pharmacy building, additional research buildings, a new shared Health Sciences Learning Center, and additional buildings to house programs for the colleges of Medicine, Nursing, Health Sciences, Dentistry and Public Health.

Research at UK is a dynamic enterprise encompassing both traditional scholarship and emerging technologies. For the last five years, the University has consistently exceeded \$200 million in sponsored projects awards. UK faculty recently attracted a record-breaking total of \$290 million in extramural funding for grants and contracts. A recent ranking placed UK at 26th among all public universities for federal expenditures. Meanwhile, the inventiveness of UK faculty continues to earn the University its standing as 17th among land-grant universities, 34th among public universities, and 57th overall in licensing income and patents. Another national ranking recently put UK 19th among public institutions for the scholarly productivity of its faculty.

UK's agenda is to accelerate the movement toward academic excellence and to become known worldwide for the quality of its academic programs, its commitment to undergraduates, its success in building a diverse community, and its engagement with the larger society.

Visit the University of Kentucky Web site at <http://www.uky.edu>.

2.4 Current Conditions at the University

A. Enrollment System

All degree-seeking graduate students who hold full assistantships (teaching assistants, research assistants, graduate assistants) or who are full institutional fellowship holders, or a combination thereof, are automatically enrolled in the insurance plan (approximately 2000 students). The premium for these students is paid by semester or at the discretion of the University. Enrollment in the plan on a hard waiver basis is mandatory for international students (approximately 700 students). Enrollment in the plan is voluntary for all other domestic students – graduate, undergraduate and professional. Individual students and/or dependents voluntarily purchasing the plan pay premiums annually, twice yearly, or on a 5-period payment plan, either directly through the carrier or through University Health Service. UK does not presently offer an open enrollment period. Students may enroll at any time during the plan year.

B. Eligibility for Coverage

A copy of the current insurance brochure, included as Appendix B, describes the existing eligibility criteria and length of time for which coverage is in effect. Any student or dependent who meets the enrollment eligibility is permitted to enroll. The decision regarding eligibility for insurance is the responsibility of the University of Kentucky in consultation with the insurance carrier.

C. Number of Insured Students

Current enrollment trends have resulted in the participation of a total annual enrollment of approximately 4,000 (of approximately 27,000) students. Approximately 2,000 funded graduate students are enrolled with individual annual premiums paid by the University. (1,200 domestic funded graduates, 800 international funded graduate students) There are 700 mandatory international students and 1,300 domestic voluntary students annually.

D. Funding Arrangements

The plan is to be fully insured through the carrier with no risk carried by the University. All claims stand alone and are considered independently of other pools of students and dependents. Within the University plan, it is intended that the student population not subsidize the dependent pool population.

E. Special Considerations

Any Offeror responding to this RFP must describe the system and criteria to be followed when the University requests “administrative payment” of a claim or portion of a claim which falls outside the established benefit structure. Requests of this nature may occur in cases of extreme financial hardship and be presented by the University as in the best interests of the patient, the contractor, and the University.

In addition offeror must describe claims appeal process.

3.0 **PROPOSAL REQUIREMENTS**

3.1 **Key Event Dates**

Release of RFP	11/04/09
Pre-Proposal Conference (Optional)	11/13/09 (9:00am – 11:00am)
Deadline for Written Questions @ 3:00 p.m. on	11/18/09
RFP Proposals Due Date	12/01/09
Offeror Presentations *	week of 12/14/09
Contract Award*	1/15/10

* The Potential Offeror Presentations and Contract Award are projected dates.

3.2 **Offeror Communication**

To insure that RFP documentation and subsequent information (modifications, clarifications, addendum, written questions & answers, etc.) is directed to the appropriate persons within the Offeror's firm, each Offeror who intends to participate in this RFP is to provide the following information to the Purchasing Officer. Prompt, thorough compliance is in the best interest of the Offeror. Failure to comply may result in incomplete or delayed communication of addenda or other vital information. Contact information is the responsibility of the Offeror. Without the prompt information, any communication shortfall shall reside with the Offeror.

- Name of primary contact
- Mailing address of primary contact
- Telephone number of primary contact
- Fax number of primary contact
- E-mail address of primary contact
- Additional contact persons with same information provided as primary contact

This information shall be transmitted via fax or e-mail to:

Mr. John E. Deans, C.P.M.
 Purchasing Division
 University of Kentucky
 322 Peterson Service Building
 Lexington, KY 40506-0005
 Phone: (859) 257-6759
 Fax: (859) 257-1951

E-mail: john.deans@uky.edu

All communication with the University regarding this RFP shall only be directed to the University Purchasing Officer listed above.

3.3 **Pre-Proposal Conference**

Date and time as noted in section 3.1. Location is the Wethington Building, Conference Room A327C, 9:00am – 11:00am. Recommended parking is in the parking structure located at the corner

of Limestone and Transcript. Purpose is to allow prospective Vendors an opportunity to ask questions and clarify the University's expectations. This conference provides Offerors an opportunity for oral questions.

The following items should be noted in reference to the Pre-Proposal Conference:

- Attendance at the Pre-Proposal Conference is **optional**. At this conference the scope of services will be discussed in detail and copies of prior year financial reports will be distributed.
- Offerors are encouraged to submit written questions after the Conference by the date listed in Section 3.1 Key Event Dates.

The University will prepare written responses to all questions submitted in writing for the Q&A of 11/18/09 @ 3:00 pm. and make them available to all Offerors. The questions and answers will be made part of the RFP and may become part of the contract with the successful Contractor. Oral answers given at the conference are not binding.

Those unable to attend but wishing to participate may call: 877-394-0659 and use ID 428370 on the date & time of the pre-proposal conference for audio only participation. Recognize the audio alternative may experience technical difficulties. If this occurs, there is no reschedule of the pre-proposal event.

3.4 Offeror Presentations

All Offerors whose proposals are judged acceptable for award may be required to make an Offeror presentation to the evaluation committee.

3.5 Preparation of Offers

Offeror is expected to follow all specifications, terms, conditions, and instructions in this Request for Proposal.

