



Request for Proposal

Request for Proposal Vendor Questionnaire

November 5, 2013



RFP Issue Date:

Address for Proposal Submission:

Suzi Johnson, SVP

HCC Life Insurance Company, LLC
225 TownPark Drive Suite 350
Kennesaw, GA 30144

Direct: **770-693-6522**

Email: skjohnson@hcclife.com

Timetable for Proposals/Key Dates

Proposal Due: 12/01/2013

Criteria

RFP responses will be evaluated on the answers to the Questionnaire as well as the following factors:

- Financial strength of the company
- Experience of the organization
- Ability to offer competitively-priced fees
- Ability to provide savings for **In-Network** claim
- Ability to provide savings for **Out of Network** Claims
- Experience with network and paid claims
- Reporting capabilities

On-Site Presentations – To be determined

Questions

Inquiries and questions relating to this RFP should be directed to Suzi Johnson no later than December 01, 2013. All inquiries and questions must be submitted in writing by email to skjohnson@hcclife.com. HCC Life will make a reasonable effort to respond to questions in writing and to email both questions and answers to each vendor that has indicated intent to propose by the relevant deadline. However, HCC Life is under no obligation to respond in writing to every question it receives.

Vendor's Errors and Omissions

HCC Life will not be responsible for errors or omissions made in your proposal. You will be permitted to submit only one proposal. You may not revise your proposal unless requested by HCC Life.



General Overview

About HCC LIFE

HCC Life Insurance Company (HCC Life) is an Indiana-domiciled life insurance company with an extensive product portfolio including medical stop loss, group term and short term medical insurance. HCC Life has consistently held an A+ (Superior) rating for financial strength by A.M. Best Company as well as AA (Very Strong) ratings by Standard & Poor's and Fitch Ratings. HCC Life has more than 30 years of experience and is a leading provider of medical stop loss insurance through brokers, consultants and third party administrators. Guided by an 11-person executive management team, whose members have an average of more than 20 years of insurance experience, the entire HCC Life staff works together with third-party payors and brokers to find the best solution to managing risk for our mutual clients. Our commitment to medical stop loss enables HCC Life to remain a stable partner for producers in a constantly changing marketplace.

HCC Life's corporate headquarters is located in the Atlanta suburb of Kennesaw, Georgia, and provides claims, premium accounting and policy administration services. Five strategically-located offices throughout the U.S. meet the specialized needs of each region and provide underwriting and marketing services. Value-added services available to policyholders provide cost containment programs that consistently help reduce claims costs to plans in areas such as neonatal care, oncology, transplants and dialysis.

Products

The products we offer in conjunction with our policies allow underwriters to customize coverage and pricing for each prospect. We frequently offer new products to reflect the needs of a changing marketplace.

Medical Stop Loss

- For Employer Groups
- For Taft-Hartley union plans

Group Term Life

- Basic Employee Life
- Basic Dependent Life
- Basic Employee AD&D



About HCC Insurance Holdings, Inc.

HCC Insurance Holdings, Inc. is a leading international Specialty Insurance group with offices across the United States and in the United Kingdom, Spain and Ireland.

The Company's philosophy is to maximize underwriting profit while managing risk in order to preserve shareholders' equity, grow book value and maximize earnings.

HCC has achieved an outstanding record of growth and profitability since its founding in 1974 through creative but careful underwriting, opportunistic expansion of existing lines of business and targeted acquisitions.

The Company's operations consist of highly rated property and casualty and life insurance companies. HCC's major domestic and international insurance companies have financial strength ratings of AA (Very Strong) from Standard & Poor's Corporation, A+ (Superior) from A.M. Best Company, Inc., AA (Very Strong) from Fitch Ratings and A1 (Good Security) from Moody's Investors Service, Inc.

HCC underwrites more than 100 classes of Specialty Insurance within five segments:

- U.S. Property & Casualty
- Professional Liability
- Accident & Health
- U.S. Surety & Credit
- International

HCC products and capabilities set the standard for the industry and many of the Company's 1,900 employees are industry-leading experts.

Each of the Company's highly entrepreneurial businesses is equipped to underwrite special situations, companies and individuals, and acts autonomously to deliver effective solutions.

