Request for Proposal number 19TC1020R0005 – LES Health Insurance Services

Questions & Answers

Refer to Solicitation clause
Questions and Answers from the prospective offerors sent via e-mail

The following table reflects questions as raised by prospective offerors. Our answers are based on our review of the contract and any relevant guidance or regulations.

<table>
<thead>
<tr>
<th>Number</th>
<th>Question as submitted by bidder</th>
<th>Answer from Contracting Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Employee Details in the attached excel sheet. (Date of Birth, Gender, and Dependency/Relationship is mandatory to issue quote and the rest of information required only after the acceptance of quote.)</td>
<td>The enrollee list is attached.</td>
</tr>
<tr>
<td>2</td>
<td>Existing table of Benefits.</td>
<td>Table of Benefits Attached.</td>
</tr>
<tr>
<td>3</td>
<td>Existing Loss Ratio and utilization report.</td>
<td>As reported by the current Contractor the lost ratio for 2019 is 76%. For 2020, this is 3 months only and claims are not complete, so we cannot share loss ratio. The claims report for 2019 and 3 months of 2020 although 2020 claims are not mature yet.</td>
</tr>
<tr>
<td>4</td>
<td>DHA claim report in existing insurer letterhead</td>
<td>The claims reports for the period from 2017 to March 2020 are attached.</td>
</tr>
</tbody>
</table>
| 5      | Census list with minimum of below details  
  - Name, Date of Birth, Gender, Marital status, Visa Issuance Location details, Salary details and Insurance category details | The enrollee list is attached.  
  Note:  
  Visa Issuance Location – if member is enrolled under Abu Dhabi policy, then their visa issued location will be Abu Dhabi. If member is enrolled under Dubai policy, then their visa issued location will be Dubai. Salary details – Employee’s salary details are not required for health insurance, hence not included in the census. |
<p>| 6      | A copy of Trade license | The U.S. Embassy is a Diplomatic Mission; not a business entity and hence does not have a trade license. |
| 7      | What are the Renewal Terms? | Refer page no. 31 of Section I in the solicitation. |</p>
<table>
<thead>
<tr>
<th>Number</th>
<th>Question as submitted by bidder</th>
<th>Answer from Contracting Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.</td>
<td>What is the renewal date of the scheme/plan in UAE?</td>
<td>The UAE regulations specify that health insurance policies will be valid for a minimum of one year from the commencement date of the policy. The Embassy’s current health insurance plan is renewed annually on January 1st every year.</td>
</tr>
<tr>
<td>9.</td>
<td>What is the current premium spend and previous 2 year premiums for this plan?</td>
<td>Current premium spent for 2020 is estimated at USD 3.8M. For 2019 - USD 3.9M, and for 2018 - USD 3.1M.</td>
</tr>
<tr>
<td>10.</td>
<td>What is the claims cut-off date which amounted to AED 10,752,769.94 for Underwriting Year 2019?</td>
<td>The cut-off date for this amount was Q3 of 2019, September 30, 2019.</td>
</tr>
</tbody>
</table>
| 11.    | Claims Breakdown By:  
- In-Patient, Out-Patient, Dental & Optical  
- Claims Utilization by top providers  
<p>| 12.    | What is the split of membership between Dubai &amp; Abu Dhabi? | As per attached enrollee list showing Dubai and Abu Dhabi subgroups. |
| 13.    | Who is the current insurer in UAE? | MetLife |
| 14.    | How long has the contract been with the current insurer? | Current Bridge Contract has been with MetLife since January 2020, prior to the Bridge Contract Embassy had 5 year contract with MetLife from January 2015 until December 2019. |
| 15.    | Are both the schemes/plans in compliance with HAAD &amp; DHA respectively? | Yes |
| 16.    | Would the group be provided with a Certificate of Credible Coverage (COC) upon renewal from existing insurer? | Yes |
| 17.    | Is the current program placed through an insurance broker in the market and are they eligible for a brokerage commission? | No |</p>
<table>
<thead>
<tr>
<th>Number</th>
<th>Question as submitted by bidder</th>
<th>Answer from Contracting Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.</td>
<td>Membership nationality, we understand that all are UAE Nationals. By law in Abu Dhabi, they are required to be covered under THIQA plan and any insurer offering cover to UAE Nationals will have to offer only a Top-up plan. Kindly provide clarification to membership based in Abu Dhabi.</td>
<td>The membership nationality is 100% non-UAE Nationality under the existing Abu Dhabi Policy group, and no top-up plan is offered at this time.</td>
</tr>
</tbody>
</table>
| 19.    | **Claims Activity in Prior Periods:**  
- Provide claims information for the period of January 1, 2020 to the latest period you have the information and please specify that date. Please group the data by policy period.  
