

**STATE OF ALASKA RFP NUMBER 2015-0200-2770**  
**AMENDMENT NUMBER TWO**



Department of Administration  
Division of Administrative Services  
333 Willoughby Avenue, 10<sup>th</sup> Floor  
PO Box 110208  
Juneau, Alaska 99811-0208

**THIS IS NOT AN ORDER**

**DATE AMENDMENT ISSUED: July 6, 2015**

**RFP TITLE: LONG TERM CARE PLAN ADMINISTRATOR**

**IMPORTANT NOTE TO OFFERORS:** This amendment is being issued to answer question(s) received and/or to modify a section of the Request for Proposals (RFP). Only the following items/sections referenced in this amendment are to be changed. All other terms and conditions of the original RFP remain the same.

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Questions Received:  
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- Q. If the prime contractor has sufficient government experience, can the experience of a parent company be used to meet the private employer experience requirement?
- A. **Yes.**
- Q. Is Premium Administration within scope of this RFP?
- A. **At this time, premium administration is not part of the scope.**
- Q. How many members are currently enrolled in the program?
- A. **24,891 retirees and dependents are enrolled in the LTC system.**
- Q. How many employees, retirees, and qualified relatives are eligible to participate in the program?
- A. **Employees are not eligible to participate in the LTC program. Retirees and their qualified spouses are eligible to enroll at retirement only, with potential of approximately 2000 new enrollees per year.**
- Q. How many enrollees attrite each year?
- A. **Less than 200 enrollees each year, including those enrollees that pass away, cancel their coverage, or exhaust their benefit levels.**
- Q. How many eligible people apply to achieve a net enrollment increase of 2,000 annually? In other words, how many people who apply are denied enrollment?
- A. **Retirees and their eligible spouses that enroll at retirement are not required to go through an underwriting process. Underwriting is only required when a new spouse is added to an existing retirement plan. We receive approximately 20 applications for new spouse enrollment per year, and about half of those are denied.**

Q. Please explain the variance between the estimated annual increase in enrollees of 2,000 (“Approximately 2,000 members join the plan each year” on page 21) and the annual increase of 500 insured lives in the Cost Proposal Form (Attachment F, page 43).

**A. Approximately 2000 retirees join the retirement plan each year. Each retiree has the option to elect LTC coverage at time of retirement for themselves and qualified spouses; however, only approximately 500 retirees select this coverage each year.**

Q. How many rate increases has the program experienced? Are any rate increases expected during the term of this contract?

**A. There have been no rate increases. While we do not currently have any rate increases planned, it is possible that there could be an increase during the term of the contract.**

Q. Do you plan to offer an extension to the July 16, 2015 deadline for proposals?

**A. Not at the moment. However, the State will consider any request to extend the response deadline.**