Andrew M. Cuomo
Governor

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Superintendent

RFP C000409 Actuarial Consultant – Medical Malpractice
Questions and Answers

1. This current Bid (BID NO. C000409) is a re-bid of prior BID NO. C000399. Can you please provide the explicit reasons why the proposal is being reissued?
   Answer: The RFP is being re-issued due to technical issues with the Questions & Answers for the initial RFP (C000399). There are no changes to the requirements or scope of the RFP.

2. Can any of the consulting firms who participated on the first bid (BID No. C000399) bid on the reissued bid (BID NO. C000409)?
   Answer: Yes

3. Are there any significant difference between the reissued bid and the old bid that we should be aware about?
   Answer: No

4. What is the estimated timeframe for a decision on this bid?
   Answer: 2-3 weeks after submission of the bids.

5. Who is the current actuarial Contractor?
   Answer: Pinnacle Actuarial Resources

6. How long has the Contractor been engaged?
   Answer: Five Years

7. Can you please provide winning proposal of last contract?
   Answer: You may submit a Freedom of Information (FOIL) request for this information via the DFS website at http://www.dfs.ny.gov/legal/foil.htm

8. Please provide names of firms submitting questions for this RFP.
   Answer: That information will be available via a FOIL request once the contract has been finalized. You may submit a FOIL request for this information via the DFS website at http://www.dfs.ny.gov/legal/foil.htm

9. How different is the scope of work contained in this RFP different from the expiring one?
   Answer: The scope of services is very similar to the previous contract.

10. General Question: Can you please share all copies of reports or work products of the expiring contract excluding confidential information?
    Answer: You may submit a FOIL request for this information via the DFS website at http://www.dfs.ny.gov/legal/foil.htm

11. Briefly describe the sort of loss, exposure and other relevant information available for the actuarial reviews.
    Answer: Company provided data may include paid losses & expenses, incurred losses & expenses and claim counts etc. in spreadsheet format.

12. Who are the claim administrators of the listed companies?
    Answer: This information is not available.

13. At what level of segmentation will the actuarial reserve analyses be required? Will the Contractor be required to come up with unpaid claim estimates for each listed company and its locations?
    Answer: Fair amount of segmentation is required based on the company and the business written. The contractor will be required to come up with unpaid claim estimates for each listed company in aggregate but not by locations.

14. Please advise if the premium rates will include premium rates by specialty/practice area such as Surgeons and OB\GYN and locations such as Long Island and Manhattan counties.
    Answer: Yes.

15. Will the Contractor be required to come up with a rating plan in addition to estimated premium rates for each entity and location?
    Answer: Unlikely that the Contractor will be required to come up with a rating plan.

16. Are the coverage policies occurrence or claims-made? If the underlying policies are written on claims-made basis, will the Contractor be required to estimate step factors and tail rates?
    Answer: Both. Contractor is required to do all that is necessary to perform the rate and reserve analyses.

17. Is the list of insurance companies shown on the RFP exhaustive?
    Answer: Yes.

18. What are the frequencies of actuarial reserve reviews and premium rate estimations required in a year?
    Answer: Approximately 6 rate analyses and/or reviews and one reserve analysis and/or review per year.

19. Will the contracted actuary be required to consider the proposed change in statute of limitation of claims in premium rate calculation? Is this is an example of "Other Actuarial Issues" referenced in section 2-A.5?
    Answer: Whether or not it was asked in the past, The Contractor should be available for consultation on this and other related actuarial issues.

20. Section 2-A.4 comments on providing inputs to Property Bureau. Can you please provide further details or examples of such inputs?
    Answer: Peer reviews of rate and reserve analyses performed by the Department's in-house actuarial staff.

21. Section 2-A.5. Please provide examples of "Other Actuarial Issues?
    Answer: Impact of changes in legislation or cap awards.

22. Can any of the three references of Contractor's staff be co-workers working in the same company?
    Answer: No.

23. What are the key deadlines for each actuarial report?
    Answer: There is a requirement that examinations be completed in 18-months. Specific deadline will be stated in work-plan. The specific time-frames will be developed within the work-plan in coordination with the Department.

24. At what time periods are all relevant information needed for each set of actuarial review normally made available? Answer: Depends on the assignment.

25. How many hearings were held in the past two years in regards to the Contractor actuary's works and how long do such hearings last?
    Answer: None.

26. When is the estimated start date of the agreement?
    Answer: February 2015

27. When did the expiring agreement start?
    Answer: August 2009.

28. Will the cost of the project be adjusted for any significant change in scope mandated by the client?
    Answer: No, any scope changes to the contract would have to be negotiated as an amendment to the contract.

29. What is the allocated time for each oral presentation slot?
    Answer: The oral presentation is at the discretion of the Department and the length shall be determined at a later date if it is determined that they are necessary.

30. Can you also give examples of items that should be discussed during the presentation by the Bidder?
    Answer: Bidders' familiarity of NAIC rules, international standards, experience of other state medical malpractice market.

31. What are the key items to be discussed between a successful Bidder and the Department? Do these items include contractor's fees and start date?
    Answer: The Department and successful bidder will commence contract negotiations after the award and discussions will include start date. The contractor's fees will be based on the proposal submitted and cannot increase during the contract negotiations.

32. What is the range of budgeted fees for this project?
    Answer: The budget for this project will be based on the cost proposal from the bidder deemed to be the Total Best Value.

33. Can you please share the range of submitted fees and hours in the last three contract bids?
    Answer: You may submit a FOIL request for this information via the DFS website at http://www.dfs.ny.gov/legal/foil.htm

34. Should hours and fees be on annual basis or over the five year contract term?
    Answer: Fees should be submitted as a total cost for a five year term, they can be broken down annually if desired.

35. What are the total fees charged for the last three contractual periods? You may submit a Freedom of Information (FOIL) request for this information. You can do so through our website at http://www.dfs.ny.gov/legal/foil.htm

36. Can Bidder submit a range of hours for each level of actuary and hourly rate for each level of actuary? Hence the input item at Column (5) of the Budget Form 1(Section 7.3) will be a range instead of point estimate.
    Answer: If your bid consists of a range the highest end of any range will be used to calculate your overall proposed price when comparing your prices to the other bidders which will factor into the overall evaluation score. This contract will have a firm, not to exceed contract cap based on the bidder's cost proposal.

37. What time period (say 2 months) will you consider a reasonable timeframe to complete each actuarial analysis?
    Answer: Depends on the assignment

38. Are the stipulated 3,000 hours the total amount of time required to complete the contract on annual basis?
    Answer: A commitment of approximately 3,000 hours over the duration of the contract is expected.

39. Please briefly explain how points for both the Technical and Cost Evaluations will quantitatively be awarded to each qualified item.
    Answer: The only information about points that we will make available is that 70% is assigned to the technical portion and 30% to the cost portion.

40. Will similar required services offered to non-governmental organization of similar size as the Department be given equal consideration?
    Answer: Yes.