Offeror will furnish all information required by this solicitation.

Proposals should be prepared simply and economically, providing a description of the Offeror's capabilities to satisfy the requirements of the solicitation. Emphasis should be on completeness and clarity of content. All documentation submitted with the proposal should be bound in the single volume except as otherwise specified.

An electronic version of the RFP is available only as a .pdf document through the University of Kentucky Division of Purchasing Web site: <http://www.uky.edu/purchasing/>

Click on: **Bid & Proposal Opportunities**

3.6 **Proposed Deviations from the Request for Proposal**

The stated requirements appearing elsewhere in this RFP shall become a part of the terms and conditions of any resulting contract. Any deviations therefrom must be specifically defined in accordance with the Transmittal Letter, Section 4.3 (d). If accepted by the University, the deviations shall become part of the contract, but such deviations must not be in conflict with the basic nature of this RFP.

Note: Offerors shall not submit their standard terms and conditions as exceptions to the RFP Terms and Conditions. Each exception to a University term and condition shall be individually addressed.

3.7 **Proposal Submission and Deadline**

Offeror must provide one (1) electronic copy on compact disk and ten (10) printed copies of each technical proposal under a sealed cover and one (1) electronic copy on compact disk and ten (10) printed copies financial proposals under separate sealed cover, prior to 3:00 P.M. Lexington, KY time on date as specified in Section 3.1 Key Event Dates and addressed to the Purchasing Officer as listed in Section 3.2 Offeror Communication.

Note: Proposals received after the closing date and time will not be considered. In addition, proposals received via fax or email are not acceptable.

The University of Kentucky accepts deliveries of RFP's Monday through Friday from 8:00 am – 5:00 pm Lexington Kentucky time. However, RFP's must be received by 3:00 pm Lexington Kentucky time on the date specified on the RFP in order to be considered.

Proposals shall be enclosed in sealed envelopes to the above referenced address and shall show the closing time and date specified, the solicitation number, and the name and address of the Offeror on the face of the envelope. **The technical proposal shall be submitted in a sealed envelope under separate cover and the financial proposal shall be submitted in a sealed envelope under separate cover.** Both sealed envelopes shall have identical information on the cover, with the addition that one will state “**Technical Information**”, and the other, “**Financial Proposal**”.

Note: In accordance with the Kentucky Revised Statute 45A.085, there will be no public opening.

3.8 **Addenda**

Any addenda or instructions issued by the Purchasing Agency prior to the time for receiving proposals shall become a part of this RFP. Such addenda shall be acknowledged in the proposal. No instructions or changes shall be binding unless documented by a proper and duly issued addendum.

3.9 **Disclosure of Offeror Response**

The Request for Proposal specifies the format, required information, and general content of proposals submitted in response to this RFP. The Purchasing Agency will not disclose any portions

of the proposals prior to contract award to anyone outside the Purchasing Division, the University's administrative staff, representatives of the State or Federal Government, if required, and the members of the committee evaluating the proposals. After a contract is awarded in whole or in part, the University shall have the right to duplicate, use, or disclose all Proposal data submitted by Offerors in response to this RFP as a matter of public record.

Any submitted proposal shall remain a valid proposal for six (6) months after the proposal due date.

The University shall have the right to use all system ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal will not affect this right.

3.10 Restrictions on Communications with University Staff

From the issue date of this RFP until a Contractor is selected and a contract award is made, Offerors are not allowed to communicate about the subject of the RFP with any University administrator, faculty, staff, or members of the Board of Trustees except:

- The Purchasing Office representative, any University Purchasing Official representing the University administration, or others authorized in writing by the Purchasing Office and
- University representatives during Offeror presentations.

If violation of this provision occurs, the University reserves the right to reject the Offeror's proposal.

3.11 Cost of Preparing Proposal

Costs for developing the proposals and any subsequent activities prior to contract award are solely the responsibility of the Offerors. The University of Kentucky will provide no reimbursement for such costs.

3.12 Disposition of Proposals

All proposals become the property of the University. The successful proposal will be incorporated into the resulting contract by reference.

3.13 Alternate Proposals

Offerors may submit alternate proposals. If more than one proposal is submitted, all must be complete (separate) and comply with the instructions set forth within this document. Each proposal will be evaluated on its own merits.

3.14 Questions

All questions should be submitted by either fax or e-mail to the Purchasing Officer listed in Section 3.2 no later than dated listed in Section 3.1.

3.15 Section Titles in the RFP

Titles of paragraphs used herein are for the purpose of facilitating ease of reference only and shall not be construed to infer the construction of contractual language.

3.16 No Contingent Fees

No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, except bona fide employees of the Offeror or bona fide established commercial or selling agencies maintained by the Offeror for the purpose of securing business. For breach or violation of this provision, the University shall have the right to reject the proposal, annul the contract without liability, or, at its discretion, deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee or other benefit.

3.17 Proposal Addenda and Rules for Withdrawal

Prior to the date specified for receipt of offers, a submitted proposal may be withdrawn by submitting a written request for its withdrawal to the University Purchasing Office, signed by the Offeror. Unless requested by the University, the University will not accept revisions, or alterations to proposals after the proposal due date.

4.0 PROPOSAL FORMAT AND CONTENT

4.1 Proposal Information and Criteria

The following list specifies the items to be addressed in the proposal. Offerors should read it carefully and address it completely and in the order listed to facilitate the University's review of the proposal.

Proposals shall be organized into the sections identified below. The content of each section is detailed in the following pages. It is strongly suggested that Offerors use the same numbers for the following content as are used in the RFP.

- Signed Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest Form.
- Transmittal Letter
- Executive Summary and Proposal Overview
- Criteria 1 - Offeror Qualifications
- Criteria 2 – Policy Benefits
- Criteria 3 – Premiums
- Criteria 4 – Services Defined
- Criteria 5 - Evidence of Successful Implementation and Sample Schedule
- Criteria 6 – Experience in Student Insurance Market
- Criteria 7 – Financial Stability
- Criteria 8 – Other
- Criteria 9 – Financial Proposal
- Criteria 10 – Other Additional Information

IN YOUR TECHNICAL PROPOSAL, LIST THE APPROPRIATE RFP SECTION NUMBER AS REFERENCE. OFFERORS SHALL EXPLICITLY ADDRESS EACH SECTION OF THE RFP IN THEIR RESPONSE.

