



**STATE OF NEW HAMPSHIRE
Department of Administrative Services
Risk Management Unit
RFI # 2019-224**

REQUEST FOR INFORMATION FOR:

Twin State Voluntary Family and Medical Leave Insurance Plan

ISSUE DATE: January 30, 2019
QUESTIONS DUE BY: February 13, 2019 at 4:30 PM
RFI DUE DATE: February 27, 2019 at 3:00 PM
RFI MUST BE RECEIVED AT: 25 Capitol Street, Concord, NH 03301

All bidders are hereby notified that sealed bids must be received and time stamped by the Risk Management Unit, Department of Administrative Services located at **25 Capitol Street, Concord, NH 03301** - by the time of the bid opening. Bids not in possession of the Risk Management Unit at the time of the bid opening will be returned to the vendor, and will not be considered.

RFI OPENING AND LOCATION: February 27, 2019 RM102 25 Capitol Street, Concord, NH

PLEASE BE ADVISED THAT ALL NOTIFICATIONS, RELEASES, AND AMENDMENTS ASSOCIATED WITH THIS RFI WILL BE POSTED AT:

https://das.nh.gov/Purchasing/bids_posteddte.asp?sort

THE STATE WILL MAKE NO ATTEMPT TO CONTACT VENDORS WITH UPDATED INFORMATION. IT IS THE RESPONSIBILITY OF EACH VENDOR TO PERIODICALLY CHECK https://das.nh.gov/Purchasing/bids_posteddte.asp?sort FOR ANY AND ALL NOTIFICATIONS, RELEASES AND AMENDMENTS ASSOCIATED WITH THIS RFI.

PURCHASING AGENT: RYAN AUBERT
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1 PURPOSE

This Request for Information (RFI) is issued for the State of New Hampshire, Department of Administrative Services (DAS) to receive input and gather information to use in developing and issuing Requests for Proposals (RFPs) to create and implement a bi-state family and medical leave insurance (FMLI) program, known as the Twin State Voluntary Leave Plan, for approximately 18,500 Vermont and New Hampshire state employees. The program would be underwritten and administered by a private insurance carrier or carriers and would also allow private and public employers in both states, as well as their employees and self-employed individuals, the option of participating. The goal of the program is to leverage the economies of scale of the combined state employee workforce to create a broad market for competitively-priced FMLI that will be available to all New Hampshire and Vermont employers and employees.

Through this RFI, the State seeks to better understand the potential per-employee costs of such a program as well as the administrative issues the successful bidder(s) would face in implementing it. The State therefore seeks information from insurance carriers with the expertise and ability to launch and manage a bi-state FMLI program as described in more detail below. This RFI is also an invitation to employers, organizations and individuals with knowledge of existing FMLI programs or the market/operational challenges for such programs who would be willing to share their knowledge, expertise, and/or thoughts with the State. It is not directed solely at potential bidders for a subsequent RFP.

This RFI is being issued simultaneously with a substantially identical RFI from the State of Vermont. Respondents should attempt to provide a unified response to both RFIs, identifying any benefits or economies of a bi-state plan and any areas where the bi-state nature of the proposal might present operational challenges.

The State intends to evaluate the submissions made by respondents to understand how a bi-state FMLI program meeting the following specifications might be structured and the cost associated with proposed solutions. The State shall not be held liable for any costs incurred by the vendors in the preparation of their submission, or for any work performed prior to contract issuance.

Additional details about the Plan and its goals can be found in the attachments referenced in Section 8.2 of this RFI.

1.1 LIABILITY

THIS IS A REQUEST FOR INFORMATION (RFI) ONLY. This RFI is issued solely for information and planning purposes – it does not constitute a Request for Proposal (RFP) or a promise to issue an RFP in the future. This request for information does not commit the State to contract for any materials or service whatsoever. Further, the State is not at this time seeking proposals and will not accept unsolicited proposals. Respondents are advised that the State will not pay for any information or administrative costs incurred in response to this RFI; all costs associated with responding to this RFI will be solely at the interested party's expense. Not responding to this RFI does not preclude participation in any future RFP, if any is issued. If an RFP is released, it will be posted on the DAS bid opportunities web site: https://das.nh.gov/Purchasing/bids_posteddte.asp?sort. It is the responsibility of the potential offerors to monitor this site for additional information.

1.2 CONFIDENTIALITY

The State retains the right to promote transparency and to place this RFI into the public domain, and to make a copy of the RFI available as a provision of the New Hampshire access to public records laws.

