

Please note the RFP and answers to the responder questions are posted at the website below, as are the [trust documents](#) and the [consolidated audit statements](#) and quarterly reports from Kevin Benton.  
<https://www.bigspringsd.org/sct>

The screenshot shows a web browser at the URL <https://www.bigspringsd.org/sct>. The browser's address bar and tabs are visible. The website header for Big Spring School District features the district's logo, the name "Big Spring School District", the tagline "Shaping The Future, One Student At A Time", and buttons for "Select a School" and "Popular Links". A navigation menu includes links for Home, Our District, 2020-2021 Key Information, At Home Learning Resources, School Board, Services, Curriculum, Athletics, and Parent. Below this, there are links for Community, Employee, and Office365. The main content area is titled "South Central Trust" and includes a breadcrumb trail: Home > SCT > South Central Trust > Overview. A sidebar on the left lists various links: Overview, Meetings, Vision, Trust Docs, Financials, Innovu, and Request For Proposals. The main content area welcomes visitors to the South Central Trust and states its purpose: "The purpose of this Trust is to create an entity through which various types of insurance coverage and administrative services can be secured and purchased on behalf of all Member LEAs and to enable those Member LEAs to self-insure together through the same funding vehicle, thereby reducing the burden of costs through administrative efficiency, shared information, economies of scale and joint bargaining. In accordance with Pennsylvania statutes; specifically 53 Pa.C.S.A. §483, relating to cooperation among municipalities, 24 P.S. §5-521 relating to authority for school districts to act jointly with other political subdivisions and 42 Pa.C.S.A."

### **SCT Enrollment**

How many medical eligible employees at each school/entity in the Trust? What is the employee and member enrollment count within the SCT? Are there any Medicare members? If so, how many? Can we please have the number of contracts for each participating entity by benefit plan and rating category. [See spreadsheet](#)

### **Carrier**

Can we please have the name of each carrier you have contracted to administer your current programs as listed within the RFP. Please confirm the applicable carrier and rating method for each line of business (Medical, Rx, Dental, Vision, COBRA, FSA, HSA, Stop Loss, etc.). Who are the current carriers/vendors under the SCT Current Programs Section? Are the carriers the same for all the schools/entities?

[See spreadsheet](#)

### **Risk Sharing Pool**

The RFP indicates that the Trust includes a risk sharing pool and a non-risk sharing pool. Please clarify what this means to the respective districts (i.e. self-insured vs. fully-insured?). [See SCT/RSP By-Laws on website](#)

Does the scope of services apply to all the schools (Risk Sharing Pool and Non-Risk Sharing Pool)? If there are any difference, can you please outline the differences? *Generally, the services are the same except for calculation of the premium for RSP vs non-RSP. This is not an all or nothing proposal, if a school is not satisfied with the results of the RFP, they may still chose to leave or go another route.*

Under the Background on the South Central Trust, there is a note that “Currently the non-risk sharing members could have a separate consulting agreement”. We know that this is the current case, but does this RFP contemplate separate pricing considerations (RSP and individual NRSP) as well as a combined full SCT pricing model? *Not at this time.* Will all members of the SCT be making the same decision for a Consultant? *This is the current intent; but, all will be making an individual decision in this process.*

### **PBM**

Are the risk sharing pool members and the non-risk sharing pool members under the same Pharmacy Benefit Manager (PBM) contract? *Yes, most are RX Benefits via CVS Caremark except Mechanicsburg*

Who is/are the current Pharmacy Benefit Manager(s), and what is/are the termination date(s) of the current PBM contract(s)? *RX Benefits, termination date tbd.*

Please confirm that you are seeking pharmacy consulting services to be structured in a retainer fashion, which will include 1 PBM procurement (or 2 if there are 2 PBM contracts), 3 annual PBM audits (or 6 if there are 2 PBM

contracts) and our standard ongoing pharmacy consulting scope of services. *We need clarification on this question. We just recently switched to carving out our Pharmacy costs. We are interested in continuous to our plan which would include investigation and analysis of drug costs and the rebate system.*

What is the total number of pharmacy plan designs amongst all members? *1 for most, except Carlisle & Mechanicsburg*

Is the Pharmacy currently carved in with the medical carrier or carved out to a separate carrier? Or does each school have a different arrangement? *Most carved out to RX Benefits over the past 18 mos.*

### **Fees**

The RFP indicates that the current fee arrangement includes the Executive Director and Consulting Services. Should we include in our fee proposal the cost of the Executive Director and, if so, what is that amount? *Yes, See Consulting Agreement under Trust Documents on Website*

Please confirm what services are performed as part of the Executive Director function within the SCT. Is the expectation that our proposal includes the insurance brokerage/consulting services only, or also include the services provided by the Executive Director? *Both – see Consulting Agreement under Trust Documents on Website*

Please confirm if USI is currently funding administrative fees associated with any of the current programs provided to member districts within the SCT (i.e. Cobra services, FSA/HSA administration, TPA services, data analytics, etc.). *See Consulting Agreement under Trust Documents on Website*

Please confirm the fee arrangement that is currently in place with USI (i.e. per contract/month fee, flat fee, % of premium/claims, etc). Please confirm the estimated consulting fee for the last 12 months or for CY 2020.

*See Consulting Agreement under Trust Documents on Website*

Please confirm how districts are currently billed for Medical/Rx, Dental and Vision claims and/or administrative expenses on a monthly basis. If this administration is currently being performed by a third party administrator, please confirm the vendor and complete scope of services.

*In general medical rates appear from the USI and are presented to the individual members. The admin fees from CBC or HBS are negotiated in some unidentified process with USI.*

### **Accounting**

Please confirm the role of the accounting firm selected by the SCT.

