AMENDMENT # 1

DATE: April 7, 2014

TO: All Bidders of Record

FROM: Gil Rivera, Buyer

SUBJECT: Amendment #1 to P-364, “Medical & Prescription Drug Insurance Services”

This amendment becomes part of the Contract Documents and modifies the original bidding documents as noted below:

Bidders are required to acknowledge receipt of this Amendment in the space provided in Section E.

1. QUESTION: Can you please provide the entire RFP document in Word format?
   ANSWER: No. It is against CNM’s policies to provide the RFP in Word.

2. QUESTION: Can you please advise if CNM is ERISA or Non-ERISA?
   ANSWER: CNM is non-ERISA.

3. QUESTION: Can you provide the full Summary Plan Description (SPD or EOC) documents for both PPO Plans and the RX plan?
   ANSWER: The plan documents will not be released with this RFP. However, CNM currently participates in the NMPSIA benefits pool. The plan documents can be accessed on the NMPSIA website at https://nmpsia.com/insurance.html

4. QUESTION: Can you please advise what the current employer contribution is by Employee Only and Employee + Dependent for both medical plans?
   ANSWER: See Attached posting on CNM’s website titled, “2013 Insurance Premiums for Medical” located at http://www.cnm.edu/depts/purchasing/request-for-proposals

5. QUESTION: Can you please advise what CNM’s strategy is around keeping both health plans (Lovelace and Presbyterian)? Would they anticipate keeping both plans in place? Please elaborate around overall network strategy, including short and long-term plans.
ANSWER: CNM’s current carriers are Presbyterian Health Plan and Blue Cross Blue Shield of New Mexico. Lovelace Health Plan is not a current carrier for CNM through NMPSIA. CNM’s goal is to provide quality benefit options with comprehensive network access at the most financially advantageous price for both the college and employees. CNM is not set on any particular network or sole vs. slice arrangement. As CNM is in the early stages of evaluating offering employee benefits outside of the NMPSIA benefit pool, CNM’s long and short term strategies are still being developed.

6. QUESTION: How many copies are required? From Page 1 of the RFP shows a total of 7 binder copies with 2 electronic copies, but on page 3 of the RFP item h notes 6 binder copies.

ANSWER: One (1) Original and Six (6) Printed Copies plus two (2) electronic copies (on CD, DVD or flash drive). See additional information in CNM’s response to question # 12 regarding the total number of pages and the use of binders and other non-essential information.

7. QUESTION: Section D. Item 3 Evaluation Criteria: Can you please clarify the statement about not combining the Fully Insured and Self-Funded proposals?

ANSWER: Proposers may submit up to three (3) separate proposals for,
(1) Fully insured medical and prescription insurance
(2) Self-insured medical and prescription administrative services
(3) Self-insured prescription administrative services

Fully insured and self-insured proposals should not be combined. Proposers should follow the RFP submission requirements for each proposal submitted. See CNM’s response to question # 6 regarding the total number of copies needed.

8. QUESTION: We did not receive the pharmacy claims report to mirror the medical experience periods. Can you send us this report?

ANSWER: The pharmacy claims data is provided on the first tab of the Excel file in Attachment 11. Attachment 11 should be requested from erica_emmons@ajg.com.

9. QUESTION: Please confirm that you are requesting only TPA services at this time, and not stop loss proposals.

ANSWER: Stop loss proposals are not being requested at this time. A separate RFP will be issued at a later date when more complete data is available for stop loss coverage. Proposers should note on the pricing attachments any additional cost to the proposed ASO fee should a third-party stop loss provider be selected.

10. QUESTION: To align your current plan with new ACA requirements, are the carriers allowed to adjust the current plans so that: The deductible for Family is twice the Individual (x 2); The Out of Pocket maximum for Family is twice the Individual (x2) and Is the group considering any changes to the deductible (increase or decrease) or to your current Out of Pocket maximum?

ANSWER: CNM requests all proposals assume the current plan design with the exception of changes to bring the plan into compliance with ACA requirements. Proposers should provide reference to appropriate justification and guidance to support ACA required changes.

11. QUESTION: Regarding Prescription Drug Benefits: Does CNM desire the medical Out of Pocket maximum to include prescription drug coinsurance/copayments? If so, can we increase the Out of Pocket maximum to remain premium neutral, or do you wish to retain the same Out of Pocket maximums as current?
CNM has not finalized any particular strategy around how the plan will apply Rx copays to the out-of-pocket maximum. For fully insured proposals, the Rx copays should be included in the OOP and assume no increase to the overall OOP. Proposers should indicate in their proposal what percentage of the quoted premium is attributable to (1) accumulating medical cost sharing to the OOP max and (2) accumulating Rx cost sharing to the OOP max. An alternative plan design may be included in the proposal that increases the OOP max in consideration of the Rx costs accumulating to the OOP max in order to offset the premium cost associate with applying both medical and Rx cost sharing to the OOP max.

12. QUESTION: On page 3, item 1. Required Submittal Documents Needed With Your Sealed Response, letter a states "OFFEROR'S response to SECTION D, EVALUATION CRITERIA, paragraphs 3.3.1 AND 3.3.2." Is it expected that offerors will include a separate page in their proposal clearly stating/confirming they have responded to Section D, EVALUATION CRITERIA, paragraphs 3.3.1 AND 3.3.2, and if so, will this separate page for this response count toward the 100-page limit?

ANSWER: No, we do not need a separate page indicating response to Section D. If a separate page is included, then it would not count towards the 100 page count. Note: the response should be limited to 100 pages as described on page 3, item 1.h. CNM does not desire responses with fancy binders, binding, or sales literature. Responses should be limited to 100 pages. The intent of this suggested 100 page limit is to receive concise responses. Required forms including Section E, Section F, Section G, and Exhibit B are not included in the suggested 100 page limit. We prefer that pages be single sided. A scanned copy of the awarded vendor’s proposal is typically sent by email when CNM issues the resultant Price Agreement so we do not wish to receive any unnecessary materials or information that was not specifically requested or difficult to scan or transmit via email.

13. QUESTION: Please provide claims broken out by Presbyterian and Blue Cross and Blue Shield.

ANSWER: This data is provided in Attachment 11. Attachment 11 may be requested from erica_emmons@aig.com.

Bidders are required to acknowledge receipt of this Amendment in the space provided in Section E. The RFP Due Time and Date of on or before 4:00 PM, April 17, 2014, and all other specifications, terms and conditions remain unchanged. This amendment may be downloaded from CNM’s website per the link identified below.