- Provide the number of claims incurred in each period.  
- Indicate the number of claims in excess of US$ 10,000 and the aggregate amount of these claims for each year presented.  
- Indicate maximum, minimum and average claim per policy period. | The claims reports are attached for period from 2017 to March 2020. |
| 20.    | **Premiums:**  
- Provide the premium billed in all of the last 5 years, grouped by policy period.  
- Provide average number members during all periods. This is the average number of employees + spouses + dependents. |  |
<p>|        | <strong>|</strong> | <strong>|</strong> | <strong>|</strong> | <strong>|</strong> | <strong>|</strong> | <strong>|</strong> |
|        | Periods | Average Insured Count | Billed premium in USD |
|        | Jan 2020- Dec 2020 | 1052 | 3,872,046.30 |
|        | Jan 2019 - Dec 2019 | 1044 | 3,919,651.31 |
|        | Jan 2017- Dec 2017 | 926 | 2,694,514.03 |
|        | Jan 2016 - Dec 2016 | 867 | 2,220,699.63 |</p>
<table>
<thead>
<tr>
<th>Number</th>
<th>Question as submitted by bidder</th>
<th>Answer from Contracting Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.</td>
<td>VAT – Are premiums exempt from VAT? If the premiums are not exempt from VAT what is the VAT % we need to add?</td>
<td>The premiums are not exempt from VAT. Per section B.2.1. “The Contractor shall include VAT as a separate charge on the Invoice”. Per section B.2.3., the VAT is 5%.</td>
</tr>
</tbody>
</table>
| 22.    | **Exposures**  
Please Include the detail of the actual Census including:  
• Gender  
• Type of Insured (Main Insured/Spouse/Children)  
• Birthdate | The enrollee list is attached. |
<p>| 23.    | We note that at section <strong>C1.1.20 Employee Assistance Program</strong> that this program is optional and is subject to availability of funds at the post. Should we include the benefit for all members in our proposal? If we should include it are there any minimum standards we should include? | This benefit should be provided to employees only. The employee’s dependents are not eligible. No minimum standards outlined for the Employee Assistance Program. The Contractor should submit their proposal for this benefit based on local and international standards. The Employee Assistance Program should be included as permanent part of the proposed table of benefits. |
| 24.    | <strong>Retirement Age</strong> – What is the retirement age for employees? | The retirement age for employees is 60. |
| 25.    | <strong>Spouse’s Eligibility</strong> - Is the Spouse eligible at any age as long as the employee is eligible? | Yes, spouse who maintains UAE residency visa is eligible at any age as long as the employee is enrolled. |
| 26.    | Loss Ratio 2019/2020 (No need for Loss Ratio if group is less than 150 members). | As reported by MetLife “the loss ratio for 2019 is 76%. For 2020, this is 3 months only and claims are not complete, so no loss ratio is available. Claims report for 2019 and 3 months of 2020 are attached, although 2020 claims are not mature yet.” |</p>
<table>
<thead>
<tr>
<th>Number</th>
<th>Question as submitted by bidder</th>
<th>Answer from Contracting Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>27.</td>
<td>Emergency services: You did not mention any geographical scope for this service, Please confirm if the request is to cover emergency service worldwide or in case of specific geographical scope, please let us know. Also you mention coverage is at 100%, is this at incurred cost or 100% R&amp;C based on UAE rates?</td>
<td>The Emergency services is to be covered in any worldwide location. Per section C.1.1.17 Out-of-Country Medical Treatment of the solicitation “Medical expenses incurred out-of-country will be covered at the same benefit level and subject to the same total maximum annual limit as for medical expenses incurred in-country.” The coverage is at 100% of Reasonable and Customary charges based on UAE rates.</td>
</tr>
<tr>
<td>28.</td>
<td>Catastrophic Coverage: Is the request is for an additional 298,000AED sum insured per member?</td>
<td>Yes, the Catastrophic Coverage amount AED 298,000 is per covered individual per contract year.</td>
</tr>
<tr>
<td>29.</td>
<td>Out-of-Country Medical Travel: Please clarify the request here, is it to non-emergency cover medical treatment outside UAE only if not available on UAE? Also as word “Travel” mentioned, does that mean that you are requesting to cover any travel expenses, to note that this is not a market practice or insurance liability.</td>
<td>Out-of-country medical travel is a covered expense for both emergency and non-emergency medical treatment not available in UAE. To be considered a covered expense, the attending certified health care provider must certify in advance that the treatment is medically necessary and unavailable locally. The transportation expenses by the least expensive, appropriate means of transportation to the nearest city with adequate medical facilities should be covered.</td>