4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non- Conflict of Interest Form

The Offeror will sign and return the proposal cover sheet and print or type her/his name, firm, address, telephone number and date. The person signing the offer must initial erasures or other changes. An offer signed by an agent is to be accompanied by evidence of his/her authority unless such evidence has been previously furnished to the Purchasing Agency. The signer shall further certify that the proposal is made without collusion with any other person, persons, company or parties submitting a proposal; that it is in all respects fair and in good faith without collusion or fraud, and that the signer is authorized to bind the principal Offeror.

4.3 Transmittal Letter

The Transmittal Letter accompanying the RFP shall be in the form of a standard business letter and shall be signed by an individual authorized to legally bind the Offeror. It shall include:

- a) A statement referencing all addenda and written questions, the answers and any clarifications to this RFP issued by the University and received by the Offeror. If no addenda have been received, a statement to that effect should be included.
- b) A statement that the Offeror's proposal shall remain valid for six (6) months after the closing date of the receipt of the proposals.
- c) A statement that the Offeror will accept financial responsibility for all travel expenses incurred for oral presentations (if required) and candidate interviews.
- d) A statement that summarizes any deviations or exceptions to the RFP requirements and includes a detailed justification for the deviation or exception.
- e) A statement that identifies the Confidential Information as described in Section 6.23 Confidentiality.

Note: Offerors shall not submit your standard terms and conditions as exceptions to the RFP Terms and Conditions. Each exception to a University term and condition shall be individually addressed.

4.4 Table of Contents

The Table of Contents shall include a clear and complete identification of materials submitted in sufficient detail to facilitate easy reference by RFP sections, attachments, and page numbers.

4.5 Executive Summary and Proposal Overview

The Executive Summary and Proposal Overview shall condense and highlight the contents of the technical proposal in such a way as to provide the evaluation committee with a broad understanding of the entire proposal.

4.6 Understanding and Background

Offerors shall specifically state their understanding of the needs of the University of Kentucky, the background and capabilities of their firm regarding the stated needs, and why they believe that they are the best qualified to meet those needs.

4.7 Criteria 1 – Offeror Qualifications

Offerors responding to the RFP must be licensed or willing to become licensed in the Commonwealth of Kentucky to sell injury and sickness insurance to University students, their spouses and children. Offeror must have full HIPAA Compliance, including HIPAA Compliant Electronic Insurance Claims, Security, and Privacy. The execution of a Business Associate Agreement will become part of the contract documentation. (See Attachment 1 sample HIPAA Business Associate Agreement.) The carrier must meet or exceed the standards and rules required by the Kentucky Department of Insurance which are imposed on companies selling the insurance policy being requested. Any insurance policy for the University students and dependents shall be

filed in the Commonwealth of Kentucky with the Kentucky Department of Insurance and shall name the University as the policyholder. Any company intending to respond to this RFP shall provide a sample policy demonstrating the ability to meet the University's requirements.

4.8 Criteria 2 – Policy Benefits

A. Scope of Policy

Any offeror submitting a response to this RFP must be willing to offer a policy according to the specifications outlined in this request and the same policy shall be available for purchase by all University of Kentucky students and their dependents. The policy must be available for international and domestic students and the dependents of both groups. In addition, the policy must be available for purchase by participants and dependents of the following groups: J-1 Visa (visiting scholars), English as a Second Language students (ESL), University of Kentucky Dietetic Interns, Bluegrass Community and Technical College students at Cooper Drive, Regency Road, and Winchester Campuses, and other groups as deemed eligible by University of Kentucky.

B. Primary Plan Design

Two premium quotes are required based on plan design.

1. Quote based on the current plan design as specified in Appendix B.
2. Quote to include the benefit changes to the current plan design as outlined in Appendix C.

After the RFP response is delivered, the University may request modification of proposed policy language prior to negotiating a student insurance policy.

C. Optional Alternate Plan Design

If so desired, an offeror may also provide an alternate plan design. Although selection of a contractor will not be solely dependent on premium rates, it is recognized that an alternate plan at a lower cost may become feasible. An offer may provide an alternate plan resulting in lower premiums. However, it is not required that the carrier provide an alternative proposal if the primary designs is proposed.

4.9 Criteria 3 - Premiums

Premium quotes are required for each of the following enrollment scenarios and based on the plan designs of sections 4.8 B1 and 4.8 B2:

1. Quote based on current Enrollment System

Premiums for any student policy proposed shall be for two years, renewable for one additional year resulting in a three-year renewable contract with annual rate guarantees. After this three-year period, renewal shall be on an annual basis by mutual negotiation and mutual agreement. The offeror will propose a maximum percentage rate of increase for each renewal period proposed.

2. The University of Kentucky is currently studying the feasibility of instituting a Mandatory Hard Waiver Insurance policy. There is a possibility this would be approved for the 2011-2012 plan year. Therefore, we are requiring an additional premium quote assuming a hard waiver policy will be implemented. In addition, we are requiring a description of ability and/or experience in providing an on-line service and/or money to fund a position at the University to manage the waiver requests.

Premiums for any student policy proposed shall be for two years, renewable for one additional year resulting in a three-year renewable contract with annual rate guarantees. After this three-year period, renewal shall be on an annual basis by mutual negotiation and mutual agreement. The offeror will propose a maximum percentage rate of increase for each renewal period proposed.

Renewal rate guarantees must be proposed for the premium rates charged for spouse and child insurance for at least the second year of the policy. Any multiple-year rate guarantee will be based on the assumption that there will be no change in benefit design. The company must provide a description of the rate renewal calculation or formula planned for use at the University as part of this response and annually during renewal negotiations.

The proposed premium structure of the University student plan should reflect rates for the student portion of the policy as separate from the dependent portions of the plan. The anticipated losses experienced in the dependent population should not be offset by an increase of the student premium. To the greatest extent possible, student losses should be supported by student premium and dependent losses should be supported by dependent premium.