Please do not include any information in your RFI response that is confidential or proprietary, as the State assumes no responsibility for excluding information in response to records requests. Any request for information made by a third party will be examined in light of the exemptions provided in the New Hampshire access to public records laws.

The solicitation of this RFI does not commit the State of New Hampshire to award a contract. This RFI is for information gathering purposes only and no vendor will be selected, pre-qualified, or exempted based upon their RFI participation.

2 BACKGROUND INFORMATION

This Section provides background on the proposed Twin State Voluntary Leave Plan, its anticipated structural and operational features, and a demographic overview of the potential market.

A. The Plan

On January 16, 2019, Governors Sununu of New Hampshire and Scott of Vermont unveiled a proposal to create a bi-state FMLI plan, underwritten and administered by a private insurance carrier(s), that would cover the combined state employee work force in both states and offer other public/private employers and employees the opportunity to participate at an affordable rate. It is widely accepted that a paid leave plan can help bolster an employer's recruitment, retention and productivity by attracting younger employees looking to start or expand a family and employees caring for a child or elderly parent with special health needs.

During Vermont's and New Hampshire's last legislative sessions there were unsuccessful attempts to pass state-administered paid leave programs. These proposals were not enacted due largely to concerns surrounding the risks and costs of implementing such programs as well as the need for the administrator to possess a sophisticated level of technical expertise. In a privately underwritten and administered FMLI plan, the risk of insolvency for a paid leave fund is shifted from taxpayers to the insurance carrier(s), the startup and ongoing administrative costs of establishing the new programs is shifted from taxpayers to the insurance carrier(s), and the coverage is likely to be available more quickly as it will not be necessary for each state to develop the required administrative infrastructure or to initially fund a paid leave trust.

B. Structural and Operational Features of the Plan

1. Qualified leave will match the types of leave protected under the federal Family and Medical Leave Act (FMLA) of 1993, including, but not limited to:

- the birth and care of the newborn child of the employee;
- placement with the employee of a child for adoption or foster care;
- care for an immediate family member (spouse, child or parent) with a serious health condition;
- medical leave when the employee is unable to work because of a serious health condition;
- any qualifying exigency arising out of the fact that the employee's spouse, son, daughter or parent is a covered military member on "covered active duty," or to care for a covered service-member with a serious injury or illness if the eligible employee is the service-member's spouse, son, daughter, parent or next of kin (military caregiver leave).

2. The employee will receive 60% of their weekly wage (subject to the provisions of No. 4 below), with a cap on wages eligible for FMLI coverage equal to the Social Security Taxable Wage Maximum (currently \$132,900).

3. The maximum wage replacement will be six weeks per year, with no minimum duration required.
4. If feasible, both premiums and income replacement payments will be income-sensitized.
5. There will be a tenure requirement of 12 months of work before an employee would be eligible to be covered. This requirement would not apply when an employee has met the requirement and then changes jobs.
6. An employee could choose between receiving FMLI payments or using sick time or annual leave but would not be allowed to use both concurrently (e.g., using paid leave to supplement FMLI payments).
7. Both Vermont and New Hampshire will cover the full costs of providing FMLI coverage to their state employee workforces and state employees will not have to incur any additional cost for the product.
8. The successful carrier or carriers will develop an initial “state rate” for the combined state workforces. This is defined as the per employee cost that each state would pay to provide FMLI coverage to its employees. As experience develops, the “state rate” may be adjusted to reflect differing levels of utilization between the states.
9. Carriers would be required to offer FMLI plans to all employers in the state using the following rates:
 - Employers that have 100% employee participation and 20 employees or more would receive the state rate;
 - Employers that have 100% employee participation and have less than 20 employees would receive a small employer rate which would be modestly higher than the state rate;
 - Employers that have less than 100% employee participation would receive a scaled rate that would depend on their participation rate and whether they have 20 employees or more.
10. Participation in the plan by non-state employers will be voluntary. Non-state employers can provide FMLI at no cost to the employee or as elective insurance with a full or partial employee contribution during a specified “open enrollment” period.
11. Individuals who are self-employed or who work for employers who choose not to offer FMLI coverage will have the opportunity to join a plan established as an adjunct of the state government employee plan. To help keep coverage affordable, rates for this group would be limited in the amount by which they could exceed the state rate, resulting in a modest degree of subsidization for this group.

C. Demographic Overview of the Market

1. Combined state workforce in New Hampshire and Vermont is approximately 18,500 employees.
2. There are 38,968 private firms in New Hampshire as of first quarter of 2018 (source: New Hampshire Employment Security, Economic and Labor Market Information Bureau).
3. 37,184 (or 94.5%) had fewer than 50 employees as of first quarter 2018 (source: New Hampshire Employment Security, Economic and Labor Market Information Bureau).

