

Arizona State Retirement System Summary Evaluation Committee Report

Solicitation No.: BPM001922

ASRS Group Dental Services

March 25, 2020

Evaluation Committee Members

Paul Matson, Director

Anthony Guarino, Deputy Director, Chief Operations Officer

Jeremiah Scott, Assistant Director, Member Services

Russ Levine, Health and Disability Plan Administrator

ASRS Procurement Officers

Martha N. Rozen, Chief Procurement Officer

Maurah Harrison

Background

Pursuant to A.R.S. § 41-2534, and in accordance with the authority delegated to the Arizona State Retirement System (ASRS) from the State Procurement Administrator, the ASRS issued Solicitation No. BPM001922 for ASRS Group Dental Services on November 26, 2019 as a request for proposals (RFP). Notification of the solicitation was published on November 28, 2019 in the newspaper and was also placed on the ASRS website. Registered suppliers (vendors) were also notified via the Arizona Procurement Portal (APP). A pre-offer conference was held on December 5, 2019, and was attended by representatives of five companies.

To achieve maximum flexibility for the administration of the ASRS Group Dental Program on behalf of eligible retirees, dependents, beneficiaries, and members receiving a long term disability benefit, the ASRS requested offers for the following services and models:

- Fully insured Dental Preferred Provider Organization (DPPO) services with both high and low coverage options
- Fully insured Dental Health Maintenance Organization (DHMO) services
- Self-insured Administrative Services Only services

Offerors were also encouraged to propose alternate plan designs and options that would be beneficial for the ASRS program.

Evaluation Process

The ASRS received offers for services from six (6) companies by the January 15, 2020 due date and time:

- Arizona Dental Insurance Service Inc. (Delta Dental of Arizona)
- Chu-Chi Wang DDSP LLC
- Cigna Health Care
- Metropolitan Life Insurance Company
- Union Security Insurance Company (Sun Life Financial)
- United Concordia Companies

The ASRS Chief Procurement Officer (CPO) determined that Chu-Chi Wang DDSP LLC was not susceptible for award and the offer was not advanced to the Evaluation Committee ("Committee") for consideration.

The Committee met throughout the months of January, February and March. A state-contracted benefits consulting firm and other internal and external technical advisors, including members of the ASRS Health Insurance Advisory Committee (HIAC) who represent retiree associations, assisted the Committee. All participants had the opportunity to review initial submissions and provide input for clarifications, questions, and negotiation discussions.

All five remaining Offerors were determined to be responsible, responsive, and within the competitive criteria and were interviewed. Reference reviews with the provided contacts were conducted. Subsequently, all Offerors were offered an opportunity to submit a Best and Final Offer (BAFO) to provide, at minimum, services and benefits equal to or richer than current ASRS plan designs and at rates equal to or lower than recent ASRS Group Dental Program experience.

The Committee evaluated each BAFO based on the established criteria: Method of Approach and Quality of Plan, Cost and Value, and the Experience, Expertise, and Resources of the company.

As evidenced by the attached consensus evaluation scorecard, which was prepared based on the Committee's discussions and deliberations and a relative cost scale, each company offered excellent options.

Conclusion and Recommendation

The Committee completed the review and evaluation of the offers and BAFOs received in response to Solicitation No. BPM001922 for ASRS Group Dental Benefits and reached consensus. The Committee's consensus evaluation resulted in a recommendation to the ASRS CPO to award a contract for each service type and model requested in the solicitation as follows:

Award to:	For services:
1. Arizona Dental Insurance Service Inc. (Delta Dental of Arizona)	a. Fully insured DPPO options b. Self-insured ASO options
2. Cigna Health Care	a. Fully insured DHMO options

The ASRS CPO concurred with the Committee's recommendation and determined that it is in the best interest of the ASRS and the State of Arizona to award multiple contracts based on the analysis and the anticipated use of the services over the course of the term of the resulting contract(s) and renewal periods, which is on an as needed/if needed basis to accommodate for changes or amendments due to changes in law, industry practices, or the ASRS Group Dental Program requirements.

As participating members of the Committee and as presiding procurement officers, the undersigned agree with the information provided in this document and concur that the consensus evaluation scorecard is a complete and an accurate reflection of the Committee's evaluation of the offers received.

Evaluation Committee Members

Paul Matson

Evaluation Committee Member Name



Evaluation Committee Member Signature

Anthony Guarino

Evaluation Committee Member Name



Evaluation Committee Member Signature

Jeremiah Scott

Evaluation Committee Member Name



Evaluation Committee Member Signature

Russ Levine

Evaluation Committee Member Name



Evaluation Committee Member Signature

ASRS Procurement Officers

Martha N. Rozen

ASRS Chief Procurement Officer Name



ASRS Chief Procurement Officer Signature

Maurah Harrison

Procurement Officer Name



Procurement Officer Signature



ASRS GROUP DENTAL SERVICES
REQUEST FOR PROPOSALS
SOLICITATION CODE BPM001922

CONSENSUS EVALUATION SCORECARD - FULLY INSURED DPPO SERVICES

Criteria (Order of Relative Importance)	Possible Points	Arizona Dental Insurance Service Inc. (Delta Dental)	Metropolitan Life Insurance Co.	Union Security Insurance Co. (Sun Life)	United Concordia Companies Inc.
Method of Approach and Quality of Plan Approach to access/administration for Participants and Group Dental Program	400	396	360	359	342
Network/Provider Management (GeoAccess In-State, Urban/Rural; In-Network Providers)	275	271	235	234	217
Administration (Claim Administration, Claim Appeals, Customer Service, Enrollment, Reporting, Financial Management, Audit and Accounting)	125	125	125	125	125
Cost/Value	350	350	330	316	314
Experience/Expertise/Resources History of company, demonstrated similar work, key personnel, security/privacy	250	250	250	250	250
	1,000	996	940	925	906

CONSENSUS EVALUATION SCORECARD - FULLY INSURED DHMO SERVICES

Criteria (Order of Relative Importance)	Possible Points	Arizona Dental Insurance Service Inc. (Delta Dental)	Cigna Health Care	Union Security Insurance Co. (Sun Life)	United Concordia Companies Inc.
Method of Approach and Quality of Plan Approach to access/administration for Participants and Group Dental Program	400	339	372	394	326
Network/Provider Management (GeoAccess In-State, Urban/Rural; In-Network Providers)	275	214	247	269	201
Administration (Claim Administration, Claim Appeals, Customer Service, Enrollment, Reporting, Financial Management, Audit and Accounting)	125	125	125	125	125
Cost/Value	350	224	306	220	338
Experience/Expertise/Resources History of company, demonstrated similar work, key personnel, security/privacy	250	250	250	250	250
	1,000	813	928	864	914

CONSENSUS EVALUATION SCORECARD - ADMINISTRATIVE SERVICES ONLY

Criteria (Order of Relative Importance)	Possible Points	Arizona Dental Insurance Service Inc. (Delta Dental)	Cigna Health Care	Metropolitan Life Insurance Co.	United Concordia Companies Inc.
Method of Approach and Quality of Plan Approach to plan design and administration for Participants and Group Dental Program	400	396	356	360	342
Network/Provider Management (GeoAccess In-State, Urban/Rural; In-Network Providers)	275	271	231	235	217
Administration (Claim Administration, Claim Appeals, Customer Service, Enrollment, Reporting, Financial Management, Audit and Accounting)	125	125	125	125	125
Cost/Value	350	350	317	316	330
Experience/Expertise/Resources History of company, demonstrated similar work, key personnel, security/privacy	250	250	250	250	250
	1,000	996	923	926	922