The RFP depicts an initiative of Accounting Relationship Analysis. Can you please provide your definition of this analysis, and Can we please have a copy of your trust document,

The 5th bullet in this section of the RFP indicates that the winning bidder will provide accounting of the Trust's investment performance. Gallagher will need to gain additional insight into the SCT's expectations in this regard. Is this simply the reporting of fund balances, or does this entail management of the Trust fund investments?

One bullet notes that the Consultant is expected to "complete [a]...detailed accounting of ....investment performance". As the Consultant isn't the investment advisor, what is the proposed role?

*The Accounting Firm is supposed to account for the SCT dollars – which generally happens after some delay. However, it doesn't include any connection to experience or identify health related issues. In addition, the firm performs FSA payments from some trust members and who pays is unknown. Regarding investments, we expect that we be provided regular reports on how much and where the money is invested. Given the balances in the trust, we would expect the Executive Director/Consultant to professionally invest the funds under the conventional permissibility of Section 440.1 of the PA School Code.*

*Currently, we have duplication of effort where an accountant and a local bank both assume responsibility for, and get paid for, accounting for the \$. As the accountant makes no connection to medical use or experience, it's time to relook this effort.*

### **Communication**

What types of participant communication materials are currently required by the SCT (i.e. monthly newsletters, open enrollment guides, etc)? Are communication materials currently developed across the SCT, or are they developed on a district-by-district basis? *With exception of Trustee actions, almost everything the Trust does is by individual district. Our goal would get to a standard set of plans that would unify this effort and reduce the individual communications and CBA language required.*

## **Innovu**

Please confirm the duration of the relationship between SCT and Innovu. Please describe the reporting being provided by Innovu at the present time. Are there all cart services being accessed from Innovu and, if so, what are those services and the additional fees? Is the SCT looking to expand these services in any way? Should our proposed fee include the cost of Innovu and, if so, what is that cost?

Can you share a little more specifically what projects and analysis you have done so far with Innovu.

*The SCT has a current agreement with Innovu.. If your proposal includes the cost of Innovu, please make sure that is distinguished. It is the goal of the SCT to continue to utilize Innovu so if there are cost efficiencies that can be gained through a consortium purchasing we would be interested. If not, the SCT will continue to purchase.*

*Currently we are not utilizing the data provided by the SCT to drive decision. This needs to change early in the transition of consulting services. We would like an active engagement with Innovu that would include constant feedback at both a trust level but also an individual entity level.*

*The SCT would like to analyze data similar to that at the PASBO Consortium level. This data will help drive decision making for the trust. The data will not only be used to drive cost saving methods but will also be used to provide our members with beneficial information. Examples would be organizing programs designed to help schools that have a higher prevalence of a disease.*

## **Meetings**

What is the expectation for number of individual meetings with Districts and Boards for negotiations and plan selection? *With exception of Trustee actions, almost everything the Trust does is by individual district. Our goal would get to a standard set of plans that would unify this effort and reduce the individual communications and CBA language required.*

What is the expectation for number of trust, Executive Committee and Board of Trustee meetings? *I think quarterly meetings of the trustees is appropriate. That should include a review of the financials, the experience and usage, and trends that show needed or advised actions. In addition, each session should have an educational component. Periodic meetings and discussions with individual schools would be beneficial for those that have initiatives that might not be aligned with the full trust initiatives. The executive committee meeting is monthly with review of above.*

For the notation – “Assist the SCT with the implementation and communication of new programs or changes to existing programs, which will include attending and presenting information at Open Enrollment meetings” – is this specifying that the Consultant will be attending and presenting at all OE meetings for each LEA? *As currently configured, with everyone on their own plan, yes.*

There is a requirement that the Consultant “intervene with provider on behalf of the members when problems occur”. Does the term “members” refer to the LEAs or employees and their families? *EE & family on the plan.*

Please clarify “Facilitate and advise on medical stop loss contract negotiations, if applicable”. Is the intention that the consultant will market, negotiate and place the stop loss or merely facilitate and advise? *Yes. This is one of the few things that trust members share. Mostly.*

What is the expectation for the number of “educational and informational seminars as requested by SCT”? *With exception of Trustee actions, almost everything the Trust does is by individual district. Our goal would get to a standard set of plans that would unify this effort and reduce the individual communications and CBA language required.*

### **General**

How often are utilization reports to be submitted to the Board?

*The only regular report we get for our boards are the income statements from Benton accountants. In general, we would like to see something on a monthly or quarterly bases that describes our experience and usage in a way that can highlight changes we need to make or alert members so we can all make informed, data driven decisions. This would include not only claim data but also data from the Innovu system.*

Description of Proposal Submission - Section 3(a) – Is the SCT looking for a listing of ALL our clients or ALL public school clients, or some other subset?? *While we are very interested in your public school clients, our focus is experience with medical consortium/trusts, etc.*

Under the Schedule for the RFP, there is one statement that notes “(tentative)”. Can we assume that a formal pre-RFP meeting will not be held but that questions are due this Friday? *That is Covid-qualified yes*

Will all questions (and subsequent answers) be shared with all parties? *Yes*

How have you implemented Telemedicine into your benefits program? *Yes, however we are using the carrier program(s)*

What is the group’s trend in claims and costs over the past five years? *That is a really good question and nothing we have available. This is something we should be looking at but not part of the current program. Certainly, this was something we hoped to get from Innovu. You can find the history in the Financials link on webpage to develop this trend.*

Can you please provide a copy of the current Trust Documents? On Page 2 of the RFP it was indicated the Trust documents were available upon request. *Yes*

**Note:** [Collective Bargaining Documents are available at this link.](#)