

# TOWN OF GREENWICH

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April 5, 2016

**\*\* ADDENDUM #1 \*\***

**TOWN OF GREENWICH, CT**

**REQUEST FOR PROPOSAL #7228 DEADLINE: 4/08/16 AT 3:00 PM**

**HEALTH CARE BROKER CONSULTANT SERVICES**

**Question #1:** Are there different plan designs for each bargaining unit? How many plan design variations are there for active employees? What is the enrollment in each plan?

**Answer #1:** The plan design is the same for all plans offered. The Town has 2 plan designs: HDHP \$2,000/\$4,000 Rx copays after deductible (employees either have a HSA or HRA depending on eligibility to contribute to the HSA); HDHP/HSA \$3,000/\$6,000 Rx copays after deductible. The \$2,000/\$4,000 and \$3,000/\$6,000 options have the same plan design – only difference is with deductible. We also have a copay plan with a very small number of employees participating. The copay plan is being phased out through bargaining with the introduction of the HRA.

**Question #2:** Is retiree health care subsidized by the town? How many different retiree plan designs are there?

**Answer #2:** Yes. There is a bargained subsidy for retiree healthcare. The amount is different by union. Retiree plan designs are the same as active.

**Question #3:** Please describe the town's rationale for a minimum premium arrangement. What is current financial position w/ Cigna regarding the minimum premium arrangement?

**Answer #3:** The Town was fully insured for several years. Moving to Minimum Premium was a financial decision. There is currently a deficit with Cigna under Minimum Premium.

**Question #4:** Is there stop loss coverage on the Rx plan with Caremark? When does the Caremark contract expire? Is it subject to an early termination penalty? Is Caremark the PBM for all pharmacy coverage or only the co-pay plans?

**Answer #4:** The Town is part of the NEPPC coalition. Mercer negotiates this contract. Caremark has the pharmacy benefit for the copay plan only. The HDHP plans have Rx with Cigna.

**Question #5:** What are the components of the wellness program? What are participation levels?

**Answer #5:** The Town currently has two wellness programs based on union negotiations. In 2016 five unions and Management who complete a wellness exam with their provider will receive a discount on their premium in 2017. One union has a wellness component which includes a blood screen and follow up education in order to receive a discount. Three unions do not have a wellness component in their contract.

**Question #6:** Payment For Services, Option #1 - commissions: To which plan(s) would the commissions percentages apply?

**Answer #6:** Commissions apply to the medical, dental and life plans.

**Question #7:** What does \$57.8 million premium cover? Is it medical and pharmacy?

**Answer #7:** The budget number covers all healthcare.

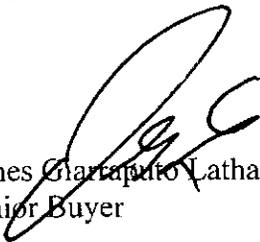
**Question #8:** What level of funding does the town provide for HSA's and HRA's?

**Answer #8:** The Town contributes 64.5% of the deductible to employees' HSA or HRA when enrolled in the \$2,000/\$4000 HDHP. There is no Town contribution to the \$3,000/\$6,000 HDHP.

**Question #9:** What were the last 2 years renewal increases for the medical/Rx plans?

**Answer #9:** 1/1/14 - 15.1%  
1/1/15 - 14.7%  
1/1/16 - 14.4%

**All other terms and conditions remain unchanged.**

  
James Giarraputo Latham, CPPB  
Senior Buyer

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