The Company trades on the New York Stock Exchange under the symbol "HCC". With assets of \$10.2 billion and shareholders' equity of \$3.5 billion at June 30, 2013, HCC is well capitalized and well positioned to continue its success.

Questionnaire

Company & Financial Information	
Please provide your official corporate name & address.	
Please provide the name & contact information of the person completing this RFP questionnaire.	
Please provide an overview of your firm's ownership & organizational structure. If incorporated, include the corresponding state.	
List the name & occupation of those individuals servicing your organization's board of directors.	
How many years has your firm been in business? Please provide a brief history.	
Please list any other companies with whom you have a financial interest greater than 10%. Has your business entity had a change of name, and/or used a dba or is it operating under an assumed name? Are there any plans for your firm to sell, buy or merge with any other companies? If yes, please explain.	
Describe your organization's mission statement. What are the key differentiators that provide your firm a strategic advantage in the marketplace relative to your competitors? Your firm represents & warrants that it is in good standing in the state of its incorporation, is qualified to do business in each state in which it proposes to provide services, and has all licenses and permits necessary or required to provide such services. Copies or other evidence shall be provided upon request.	
Confirm that you maintain errors & omissions coverage, as well as, a fidelity bond, if applicable. Certificates of coverage will be provided upon request.	
What is your rate of annual client retention for 2011, 2012 and 2013?	

Questionnaire

Company & Financial Information	
<p>Have any indictments, convictions, judgments, claims, hearings or legal proceedings including arbitration or medication occurred during the past five (5) years against your firm, its principals, officers, directors or shareholders owning or controlling five percent (5%) or more of your firm's stock?</p>	
<p>Has a client contract been terminated during the past five (5) years for any reason? If "Yes", provide information pertaining to any contract that has been terminated during the past five (5) years.</p>	
<p>Do you have a disaster recovery plan? Please provide a brief description.</p>	
<p>What were your revenues for the last fiscal year in US dollars (in Thousands)?</p>	
<p>Are there any plans for your firm to sell, buy or merge with any other companies? If yes, please explain.</p>	
Employee Information	
<p>Please provide the number of full time & part time employees.</p>	
<p>How many clinical personnel, legal professionals or certified coders are located at this facility? Please specify the number of each.</p>	
<p>What is the average length of service?</p>	



Request for Proposal

Questionnaire

Employee Information	
What is your average employee turnover rate?	
Please provide the name(s) of your associates who will perform work for HCC Life and a brief description as to why each person is qualified.	
Service Delivery	
Do you routinely publish newsletters, bulletins, and other informative publications to your clients? If so, please provide sample copies.	
Explain your ability to monitor regulatory & legislative developments on the federal & state level that may impact the services proposed in this RFP. How and from whom do you receive the updates?	
How do you inform your clients of changes that may impact the services provided?	
Describe creative methods you have used to help clients mitigate the rising cost of healthcare.	
Describe your procedure for handling provider appeals.	
Required Services	
Describe your firm's bill audit services	



Request for Proposal

Questionnaire

<p>Describe your firm's services with regards to <i>In- Network claims</i> and do you obtain sign off from provider.</p> <p>Describe your firm's services with regards to <i>Out-of-Network Claims</i> and do you obtain sign off from provider.</p> <p>Please describe volume and success rate for each for the past two years.</p>	
Required Services	
<p>Describe your firm's services with regards to post-pay claim audits.</p>	
<p>Describe your firm's services with regards to clinical reviews and the process.</p>	
<p>Describe your firm's ability to scrub claim data for errors</p>	
<p>Describe any direct contracts or access to provider relationships that would be beneficial.</p>	

Questionnaire

Required Services	
<p>Identify personnel and retained physicians that review/audit high dollar claims and Centers of Excellence you may use for :</p> <ol style="list-style-type: none"> 1. Dialysis 2. Cancer 3. Cardiovascular 4. Traumas 5. Neonates 	
<p>What is your compensation for each service provided?</p> <p>How do you bill for your services? Is it a flat fee, percentage of savings (if so, what is percentage) and do you cap your fees?</p> <p>What is your compensation for each service provided?</p> <p>Describe your appeal support process.</p>	
<p>Do you provide Independent Review Organization (IRO) services as required under the ACA?</p>	
<p>Please describe the process you use and provide a sample R&C recommendation advisement report. Please provide a sample report that would be provided and if said report be used with communication with payor and client.</p>	



Request for Proposal

Questionnaire

Contract	
HCC will require a signed Business Associate Agreement prior to submission of claims. We have attached a copy of HCCL's BAA for your reference.	
Contract terms desired?	
Please provide name and contact information of a minimum of three (3) references.	