It must be specifically understood that this RFP does not create any obligation on the part of the University to enter into any contract or undertake any financial obligation with respect to the program referred to herein. Any vendor eventually selected to provide student insurance understands that, if selected, the University reserves the right to provide its opinion publicly and privately regarding the performance of all vendors and related companies involved in the student insurance policy.

If changes in the plan or premium structure are required by Statute, Regulation, or Court Order, the carrier must agree to amend the contract retroactively and adjust premium rates, if necessary, the following year. Any such circumstance would release the carrier from the obligation to keep rates within the previously guaranteed rate increase.

4.10 Criteria 4 – Services Defined

A. Utilization Reports

Policy utilization reports, including a comparison of claims paid to premiums collected, shall be provided quarterly and upon request. The reports shall be addressed to the Clinical Administrator of University Health Services. Policy utilization reports will include claims paid for inpatient and outpatient care, by cause, by group of insured, and/or for other categories as determined by the University and the insurance carrier. Enrollment data by group insured (ie, Voluntary, International, Funded, dependent, UK, BCTC, etc.) will be provided on a semester basis. All companies submitting a response shall include examples of policy utilization reports in use with policies in force during the 2009 through 2010 policy years.

B. Preferred Provider Arrangement

As part of this resulting contract, the contractor must negotiate a preferred provider arrangement (PPO) with the University of Kentucky Hospital(s) for hospital services. Additionally, a PPO arrangement must be negotiated with Kentucky Medical Services Foundation (KMSF), which is the physicians' practice group for the University of Kentucky College of Medicine. It is important to note that the University of Kentucky Health Service physicians are not part of the KMSF practice group.

Acute and long-term rehabilitation services are not currently offered at UK HealthCare. Offeror must agree to work with Cardinal Hill Rehabilitation Hospital and Select Specialty Hospital on a contract or case-by-case basis and provide benefits at an in-network tier.

The contractor must recognize the providers giving service in any UK HealthCare facility, including hospital-based providers working through UK Good Samaritan Hospital, at the same tier of coverage as University of Kentucky College of Medicine.

C. University Health Service Handbook

The contractor agrees to print the University Health Service handbook on an annual basis with copy furnished by the University Health Service and as agreed upon between UHS and the contractor. This handbook must meet Federal recycled content guidelines. Approximately 16,000 copies of this handbook will be delivered to the UHS by May 15 of each year. A copy of the current University Health Service Handbook is attached (Appendix A).

4.11 Criteria 5 - Evidence of Successful Implementation and Sample Schedule

Provide a description of the annual implementation process to include website, informational and marketing materials, members of company involved, and a sample implementation schedule.

4.12 Criteria 6 - Experience in Student Insurance Market

Offerors with at least five years of student health insurance experience will be given preference in the review of their response to the RFP. In addition to this level of experience with student insurance, the company must have insured a single population in excess of 4,000 insured under one policy. The company will provide a list of schools insured in which a population of more than 4,000 have been insured and will provide a list of references. Offerors will provide a list of schools insured with hard waiver mandatory insurance.

4.13 Criteria 7 - Financial Stability

The carrier will provide certification of the financial strength of the company as rated by A.M. Best. The carrier must have at least an "A" rating by A.M. Best and present all available ratings held by the company for the last five years. Any changes in the ratings presented over this five-year time period should be explained.

4.14 Criteria 8 - Other

A. Contracts, Agents, Commissions and Other Compensation

Any offerors responding to this RFP must agree to hold contracts with companies or persons identified in the response and identify compensation to be distributed to those companies or persons. Any contracts for re-insurance or other arrangements with any insurance company must be disclosed, documented and comply with the regulations of the Commonwealth of Kentucky Insurance Department.

Any change in subcontractors (e.g., third-party administrators for claims payment) or insurance company and all reinsurance companies shall be reviewed and approved by the University prior to any such change.

B. Marketing Considerations

The University will provide the carrier with access to computerized mailing labels for use in brochure mailing and all direct costs associated with the production of these labels will be the responsibility of the carrier. The University requires that these mailing lists and labels be considered confidential and be used only for the purposes of distributing the brochures of the health insurance plan identified by the University.

The carrier will be responsible for the production, printing, and mailing of the brochure and associated enrollment materials. Print advertisements or other promotional expenditures will be funded by the carrier. Any marketing or other contact with students or families is subject to prior review and approval by the University.

Policy Information available by web link	July 1, 2010
Final Draft of 2010/11 brochure due from Carrier	April 1, 2010
Marketing/informational mailing to all University students pre-registered for fall semester	July 1, 2010
Marketing/informational mailing to all University newly-admitted students for fall semester	August 1, 2010
Marketing/informational mailing to newly-admitted graduate Students for fall semester	September 30, 2010

4.15 Criteria 9-Financial Proposal

The Financial Summary Form shall contain the complete financial offer made to the University using the format contained in Section 8.0. **All financial information must be submitted in a sealed envelope under separate cover.**

4.16 Criteria 10-Other Additional Information

Please provide any additional information that the Offeror feels should be considered when evaluating their proposal.

The Offeror may present any creative approaches that might be appropriate. The Offeror may also provide supporting documentation that would be pertinent to this RFP.

5.0 **EVALUATION CRITERIA PROCESS**

A committee of University officials appointed by the Director of Purchasing will evaluate proposals and make a recommendation to the Director of Purchasing. The evaluation will be based upon the information provided in the proposal, additional information requested by the University for clarification, information obtained from references and independent sources, and oral presentations, if requested.

The evaluation of responsive proposals shall then be completed by an evaluation team, which will determine the ranking of proposals. Proposals will be evaluated strictly in accordance with the requirements set forth in this solicitation, including any addenda that are issued. The University will award the Contract to the responsible Offeror whose proposal is determined to be the most advantageous to the University, taking into consideration the evaluation factors set forth in this RFP.