3 RFI DESCRIPTION

The State is seeking information to aid in establishing an FMLI program available to all state employees and, on a voluntary basis, private employers and employees in New Hampshire and Vermont.

The RFI has 2 key objectives:

- Provide prospective respondents with information regarding the program's planned structural and operational features.
- Solicit respondent information to assist the State in preparing an RFP.

In response to this RFI, the State seeks responses from insurance carriers qualified to provide an FMLI plan meeting the requirements set forth in Section 2(b) above. Carrier responses should address the processes for claims administration as well as premium collection for both public and private employers (taking into account the fact that private employers may participate at differing cost sharing levels). Carrier responses should also address the potential per employee cost of the plan for state employees for both six weeks of wage replacement payments and 12 weeks. The State is interested in receiving pricing and administrative information on providing a higher wage replacement percentage for lower wage earners and/or progressively pricing the individual premium for lower wage earners. The state also seeks information from employers, organizations and individuals with knowledge of existing FMLI programs or the market/operational challenges for such programs.

Respondents are encouraged to provide feedback if they believe that the structural and operational features of the Plan as outlined in Section 2(B) above could be adjusted to better achieve the Plan's goal of providing affordable, cost-effective family medical leave insurance to public and private sector employees.

In addition, Respondents are encouraged to offer suggestions about the most cost-effective methods of creating and administering the pool described in Section 2(B) (11) for individuals who are self-employed or who work for employers who choose not to offer FMLI coverage.

The State is seeking feedback on the information in this RFI and will consider any information, including partial responses, received in response to this RFI. If the State moves forward in the development of an RFP, the RFP process will be open to all respondents regardless of their decision to participate in this RFI.

The State envisions that the solution will support the following high-level goals:

- Providing a cost-effective family medical leave insurance program to state employees, as well to private employers and employees.
- Encouraging workers to relocate to New Hampshire and Vermont by providing solutions to support families and a younger workforce.

4 CURRENT STATE

Currently state employees who take family medical leave use either sick or vacation time to supplement their income while out on leave. The following link provides a description of current benefits; <https://das.nh.gov/hr/documents/DOP-EE-REL-STDIP-FAQs-SoNH.pdf>. Private employers may or may not give employees the ability to use vacation or sick time during a family medical leave.

5 STATEMENT OF WORK

5.1 ANTICIPATED REQUIREMENTS

The purpose of this RFI is to determine whether there are solutions capable of meeting the State's anticipated requirements and to determine alternatives for meeting those requirements that are consistent with the overall vision for the State.

The State's discovery efforts to date have resulted in a desire to obtain access to solutions with the following attributes:

5.1.1 Business Requirements

Establish a family medical leave insurance program which will cover all state employees in Vermont and New Hampshire as well as be available to private employers and employees on a voluntary basis.

5.1.2 Functional Requirements

Provide administrative services for implementation of the program including premium collection, claims processing, information and outreach services to covered individuals, and benefits tracking and administration. It is anticipated that the successful carrier(s) will interact with the NH DAS in determining the eligibility of state employees and with private employers and human resource officers in determining the eligibility of private sector employees.

6 REQUESTED INFORMATION

Each submission prepared in response to this RFI must include the elements listed below, in the order indicated.

The vendor, when presenting the response, must use the following outline:

- Cover Page
- Vendor Information
- Cost Estimates
- Business and Technical Requirements

6.1 COVER PAGE

The first page of the vendor's RFI Response must be a cover page displaying at least the following:

- Response of RFI Title
- Vendor's Name
- Contact Person
- Telephone Number
- Address
- Fax Number
- Email Address

All subsequent pages of the RFI Response must be numbered.

6.2 VENDOR QUESTIONNAIRE

Please provide your answers to the stated questions related to the project. Additional information may supplement your answers and must be attached to the RFI response.

6.3 CONTACT INFORMATION

All communications concerning this Request for Information (RFI) are to be addressed in writing to the attention of: Ryan Aubert, State of New Hampshire, Department of Administrative Services, Bureau of Purchase & Property, **25 Capitol Street, Concord, NH 03301**. Ryan Aubert is the sole contact for this RFI Response. Attempts by RFI Responders to contact any other party could result in the rejection of their RFI Response.