</tr>
<tr>
<td>Number</td>
<td>Question as submitted by bidder</td>
<td>Answer from Contracting Office</td>
</tr>
<tr>
<td>--------</td>
<td>------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>30.</td>
<td>In regards to: 180 Day Coverage for Dependents After Employee’s Death. At the time of a covered employee’s death, is/her eligible dependents covered under post’s medical plan are eligible to continue receiving the same level of medical coverage for up to 180 days. This optional benefit is subject to availability of funds at post and no extensions are permitted. Can you confirm the part related to availability of funds? How would MetLife know if there are funds to allow 180 days for coverage for dependents of any deceased staff?</td>
<td>The wording “This optional benefit is subject to availability of funds at post and no extensions are permitted” is included there for the solicitation phase only. This benefit will be included in the final table of benefits if funds are available. Once included in the final table of benefits, must be permanent part of the table of benefits, and any case must be covered under the same premium and annual maximum limit.</td>
</tr>
<tr>
<td>31.</td>
<td>Kindly note that the following request is not in line with UAE health regulatory guidelines: Employee Claims Report: The report will list all claims paid by the Contractor to a claimant, including the name of the claimant, date claim is received by the Contractor, and the amount claimed. This report shall also include all outstanding claims and a brief description of why claim has not been paid.</td>
<td>Amendment A002 is issued to revised the verbiage in Section C.1.14.1. See attached.</td>
</tr>
<tr>
<td>32.</td>
<td>Official claim reports for the last 3 years.</td>
<td>The claims reports for the period from 2017 to March 2020 are attached.</td>
</tr>
<tr>
<td>33.</td>
<td>We understand from the Tender document that a Regional cover is required, but would like to confirm on the geographical scope of cover.</td>
<td>The coverage should be provided worldwide at the same benefit levels, and reasonable and customary charges based on UAE rates, subject to the same total maximum annual limit as for medical expenses incurred in-country.</td>
</tr>
<tr>
<td>Number</td>
<td>Question as submitted by bidder</td>
<td>Answer from Contracting Office</td>
</tr>
<tr>
<td>--------</td>
<td>------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>34.</td>
<td>Is there a chance that we can obtain the complete membership list without member names to get clarity on nationalities as well as presence of UAE local nationals.</td>
<td>The enrollee list is attached.</td>
</tr>
<tr>
<td>35.</td>
<td>Can you let us know the current insurer of this group?</td>
<td>MetLife</td>
</tr>
<tr>
<td>36.</td>
<td>Can you share the Insurer’s TOB with us?</td>
<td>The TOB is attached.</td>
</tr>
<tr>
<td>37.</td>
<td>Regarding 5 years rates plan, can we offer the rates subject to yearly policy performance review?</td>
<td>No, this contract is for one base year with four option years; and hence the prices should be offered per the pricing table given in Section B.2</td>
</tr>
<tr>
<td>38.</td>
<td>Riders: Regarding riders, the tender doc defines them in page no 2 under B.1.1 as various subsidiaries and are covered under this contract. However, page no 23 H.3.1 mentions that we would not have to cover these riders under this plan of the embassy in AUH. Kindly confirm whether we are obligated to quote for coverage of the Riders.</td>
<td>The riders are covered under this contract. However, the riders will be maintained as a separate group for enrollment and billing purposes. The USG is not responsible nor liable, for any riders.</td>
</tr>
<tr>
<td>Number</td>
<td>Question as submitted by bidder</td>
<td>Answer from Contracting Office</td>
</tr>
<tr>
<td>--------</td>
<td>---------------------------------</td>
<td>--------------------------------</td>
</tr>
</tbody>
</table>
| 39.    | Riders – Please clarify the below:  
  • The same rates set for the employees, spouses and dependent children on the USG Plans will be applied to Rider plans (ORE, AEEA, MSG) for the first year of coverage.  
  • Following the first 12 months of coverage, prices may be adjusted for Rider Plans. This may result in different premium rates for the USG and Rider Plans from Year 2.  
  • Enrolment is mandatory for all USG, ORE, AEEA and MSG eligible employees. | The insurance benefits coverage and levels for riders will be the same as coverage and levels outlined in the contract for USG employees and dependents. The TOB and premium rates are the same for all members, including riders throughout the contract period.  