The evaluation of proposals will include consideration of responses to the list of criteria in Section 4.0. Offerors must specifically address all criteria in their response. Any deviations or exceptions to the specifications or requirements must be described and justified in a transmittal letter. Failure to list such exceptions or deviations in the transmittal letter may be considered sufficient reason to reject the proposal.

The relative importance of the criteria is defined below:

Criteria

Primary

- Offeror Qualifications
- Policy Benefits
- Premiums
- Services Defined
- Experience in Student Insurance Market
- Financial Stability
- Financial Proposal
- Other Additional Services

Secondary

- Other Services

The University will evaluate proposals as submitted and may not notify Offerors of deficiencies in their responses.

Proposals must contain responses to each of the criteria, listed in Section 4 even if Offeror's response cannot satisfy those criteria. A proposal may be rejected if it is conditional or incomplete in the judgment of the University.

6.0 SPECIAL CONDITIONS

6.1 Contract Term

The term of the contract shall be for two years with a rate guarantee, renewable for one additional year with a mutually-agreed upon rate increase cap, resulting in a three-year renewable contract with annual rate guarantees.

After the completion of the contract period, renewal shall be on an annual basis by mutual negotiation and agreement for up to four one-year periods, resulting in a contract totaling a maximum of seven years.

6.2 Effective Date/Periods of Coverage

The Master Policy becomes effective at 12:01 a.m. on August 26 and terminates on August 26 at 12:00 a.m. the following year.

6.3 Competitive Negotiation

It is the intent of the Request for Proposal (RFP) to enter into competitive negotiation as authorized by KRS 45A.085.

The University will review all proposals properly submitted. However, the University reserves the right to request necessary modifications, reject all proposals, reject any proposal that does not meet mandatory requirement(s) or cancel this RFP, according to the best interests of the University.

Offeror(s) selected to participate in negotiations may be given an opportunity to submit a Best and Final offer to the Purchasing Agency. All information-received prior to the cut-off time will be considered part of the Offeror's Best and Final offer.

The University also reserves the right to waive minor technicalities or irregularities in proposals providing such action is in the best interest of the University. Such waiver shall in no way modify the RFP requirements or excuse the Offeror from full compliance with the RFP specifications and other contract requirements if the Offeror is awarded the contract.

6.4 Appearance Before Committee

Any, all or no Offerors may be requested to appear before the evaluation committee to explain their proposal and/or to respond to questions from the committee concerning the proposal. Offeror(s) are prohibited from electronically recording these meetings. The committee reserves the right to request additional information.

6.5 Acceptance or Rejection and Award of Proposal

The University reserves the right to accept or reject any or all proposals, or part of proposals, to waive any informalities, technicalities, clarify any ambiguities in proposals, and unless otherwise

specified to accept any item in the proposal. In case of error in extension of prices or other errors in calculation, the unit price shall govern. Further, the University reserves the right to make a single award, split awards, make multiple awards or no award, whichever is in the best interest of the University.

6.6 Additions, Deletions or Contract Changes

The University reserves the right to add, delete, or change related items or services to the contract established from this Request for Proposal. No modification or change of any provision in the resulting contract shall be made, unless such modification is mutually agreed to in writing by the Contractor and the Director of Purchasing, and incorporated as a written modification to the contract. Memoranda of understanding and correspondence shall not be interpreted as a modification to the contract.

6.7 Contractor Cooperation in Related Efforts

The University reserves the right to undertake or award other contracts for additional or related work to other entities. The Contractor shall fully cooperate with such other Contractors and University employees and carefully fit its work to such additional work. The Contractor shall not commit or permit any act, which will interfere with the performance of work by any other Contractor or by University employees. This clause shall be included in the contracts of all Contractors with whom this Contractor will be required to cooperate. The University shall equitably enforce this clause to all Contractors, to prevent the imposition of unreasonable burdens on any Contractor.

6.8 Entire Agreement

The Request for Proposal (RFP) shall be incorporated into any resulting Contract. The resulting contract, including the RFP and those portions of the Offeror's response accepted by the University shall be the entire agreement between the parties.

6.9 Governing Law

Contractor shall conform to and observe all laws, ordinances, rules and regulations of the United States of America, Commonwealth of Kentucky, and all other local governments, public authorities, boards or offices relating to the Property or the improvements upon same, or the use thereof, and will not permit the same to be used for any illegal or immoral purposes, business or occupation. The resulting contract shall be governed by Kentucky Law and any claim relating to this contract shall only be brought in the Franklin Circuit Court in Accordance with KRS 45A-245.

6.10 Termination for Convenience

The University of Kentucky, Division of Purchasing, reserves the right to terminate the resulting contract without cause with a thirty (30) day written notice. Upon receipt by the Contractor of "notice of termination", the Contractor shall discontinue all services with respect to the applicable contract. The cost of any agreed upon services provided by the Contractor will be calculated at the agreed upon rate prior to "notice of termination" and a fixed fee contract will be pro-rated (as appropriate).

6.11 **Termination for Non-Performance**

Default

The Director of Purchasing may terminate the resulting contract for non-performance, as determined by the University for such causes as:

- Failure to provide satisfactory quality of service, including, failure to maintain adequate personnel, whether arising from labor disputes, or otherwise any substantial change in ownership or proprietorship of the Contractor, which in the opinion of the University is not in its best interest, or failure to comply with the terms of this contract
- Failure to keep or perform, within the time period set forth herein, or violation of, any of the covenants, conditions, provisions or agreements herein contained.
- Adjudication as a voluntarily bankrupt, making a transfer in fraud of its creditors, filing a petition under any section from time to time, or under any similar law or statute of the United States or any state thereof, or if an order for relief shall be entered against the Contractor in any proceeding filed by or against contractor thereunder. In the event of any such involuntary bankruptcy proceeding being instituted against the Contractor, the fact of such an involuntary petition being filed shall not be considered an event of default until sixty (60) days after filing of said petition in order that Contractor might during that sixty (60) days period have the opportunity to seek dismissal of the involuntary petition or otherwise cure said potential default.
- Making a general assignment for the benefit of its creditors, or taking the benefit of any insolvency act, or if a permanent receiver or trustee in bankruptcy shall be appointed for the Contractor.