6.4 RFI RESPONSE SUBMISSION

CLOSING DATE: The closing date for the receipt of RFI Responses is 3:00 PM **February 27, 2019**. Responses must be delivered to: Ryan Aubert, State of New Hampshire, Department of Administrative Services, Bureau of Purchase & Property, **25 Capitol Street, Concord, NH 03301** prior to that time. RFI Responses or unsolicited amendments submitted after that time will not be accepted and will be returned to the vendor.

The responses will be received by purchasing at **25 Capitol Street, Concord, NH 03301** and will be passed on to DAS for review.

RFI responses must include one (1) electronic copy on Compact Disc (CD) and Three (3) Paper (hard copy) responses must also be submitted. Paper copies must be bound with a staple, binder or other appropriate means such that pages are not submitted loosely. Three (3) copies of the RFI must be delivered to the Purchase Agent.

The electronic response made to the narrative portion of this RFI must be in Microsoft Word version 2007 compatible format. At least one copy of the Cost Table and Business and Technical Requirements must be made in Microsoft Excel Version 2007 or higher.

6.5 EXPLANATION OF EVENTS

1. Issuance of RFI

This RFI is being issued by the Risk Management Unit, Department of Administrative Services. Additional copies of the RFI can be obtained from the State Purchasing Division web site at https://das.nh.gov/Purchasing/bids_posteddte.asp?sort or directly from the State Purchasing Agent.

2. Deadline for Written Questions

Potential respondents may submit questions regarding this RFI. Questions must be submitted in writing, by e-mail, to the Purchasing Agent Ryan Aubert at Ryan.Aubert@das.nh.gov and must be received by 4:30 PM Eastern Time on February 13, 2019.

3. Response to Written Questions

Any vendor requiring clarification of any section of this proposal or wishing to comment or take exception to any requirements or other portion of the RFI must submit specific questions in writing no later than – February 13, 2019, at 4:30PM. Questions may be e-mailed to Ryan.Aubert@das.nh.gov. Any objection to the RFI or to any provision of the RFP, that is not raised in writing on or before the last day of the question period is waived. At the close of the question period a copy of all questions or comments and the State's responses will be posted on the State's web site https://das.nh.gov/Purchasing/bids_posteddte.asp?sort.

Every effort will be made to have these available as soon after the question period ends, contingent on the number and complexity of the questions.

4. Submission of Responses

Three (3) paper copies of the RFI response and one (1) electronic copy on CD should be delivered to the Purchasing Agent no later than 3:00 PM Eastern Time on February 27, 2019. Responses received after the due date and time may not be considered.

Responses should be labeled, "Response to RFI# 2019-224 Family and Medical Leave Insurance".

5. Review and Evaluation of Responses

The review and evaluation of responses to the RFI will be performed by DAS and their designees. The evaluation process will take place the week following the response due date. During this time, the RFI Manager or other DAS representatives may, at their option, initiate discussion with respondents for the purpose of clarifying aspects of their responses.

6. Vendor Demonstration of Their Product

Vendors chosen from the review process may be called on to demonstrate their products and/or service offering. These select vendors will make arrangements with DHR to demonstrate their products and/or service offering. The DHR shall not be liable for any costs incurred by the vendor in preparation of its demonstration. All costs occurred are the vendor's sole responsibility. All demonstrations are for planning purposes only and do not constitute a legal bid.

7. Vendor Product Test Trial

Certain Vendor products and/or service offering may be selected after review process to be trialed by DHR if this is an option allowable by the vendor. The test trial can last up to 90 days. Up to 2 vendors products selected will be involved with the test trial. The State staff will provide feedback to the RFI Manager. **The selection of vendor products for a test trial does not commit the State of New Hampshire to award a contract. This test trial is for information gathering purposes only and no vendor will be selected, pre-qualified, or exempted based upon their RFI / test trial participation. All costs occurred are the vendor's sole responsibility. All product test trials are for planning purposes only and do not constitute a legal bid.**

7 VENDOR QUESTIONNAIRE

We are asking for a total cost estimate (low and high estimates) comprised of insurance premiums and necessary implementation services. We understand that the cost figures provided are for planning purposes only and will not be binding in any way.

8 APPENDIX A: COST ESTIMATE WORKSHEET

8.1: COST ESTIMATE TABLE

Item	General Requirements Description	Cost
1		

2		
3		
4		
5		

8.2 ADDITIONAL MATERIALS

Please provide any other materials, suggestions, cost, and discussion you deem appropriate.

Attachment A: “Governor Sununu and Scott’s Proposed Twin State Voluntary Leave Plan FAQs”

Attachment B: “Twin State Voluntary Leave Plan”