Business Associate Subcontractor Agreement

Part I - Preamble

- A. **Effective Date:** The effective date of this Business Associate Subcontractor Agreement (“Agreement”) is _____.
- B. **Parties:** The parties to this Agreement are _____, (“Subcontractor”), and HCC Life Insurance Company (“HCC Life” and “Business Associate”), an Indiana corporation. For purposes of this Agreement, Subcontractor is a subcontractor to HCC Life and HCC Life is a business associate (as both are defined in the HIPAA Rules as defined below) of its Covered Entity policyholders/clients. Subcontractor and Business Associate agree that there shall be no third party beneficiaries to this Agreement, including but not limited to individuals whose Protected Health Information (defined below) is created, received, used, and/or disclosed by Business Associate in its role as business associate.
- C. **Purpose:** The parties intend that this Agreement comply with the business associate agreement requirements set forth in HIPAA Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Parts 160 and 164, Subparts A and E, (“Privacy Standards”), the HIPAA Security Standards, 45 C.F.R. Part 160 and Part 164, Subparts A and C (“Security Standards”), and the HIPAA Breach Notification Rule, 45 C.F.R. Part 160 and Part 164, Subparts A and D (“Breach Notification Rule”), as amended from time to time (collectively, the “HIPAA Rules”).
- D. In connection with the Subcontractor’s creation, receipt, use, and/or disclosure of Protected Health Information, the parties agree as follows.

Part II - General Terminology

- A. The following terms shall have the same meaning in this Agreement as is set forth in the HIPAA Rules: breach, required by law, Secretary, security incident, subcontractor and unsecured protected health information. As set forth in the HIPAA Rules at 45 C.F.R. § 160.103, Protected Health Information (“PHI”) is defined as individually identifiable health information maintained or transmitted in any form or medium, including without limitation, all information (including demographic, medical and financial information), data, documentation and materials that relate to: (i) the past, present or future physical or mental health or condition of an individual; (ii) the provision of health care to an individual; or (iii) the past, present or future payment for the provision of health care to an individual. For the purposes of this Agreement, PHI will be limited to the information created or received by Subcontractor from, or on behalf of, HCC Life.
- B. In the event of an inconsistency between the provisions of this Agreement and the mandatory terms of the HIPAA Rules, as may be expressly amended from time to time by the U.S. Department of Health and Human Services (“HHS”) or as a result of interpretations by HHS, a court, or another regulatory agency with authority over the parties, the interpretation of HHS, such court, or regulatory agency shall prevail. In the event of a conflict among the interpretations of these entities, the conflict shall be resolved in accordance with rules of precedence.
- C. Where there are provisions in this Agreement additional to those mandated by the HIPAA Rules, but which are not prohibited by the HIPAA Rules, the provisions of this Agreement will apply.

- D. In the event of an inconsistency between this Agreement and any other service agreement now, or at any time in the future, in effect between the Subcontractor and HCC Life, the provisions of this Agreement shall control with respect to the permitted uses, disclosure, breach notifications (and other requirements with respect to) PHI.

Part III – Specific Requirements

- A. Except as otherwise provided in this Agreement, Subcontractor may receive, use, disclose or maintain PHI on behalf of HCC Life for the administration of a services agreement, if such use or disclosure of PHI would not violate the HIPAA Rules if done by HCC Life.
- B. Subcontractor agrees that, as required by the HIPAA Rules, Subcontractor will enter into a written agreement with all entities with which Subcontractor has contracted that will create, receive, maintain or transmit PHI (“Downstream Entities”). The agreement shall: (1) require the Downstream Entities to comply with the Privacy and Security Rule provisions of this Agreement in the same manner as required of Subcontractor, and (ii) notify such Downstream Entities that they will incur liability under the HIPAA Rules for noncompliance with such provisions. Accordingly, Subcontractor shall ensure that all Downstream Entities agree in writing to the same restrictions, conditions and requirements that apply to Subcontractor with respect to PHI.
- C. Subcontractor agrees not to use or further disclose PHI other than as permitted or required by this Agreement or as required by law.
- D. Subcontractor agrees to use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement or as required by law. Subcontractor will implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI that it creates, receives, maintains or transmits on behalf of Business Associate.
- E. Except as otherwise limited in this Agreement, Subcontractor may use PHI for the proper management and administration of Subcontractor or to carry out the legal responsibilities of Subcontractor.