Notification

The University will provide ten (10) calendar days written notice of default. Unless arrangements are made to correct the non-performance issues to the University's satisfaction within ten (10) calendar days, the Director of Purchasing may terminate the contract by giving forty-five (45) days notice, by registered or certified mail, of its intent to cancel this contract.

6.12 **Modification or Withdrawal of Offer**

An offer and/or modification of offer received at the office designated in the solicitation after the exact hour and date specified for receipt will not be considered.

An offer may be modified or withdrawn by written notice before the exact hour and date specified for receipt of offers. An offer also may be withdrawn in person by an Offeror or an authorized representative, provided the identity of the person is made known and the person signs a receipt for the offer, but only if the withdrawal is made prior to the exact hour and date set for receipt of offers.

6.13 Rejection

Grounds for the rejection of proposals include, but shall not be limited to:

- Failure of a proposal to conform to the essential requirements of the Request for Proposal.
- Imposition of conditions that would significantly modify the terms and conditions of the solicitation or limit the Offeror's liability to the University on the contract awarded on the basis of such solicitation.
- Failure of the Offeror to sign the University Request for Proposal, as part of the proposal. This includes the Authentication of Proposal and Statement of Non-collusion and Non-conflict of Interest statements.
- Receipt of proposal received after the closing date and time specified in the RFP.

6.14 Prime Contractor Responsibility

Any contracts that may result from the RFP shall specify that the Contractor or Contractors is (are) solely responsible for fulfillment of the contract with the University.

6.15 Assignment

The Contractor(s) shall not assign the contract in whole or in part without the prior written consent of the University. Any attempted assignment shall be void.

6.16 Permits, Licenses, Taxes and Commonwealth Registration

The Contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of all federal, state, and local governments in which work under this contract is performed.

The Contractor must furnish certification of authority to conduct business in the Commonwealth of Kentucky as a condition of contract award. Such registration is obtained from the Secretary of State, who will also provide the certification thereof. However, the Contractor need not be registered as a prerequisite for responding to the RFP.

The Contractor shall pay any sales, use, personal property and other taxes arising out of this contract and the transaction contemplated hereby. Any other taxes levied upon this contract, the transaction, or the equipment or services delivered pursuant hereto shall be the responsibility of the Contractor.

The Contractor will be required to accept liability for payment of all payroll taxes or deductions required by local and federal law, including, but not limited to old age pension, social security or annuities.

6.17 Attorneys' Fees

In the event that either party deems it necessary to take legal action to enforce any provision of the contract, and in the event the University prevails, the Contractor agrees to pay all expenses of such action, including attorneys' fees and costs at all stages of litigation.

6.18 Patents, Copyrights and Trademark

The Contractor shall protect the University from any and all damages or liability arising from alleged infringements of patents, copyrights or trademarks.

6.19 Indemnification

The Contractor shall indemnify, hold and save harmless the University, its affiliates and subsidiaries and their officers, agents and employees from losses, claims, suits, actions, expenses, damages, costs (including attorney fees of attorneys of the University's choice and court costs) expenses, all liability of any nature or kind arising out of or relating to the Contractor's response to this Request for Proposal or its performance or failure to perform under the contract awarded from this RFP. This clause shall survive termination for as long as necessary to protect the University.

6.20 Insurance

The successful Contractor shall procure and maintain, at its expense, the following minimum insurance coverages insuring all services, work activities and contractual obligations undertaken in this contract. These insurance policies must be with insurers acceptable to the University.

<u>COVERAGES</u>	<u>LIMITS</u>
Workers' Compensation	Statutory Requirements (Kentucky)
Employer's Liability	\$500,000/\$500,000/\$500,000
Commercial General Liability, including operations/ completed operations, products, and contractual liability (including defense and investigation costs) including this contract.	\$1,000,000 each occurrence (BI & PD combined) \$2,000,000 Products and Completed Operations Aggregate
Business Automobile Liability, covering owned, leased, or non-owned autos	\$1,000,000 each occurrence (BI & PD combined)
Professional Liability (E & O)	\$2,000,000

The successful Contractor agrees to furnish Certificates of Insurance for the above described coverages and limits to the University of Kentucky Division of Purchasing. The University, its trustees and employees must be added as Additional Insured on the Commercial General Liability

policy with regards to the scope of this RFP/contract. Any deductibles or self-insured retention in the above-described policies must be paid and are the sole responsibility of the Contractor. Coverage is to be primary and non-contributory with other coverage, if any, purchased by the University. All of these required policies must include a Waiver of Subrogation, except Workers' Compensation, in favor of the University, its trustees and employees.

6.21 Method of Award

It is the intent of the University to award a contract to the qualified Offeror whose offer, conforming to the conditions and requirements of the RFP, is determined to be the most advantageous to the University, cost and other factors considered.

Notwithstanding the above, this RFP does not commit the University to contract for any requirements detailed in this document. The University reserves the right to reject any or all offers and to waive formalities and minor irregularities in the proposal received.

6.22 Reports and Auditing

The University reserves the right to audit the Contractor(s) records at any time.

6.23 Confidentiality

- a) Unless an exception in accordance with (C) below, and until the Effective Date of an agreement pursuant to this Request for Proposal, this RFP, any responses to the RFP, and other related documents, including but not limited to attachments, appendices, and exhibits, shall be marked and treated as CONFIDENTIAL, as provided for preliminary correspondence under KRS 61.878(1)(i).
- b) On and after the Effective Date of the agreement pursuant to this RFP, all documents associated with this RFP, unless an exception in accordance with (C) below, are NOT treated as CONFIDENTIAL documents and will be released upon receipt of a valid request under Kentucky Open Records law.
- c) Any material or information, in whole or in part, that is submitted whether before or after the Effective Date and that the party believes is confidential or proprietary shall be submitted separately in a document/format clearly marked CONFIDENTIAL. If a party submitting a response to a proposal believes that any document, before or after the Effective Date of the agreement, in whole or in part, pursuant to the RFP is confidential or contains confidential or proprietary information, the party shall identify the specific information and shall submit a listing of the information and the rationale for its being confidential or proprietary. University Office of General Counsel shall review the submitted material/information, consulting with officials of the submitting company, if needed, and make a final determination as to the confidential or proprietary nature of the submitted material.