  The enrollment is mandatory for all USG, ORE, AEEA and MSG eligible employees. |
| 40.    | Economic Price Adjustment calculations: Please confirm the following:  
  • Receipts/Premium represents actual premium collected in regards to the first 12 months of coverage  
  • Number of insurance plans: What is this in reference to?  
  • Claims paid: Please confirm that the total paid amount represents claims paid plus claims reported but not paid plus claims incurred but not yet reported. | Yes, receipts (premiums received) minus the retention amount is for the 12 months of previous year’s coverage period.  
  Under this contract there will be only one insurance plan.  
  The total paid amounts should represent actual claims paid for the past 12 months. |
<table>
<thead>
<tr>
<th>Number</th>
<th>Question as submitted by bidder</th>
<th>Answer from Contracting Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>41.</td>
<td>Please provide information on large claims (single claims greater than AED 35k)</td>
<td>The claims report is attached.</td>
</tr>
<tr>
<td>42.</td>
<td>Benefits Limit -</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td>• Please confirm the annual limit is AED 298,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• The plan covers Annual physical examination, please confirm the limit; is it paid up to the annual limit or it is paid once in a policy year?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Catastrophic coverage: is it double the limit of annual policy limit?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Aids/ HIV- Is the limit similar as above?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Out of country medical travel – we understand that we need to cover the medical treatment up to 80% of the annual limit, this benefit triggers when the treatment is not available locally and the member either travels or is evacuated (based on medical condition) to the nearest and best facility. Why is it restricted till 80% and not paid in full as this is not the member’s discretion.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The maximum annual reimbursement per covered individual per contract year, not including expenses defined under Exclusions and Limitations C.1.3 and C.1.1.16, Catastrophic Coverage, or those covered under C.1.1.15, HIV/AIDS, and C.1.1.21 Excess Coverage is equivalent to AED 298,000.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The annual physical examination is subject to the annual maximum limit identified under section C.1.12.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catastrophic coverage is additional coverage equal to <strong>AED 298,000</strong> per covered individual per contract year.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIV/AIDS is reimbursed at 100% up to USD10,000 per contract year per covered individual.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The 80% reimbursement for transportation for out-of-country medical treatment is minimum authorized benefit.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per <strong>Section L.4.3. Volume 3, Technical Proposal</strong> Instructions to Offerors: The technical proposal must be submitted in four separate parts as described below.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part 1, Health Insurance Services: <strong>Section C.1 defines the required minimum benefits and corresponding coverages.</strong> These are the minimally acceptable levels of coverage. If offerors choose to include additional benefits or higher coverages than the required minimums this is acceptable; however, evaluations will be based on meeting the stated minimums only.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>Question as submitted by bidder</td>
<td>Answer from Contracting Office</td>
</tr>
<tr>
<td>--------</td>
<td>---------------------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td></td>
<td>• Please explain the benefit of医疗 treatment outside the country- Does it mean that you need worldwide cover?</td>
<td>For each benefit listed, proposals must clearly state its coverage. Any proposal that reduces a benefit definition or offers lower than the minimum required coverage may be determined technically unacceptable. The resultant contract will contain the actual proposed coverages or increased benefit offerings if they exceed the solicitation’s minimum requirements. For outside the country treatment, please check the answer provided for question #33 above.</td>
</tr>
<tr>
<td>43.</td>
<td>We have observed in the Tender document that the offeror should not disclose any information. Please let us know if there is a Non-Disclosure Agreement that needs to be signed by us.</td>
<td>No, there will not a Non-Disclosure Agreement signed by the offerors.</td>
</tr>
<tr>
<td>44.</td>
<td>There are expected service deliverable mentioned in the tender, is there any performance guarantee linked to it?</td>
<td>Yes. Please refer FAR clause 52.237-7 INDEMNIFICATION AND MEDICAL LIABILITY INSURANCE in Section I, page # 32. An apparently successful offeror, upon request by the Contracting Officer, shall furnish prior to contract award evidence of its insurability concerning the medical liability insurance required by paragraph (a) of this clause.</td>
</tr>
<tr>
<td>Number</td>
<td>Question as submitted by bidder</td>
<td>Answer from Contracting Office</td>
</tr>
<tr>
<td>--------</td>
<td>---------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>45.</td>
<td>Census: Can we please have the historical monthly membership or average membership per year as per the format below?</td>
<td>Please see below:</td>
</tr>
<tr>
<td></td>
<td>Policy Year</td>
<td>Opening Population at the beginning of the year</td>
</tr>
<tr>
<td></td>
<td>2017</td>
<td>889</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td>923</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>1004</td>
</tr>
<tr>
<td></td>
<td>2020</td>
<td>1030</td>
</tr>
</tbody>
</table>