Part IV – Notification and Reporting of Non-Compliance with the Agreement

- A. Subcontractor will notify Business Associate within 10 business days after discovery (and will report to Business Associate as described below), any unauthorized access, use, disclosure, modification or destruction of PHI not permitted by this Agreement, by applicable law, or permitted in writing by Business Associate (including any successful Security Incident or Breach), whether such non-compliance is by (or at) Subcontractor or by (or at) a Downstream Entity.
- B. Subcontractor will report to Business Associate the information set forth in this Agreement concerning any successful Security Incident or any Breach of Unsecured Protected Health Information, whether such Security Incident or Breach is by (or at) Subcontractor or by (or at) a Downstream Entity. The report shall be submitted to Business Associate following discovery of the successful Security Incident or Breach and without unreasonable delay, but in no event later than 10 business days following discovery.
 - a. As provided for in 45 C.F.R. § 164.402, Subcontractor recognizes that any acquisition, access, use or disclosure of PHI in a manner not permitted under the HIPAA Rules is presumed to be a Breach. As such, Subcontractor shall: (i) notify Business Associate of any non-permitted acquisition, access, use or disclosure of PHI, and (ii) assist Business Associate in performing (or at Business Associate’s direction, perform) a risk assessment to determine if there is a low probability that the PHI has been compromised. Subcontractor shall cooperate

with Business Associate in meeting any other obligations under the HIPAA Rules and any other security breach notification laws that Business Associate might specify.

- b. Subcontractor shall provide Business Associate a report that specifies: the identity, if known, of each individual whose Unsecured Protected Health Information has been (or is reasonably believed to have been) accessed, acquired or disclosed; the nature of the non-permitted access, use or disclosure (including the date of the incident and the date of discovery); the PHI accessed, used or disclosed (e.g. name; social security number; date of birth); the corrective action taken (or that will be taken) to prevent further non-permitted accesses, uses or disclosures; what was done or will be done to mitigate any deleterious effect of the non-permitted access, use or disclosure; and any other information that the Business Associate might request.

Part V – Other Requirements

- A. Subcontractor agrees, at the written request of HCC Life, to provide access to PHI in accordance with 45 C.F.R. § 164.524. Subcontractor may require HCC Life to pay certain fees, as delineated in 45 C.F.R. § 164.524(c)(4), for it to provide copies or summaries of PHI.
- F. Upon receiving written notification from HCC Life that it has been directed to or has agreed to, pursuant to 45 C.F.R. § 164.526, amend PHI, Subcontractor agrees to make PHI available for amendment and incorporate any such amendments to PHI as directed by HCC Life.
- G. In accordance with 45 C.F.R. § 164.528, Subcontractor will retain and make available to HCC Life, upon written request, the information required by HCC Life to provide an accounting of disclosures, if so requested by an individual.
- H. For the purpose of the Secretary determining HCC Life’s compliance with the HIPAA Rules, Subcontractor shall make available to the Secretary the Subcontractor’s internal practices, books, and records relating to the use and disclosure of PHI. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by Subcontractor by virtue of this provision of the Agreement.

Part VI - Termination Provisions

- A. HCC Life and Subcontractor agree that either party shall have the right to terminate this Agreement and / or seek other remedies if either party determines that the other party has violated a material term of this Agreement
- B. Upon the termination of this Agreement, or any other service agreement between HCC Life and Subcontractor, agrees to return the PHI to HCC Life, destroy the PHI (and retain no copies), or, if Subcontractor determines that return or destruction is not feasible (and HCC Life agrees that such return or destruction is infeasible): (a) continue to extend the protections of this Agreement and of the HIPAA Rules to the PHI, and (b) limit further uses and disclosures of the PHI to the purpose of making return or destruction infeasible.

HCC Life Insurance Company

By: _____

Printed Name: _____

By: _____

Printed Name: _____

Title: _____

Title: _____

Created 8/2013