6.24 Conflict of Interest

This Request for Proposal and any resulting contract is subject to provisions of the Kentucky Revised Statutes regarding conflict of interest and the University of Kentucky's Ethical Principles and Code of Conduct (<http://www.uky.edu/Legal/ethicscode.htm>). When submitting and signing a proposal, an Offeror is certifying that no actual, apparent or potential conflict of interest exists between the interests of the University and the interests of the Offeror.

A conflict of interest (whether contractual, financial, organizational or otherwise) exists when any individual, contractor, or subcontractor has a direct or indirect interest because of a financial or pecuniary interest, gift, or other activities or relationships with other persons (including business, familial or household relationships) and is thus unable to render or is impeded from rendering impartial assistance or advice, has impaired objectivity in performing the proposed work, or has an unfair competitive advantage.

Questions concerning this section or interpretation of this section should be directed to the University Purchasing Officer identified in this Request for Proposal.

6.25 Extending Contract

The Offeror's response to this RFP must state whether or not the offeror will permit the use of this contract by other Universities, state agencies, public and private institutions in the Commonwealth of Kentucky. An answer to this issue must be submitted within the response.

6.26 Copyright Ownership and Title to Designs and Copy

Contractor and University intend this RFP to result in a contract for services, and both consider the products and results of the services to be rendered by Contractor hereunder to be a work made for hire. Contractor acknowledges and agrees that the work and all rights therein, including, without limitation, copyright, belongs to, and shall be the sole and exclusive property of the University. For any work that is not considered a work made for hire under applicable law, title and copyright ownership shall be assigned to the University.

Title to all dies, type, cuts, artwork, negatives, positives, color separations, progressive proofs, plates, copy, and any other requirement not stated herein required for completion of the finished product for use in connection with any University job shall be the property of and owned by the University. Such items shall be returned to the appropriate department upon completion and/or delivery of work unless otherwise authorized by the University. In the event that time of return is not specified, Contractor shall return all such items to the appropriate University department within one week of delivery.

6.27 University Graphic Standards

The Contractor must adhere to all University of Kentucky Graphics Standards. University Graphics Standards are maintained by the University Public Relations office and can be viewed at <http://www.uky.edu/regs/graphics/>. Non-adherence to the standards can have a penalty up to and including contract cancellation. Only the UKPR Director or designee can approve exceptions to the University standards.

6.28 Damaged or Inferior Material

When services are not delivered on the agreed date between the contractor and the University, or if inferior or incomplete work is found, the Purchasing Division in concurrence with the using department reserves the right to reject such materials and request replacement as stated above or authorize the contractor to issue a credit based on the University's cost for all material found unacceptable.

7.0 Scope of Services

7.1 Specific Premium Related Issues and Requirements

A. Premium Payments

The University of Kentucky will supply periodic lists of all mandatory international students, for whom the University will guarantee payment. Adjustments to this list can be made by the University as students waive coverage or become ineligible for coverage per section 6.31 D.

The contractor must agree to accept payment from the University of Kentucky for mandatory international students and graduate assistants/fellows, for whom the University pays the premium, twice each semester, or four times annually. These invoices will not be released for payment by the University until the contractor has made an accurate accounting of mandatory international and funded graduate students.

B. Coverage Lapse

To avoid a lapse of coverage, the contractor must agree to accept premium(s) for renewing or continuing coverage and will backdate coverage to nearest effective date if the premium is received within fourteen (14) days after the effective date.

C. Administrative Fees

Currently, the University of Kentucky does not charge an administrative fee associated with the premium for student health insurance. However, the University may choose to add an administrative fee at some point prior to the expiration of the contract period. Therefore, the contractor must be willing to include an administrative fee as a portion of the premium structure for all insureds if so required by the University. The amount of this fee will be determined by the University and will not be considered part of the total premium.

D. Payment Options

The contractor must provide a split payment option for all self-insured students so that payments can be made annually, twice yearly, or by a 5-period payment plan. The contractor agrees to process premium payments within fifteen (15) days of receipt.

The University is currently researching alternate schedules for voluntary enrollment and payment and may elect to change the schedule with the advice of the carrier.

E. University Representatives – Premium Payments

The contractor authorizes University Health Service, the Office of International Affairs, or the Graduate School to act as representatives to receive and handle premium payments from the student(s) and to forward those payments directly to the contractor. The effective date of coverage for those students paying their premium in this manner will be the date on which the University accepts payment.

G. Insurance Coverage for non-students currently enrolled in the school's student insurance plan's continuation privilege

Currently, all insured persons who have been continuously insured under the school's regular student policy for at least three (3) consecutive months and who no longer meet the eligibility requirements under the policy are eligible to continue their coverage for a period of not more than twelve (12) months under the school's policy in effect at the time of such continuation. The offeror must agree to deem these enrollees who are currently enrolled through the continuation privilege eligible for the duration of their 12 month eligibility period.

The University is currently researching alternate schedules for continuation enrollment and payment and may elect to change the schedule with the advice of the carrier.

H. Eligibility Criteria

The contractor must allow the University to establish eligibility criteria for the policy.

I. Dependent Premiums

The contractor must accept and match all student enrollments (voluntary, funded and international) coverage with dependent premiums.

J. Invoicing and Reconciliation for University-Funded Graduate Students and Non-Funded International Students

Invoices sent by the contractor to the designated insurance coordinators must accurately represent only funded graduate and international students respectively. When reconciling enrollment figures is necessary, the contractor will provide analysis required to reconcile the invoice to information already supplied by the University. Premium payment will not be released to the contractor until the invoice is reconciled. The contractor will invoice the University twice each semester or four times annually for graduate and international students separately.

Additionally, the contractor will provide, upon request, a reconciliation report to the designated insurance coordinator consisting of student names, identification numbers, dates premium paid/refunded, amounts of premium and effective dates. This file should preferably be in Excel format.

