

This Appendix is Marked as Confidential Information

North Dakota Public Employees Retirement System

Request for Proposals - Health Plan Administrator

PLAN DESIGN ALTERNATIVES

Bidders are asked to complete the questions and cost proposal exhibits provided in this section. As described in Section IV., Proposal Submission, of this RFP, cost proposal exhibits must be submitted to Deloitte Consulting only. The exhibits must be submitted in the prescribed format. Bidders may provide supplemental information but may not deviate from utilizing the provided Excel worksheets. Refer to Section IV. Proposal Submission for details. Instructions are outlined in the RFP and with each of the required exhibits (tabs).

Cost proposals should follow the Confidential/Proprietary Information instructions in Appendix J. Any provisions of the Bidder's proposal that are desired to be confidential must be identified specifically on each page of the proposal and included in the table provided in Appendix J.

The cost proposal consists of the following components and related exhibits:

- D5.1 Plan Design Change Actuarial Impacts
- D5.2 Additional Plan Change Price Impacts

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D5.1 PLAN DESIGN CHANGE ACTUARIAL IMPACTS

YOUR COMPANY NAME:

Blue Cross Blue Shield of North D

• IN THE YELLOW BOXES, PROVIDE THE RATE IMPACT FOR THE PROPOSED PLAN DESIGN CHANGES ILLUSTRATED BELOW ON A PERCENT REDUCTION BASIS

Plan Design Change Value	N/A - Current		-5.9%		-7.9%		-8.3%	
Plan Design Provisions	Existing PPO/Basic/ Grandfathered		Option 1 Non-Grandfathered		Option 2 Non-Grandfathered		Option 3 Non-Grandfathered	
	PPO	Basic	PPO	Basic	PPO	Basic	PPO	Basic
Single Deductible	\$500	\$500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Family Deductible	\$1,500	\$1,500	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Single Coinsurance/Max	80%/\$1,000	75%/\$1,500	80% \$1,750	75% \$2,250	80% \$2,750	75% \$3,250	80% \$4,000	75% \$4,500
Family Coinsurance/Max	80%/\$2,000	75%/\$3,000	80% \$3,500	75% \$4,500	80% \$5,500	75% \$6,500	80% \$8,000	75% \$9,000
Single Maximum Out of Pocket	\$1,500	\$2,000	\$2,750	\$3,250	\$3,750	\$4,250	\$5,000	\$5,500
Family Maximum Out of Pocket	\$3,500	\$4,500	\$6,500	\$7,500	\$8,500	\$9,500	\$11,000	\$12,000
Office Visit Copayment	\$30	\$35	\$30	\$35	\$30	\$35	\$30	\$35
Emergency Room Copayment	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Preventive Care	\$30 Copay	\$35 Copay	100%	100%	100%	100%	100%	100%
Formulary Generic	\$7.50/88%	\$7.50/88%	\$10	\$10	\$10	\$10	\$10	\$10
Formulary Brand	\$25/75%	\$25/75%	\$25/75%	\$25/75%	\$25/75%	\$25/75%	\$25/75%	\$25/75%
Non-Formulary Drugs	\$30/50%	\$30/50%	\$30/50%	\$30/50%	\$30/50%	\$30/50%	\$30/50%	\$30/50%
Coinsurance Max	\$1,200	\$1,200	Part of Medical	Part of Medical	Part of Medical	Part of Medical	Part of Medical	Part of Medical

**High-deductible plan not shown since no design changes are contemplated*

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D5.2 ADDITIONAL PLAN CHANGE PRICE IMPACTS

YOUR COMPANY NAME:

Blue Cross Blue Shield of North Dakota

- IN THE YELLOW BOXES, PROVIDE THE RATE IMPACT FOR THE PROPOSED PLAN CHANGES
- PLEASE LIST PRICING ASSUMPTIONS CORRESPONDING TO THE CALCULATED PRICING IMPACT

#	Change	Plan Cost Impact (e.g. +1.0%)	Assumptions
1	Routine colonoscopy covered without member cost share	0.2%	
2	Tobacco cessation drugs covered without member cost share	less than 0.1%	
3	New specialty drug tier implemented at \$100 copay	-0.1%	
4	New specialty drug tier implemented at \$200 copay	-0.2%	
5	Exhibit E10 includes a historical summary of plan design changes implemented since the ACA was implemented. Based on the design changes already made, what additional change can NDPERS implement and still maintain Grandfathered status?		Upon award, BCBSND would be able to work with NDPERS on additional plan design changes that could be made and still maintain Grandfathered status.
6	<u>Assuming the State plan loses Grandfathered status</u> , what is the estimated impact of covering preventive and essential health benefits without member cost share	1.5%	
7	<u>Assuming the State plan loses Grandfathered status</u> , what is the estimated impact of covering contraceptive & counseling benefits without member cost share	0.5%	
8	Dakota Retiree Plan members must elect medical and the PDP. If NDPERS were to "unbundle" the medical and PDP and allow members to choose one or the other, or both, would you assume a premium rate impact to your proposed Dakota Retiree Plan rates?	Approximately 4%	We are assuming an approximate 4% rate impact due to adverse selection.
9	NDPERS disease management programs (About the Patient Diabetes Management Program, Tobacco Cessation Program, Healthy Pregnancy Program) are "opt in" programs. If NDPERS were to make these programs "opt out" programs, would there be an impact to your proposed premium rates or ASO rates?	Minimal cost impact July 15, 2020	BCBSND would be open to discussion with NDPERS to see if an "opt out" approach would work as a viable option Page – 1742