K. Listing of Insured

The contractor must provide an accurate list of those insured, including dependents of health plan members. This information will be the result of the complete and accurate posting of all premiums received from students enrolling through that date. The information will include the student (and dependent(s)) by name, identification number, and effective beginning and ending dates of coverage.

7.2 SPECIFIC CLAIMS RELATED INFORMATION AND REQUIREMENTS

A. Payment of Claims for Funded Graduate Students and Non-Funded International Students

The contractor must pay claims for graduate assistants/fellows/sponsored students before receiving any premium from the University. Students submitted to the contractor by list will be insured from the time the list is received, not when premium is received.

B. Telephone/E-Mail/Internet Access for Claims

The contractor must provide daily telephone/e-mail/Internet access to appropriate University staff in the claims area so University staff can resolve claims related issues during working hours. This must include the status of individual student claims in process. The contractor's system of such access must have at least a two-year history of providing similar services to other universities of similar size.

C. Processing of Claims

All submitted claims which contain accurate and complete information must be processed within fifteen (15) working days.

D. Toll Free Telephone and Internet Access

The contractor must supply a toll-free number and Internet access for policy services that can be used by students and dependent insureds (in the U.S. and abroad). The contractor will provide direct claims service to insureds during the University's regular business hours for students who need claim processing assistance.

E. University Contact Information

The contractor must provide a system through which the University may be assured of contact within one hour, during regular University business hours, with appropriate company staff to resolve a variety of administrative issues (e.g., pre-assessment of benefit level for individual insureds).

F. Special Reports

When requested by the University, the contractor must provide special reports on specific claims data within fifteen (15) days of such a request. The contractor must be able to monitor illness claims, injury claims and insured categories to be able to provide the University with detailed claim data analysis upon request (e.g., such as determining the number of chest x-rays claimed by international students during the current policy year).

When requested by the University, the contractor must provide special reports on specific providers and institutions providing care to the insured population within thirty (30) days of such a request.

7.3 **SPECIFIC FILING, ADMINISTRATIVE ISSUES AND REQUIREMENTS**

A. Filing of Health Insurance Plan

The plan shall be filed in Kentucky, and must follow applicable Commonwealth of Kentucky regulations for health insurance plans. The plan must also be submitted to the Commonwealth of Kentucky Department of Insurance for any necessary approval not later than April 15 of each year.

The plan may not be filed in a trust.

B. Brochure and Informational mailing

1. The final draft of the brochure describing the student insurance plan must be available from the carrier for the University's review and approval by April 1 of each year. Under no circumstances can changes be made to the brochure or master policy by underwriting, compliance, or any other contractor department unless each change is submitted to the University in list format in a separate document. This list must distinctly and accurately show any proposed change in wording, layout, or formatting that differs in *any* way from the previous year's plan, master policy, or brochure. Alternatively, changes may also be submitted in electronic format with software that supports mark-up/editing features to track changes. These changes must distinctly and accurately show any proposed change in wording, layout, or formatting that differs in *any* way from the previous year's plan, master policy, or brochure.
2. Pre-approved marketing and/or informational mailing is to be mailed to all University students (within the U.S.) by the carrier on or before July 1 each year. During the first week of August, a second mailing will be sent to all new University undergraduate students who have attended the University's new student orientation sessions. A mailing to newly-admitted graduate students for the fall semester shall occur on September 20. (The University will provide the carrier with access to computerized mailing labels).

C. Electronic Transfer of Information for Funded Graduate Students and International Students

The contractor must be willing to accept electronic methods: a diskette, ftp file transfer, or e-mail attachment to transferring information regarding mandatory international students and graduate assistants or fellows for whom the University pays premium. When receiving addresses, if available, for students funded by the University of Kentucky, the contractor must be able to accept a street address line of at least thirty-two (32) characters.

The contractor must be able to communicate with University personnel by secure e-mail.

D. Data and List Requirements

1. On request, the University of Kentucky will supply documentation for data specifications used in list submissions of funded graduate students. These specifications can include data

requirements for both alphanumeric and numeric fields. Within 45 days of the contractor's selection, the University and contractor will agree upon data specification requirements for list submission of funded graduate students.

2. Funded graduate students will be shown as "insured" in the contractor's system within 48 hours of receiving data from the designated insurance coordinator.
3. Payment for any funded graduate or mandatory international student submitted by the designated insurance coordinator supercedes any individual direct pays. No student submitted by a list should be on the insurance plan as a voluntary, direct-pay insured.
4. Funded graduate students and international students enrolled with the contractor by list may be added to or deleted from the plan retroactively for up to three previous fall/spring semesters. (The retroactive period will extend back three fall and spring semesters, since they are the enrollment semesters of record).

7.4 PREMIUM PAYMENT PLANS

Premium payment plans for international and funded graduate students must include coverage as follows:

Fall	8/26 – 12/31
Spring – Summer:	1/1 – 8/25

Premium payment plans for voluntary enrollment students, dependents of funded graduate and international students must include coverage as follows:

Annual:	8/26 – 8/25
Five periods:	8/26 – 10/28; 10/29 – 1/1; 1/2 – 3/25; 3/26 – 6/10; 6/11 – 8/25

An established rate will be used to provide additional "Early Arrival" coverage from August 1 through August 25 for students deemed eligible by UK.

7.5 Optional Services

Any and all additional options that are deemed by the Offeror as contributing value, either physical or economic, should be detailed along with a statement of related costs or cost savings. The University shall, in its sole discretion, make the determination as to whether the optional service will be undertaken.

8.0 Financial Offer Summary

Offerors are to provide a fixed price for the services offered as illustrated in the matrix below.

		Enrollment model	
		Appendix B	Hard waiver
Benefit structure	Appendix B		
	Appendix C		
	Alternate plan design (optional)		
	Appendix C 2		

* Make certain the details of Appendix C are reviewed and included in the quote.

8.1 Alternate Pricing

In addition to the above financial offer, Offeror may submit alternative financial proposals, however the information requested above must be supplied and will be used for proposal evaluation purposes.