

Department of Social Services

**Workers' Compensation Insurance for Self-Directed Programs
Request for Information**

WCI_SDP_RFI_05152018

**Administered by the Department of Social Services (DSS) and Operated in
Partnership with the State of Connecticut Department of Developmental
Services (DDS)**

Contents

Section 1: Introduction and Background 3

Introduction - New Mandated Approach..... 3

Background - Workers’ Compensation for Consumer-Employers in the State of Connecticut 3

Statement of Need 4

Section 2: Confidentiality 4

Section 3: Scope..... 5

DSS Medicaid Waiver Programs 6

DDS Medicaid Waiver Programs 6

Medicaid Reimbursement..... 7

Section 4: RFI Submission Instructions and Response Format 7

How to Submit Responses to This RFI 7

Communication Regarding the RFI Official State Contact Person 8

Section 5: Summary of Requested Information 9

Requirements..... 9

Qualifications for Respondents 9

Section 6 - Information Requested 10

Appendix - Defined Terms..... 14

Signature Page..... 16

Section 1: Introduction and Background

Introduction - New Mandated Approach

On March 21, 2018 the State legislature approved the Collective Bargaining Agreement between the State of Connecticut, Personal Care Attendants (PCA) Workforce Council and New England Health Care Employees Union, District 1199 SEIU; wherein 100% of Consumer-Employers who self-direct staff through Connecticut’s publically-funded programs are to be covered for workers’ compensation. Such coverage is to be effective no later than January 1, 2019.

The State is seeking information on the range of workers’ compensation insurance options available to the State’s eligible Consumer-Employers. Additionally, the State desires information as to how proposed options can be procured by or on behalf of these employers. Specifically, the State is looking for information on:

- The feasibility of going to bid for an agent/broker/insurance company to serve as the entity responsible for securing quotes and product design options from insurance companies able to underwrite a workers’ compensation program for the State’s entire consumer-employer book of business and administer individual policies to all consumer-employers within that group; and
- Having a workers’ compensation product available and ready to provide coverage to the approximately 5,000 consumer-employers no later than January 1, 2019.

The information provided in this RFI may help to inform an upcoming RFP.

See Appendix for a glossary of frequently used terminology and State agency descriptions.

Background - Workers’ Compensation for Consumer-Employers in the State of Connecticut

Currently, those Consumer-Employers who employ individual workers for 26 hours or more per week are required as a condition of the State’s publically-funded programs to purchase workers compensation coverage. Consumer-Employers who engage individual workers for less than 26 hours per week of self-directed services are not required, but may elect, to purchase workers’ compensation coverage. Going forward, all consumer employers will be required to have workers’ compensation coverage, regardless of the number of hours worked per week. In 2017, approximately 1,680 Consumer-Employers out of an estimated 5,000 purchased coverage. The average payroll for the current universe of policies is estimated to be \$33,000. Given that coverage for Consumer-Employers utilizing fewer service hours is not mandatory, few, if any, minimum premium policies are in place today.

Today, the costs of mandated or voluntarily purchased workers’ compensation premiums are included within the Consumer-Employer’s individual budget amount for Medicaid-funded client services. The provision of workers’ compensation insurance is an allowable Medicaid program expense. The State is committed to ensuring that any method of expanding workers’ compensation coverage to all Consumer-Employers continues to be eligible for Medicaid reimbursement at the appropriate rates.

Currently, individual workers' compensation policies are procured by the Consumer-Employer with the assistance of the State's two fiscal intermediaries, Allied Community Resources, Inc. and Sunset Shores. Each policy is individually underwritten; there is no affinity group, purchasing program, dividend or other mechanism in place among Consumer-Employers.

Statement of Need

It is in the capacity as Connecticut's single state Medicaid agency that the Department of Social Services (DSS) is issuing this RFI regarding workers' compensation insurance to cover all Consumer-Employers participating in the State's publicly-funded self-directed programs. DSS wishes to assess the options available to the State in providing workers' compensation insurance through a group program offered on the voluntary insurance market for 100% of Consumer-Employers participating in Connecticut's various self-directed programs.

The RFI is intended for information gathering purposes only and the State is not obligated in any way to use the information received. This is not a Request for Proposals (RFP) nor a Request for Qualifications (RFQ). Generally, the RFI process will assist the State in determining whether it will pursue an RFP with the intent to enter into a contractual agreement(s) for such services sometime in the future. Persons and/or entities responding to the RFI will not be compensated in any way. Responding to this RFI will not enhance the chances of receiving future work with DSS or any other State agency. Similarly, not responding to this RFI will not be a detriment to any person or entity when responding to future competitive procurement opportunities. A link to the full electronic version of this RFI, any amendments and/or additional related information is available on the State Department of Administrative Services website at: [State Contracting Portal](#)

Section 2: Confidentiality

The respondent understands that due regard will be given to the protection of proprietary or confidential information contained in all responses received. However, respondents should be aware that all materials associated with this Request for Information (RFI) are subject to the terms of the Connecticut Freedom of Information Act (FOIA) and all corresponding rules, regulations and interpretations. It will not be sufficient for respondents to merely state generally that the information is proprietary or confidential in nature and, therefore, not subject to release to third parties. Those particular sentences, paragraphs, pages or sections that a respondent believes to be exempt from disclosure under FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption, consistent with section 1-210-(b) of the Connecticut General Statutes, as amended from time to time, must accompany the submission. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of the respondent that would result if the identified material were to be released and the reasons why the materials are legally exempt from release pursuant to the above-cited statute. The State of Connecticut (State) has no obligation to initiate, prosecute, or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. Respondents have the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue before the appropriate tribunal. The State shall have no liability for the disclosure of any documents or information in its possession which the State believes are required to be disclosed pursuant to the FOIA or other requirements of law.

Section 3: Scope

This RFI is not an RFP and should not be construed as such. The State is not soliciting offers to enter into a contractual agreement.

The objective of this RFI is to assess the options available to the State in providing workers’ compensation insurance through a group program offered on the voluntary insurance market for participants in Connecticut’s various self-directed programs, including those provided through the Medicaid State plan and Medicaid waivers and certain state programs as detailed in Section 6, Information Requested, of this document.

The State is particularly interested in creative and innovative approaches to securing and providing individual workers’ compensation insurance policies through one group program on the voluntary insurance market for a diverse population of Consumer-Employers, funded through State and Federal programs such as Medicaid. Each Consumer-Employer will, as the named insured, hold this or her own individual policy. The State is not seeking a group policy and will not be deemed the employer under any such workers’ compensation policies.

The State is also seeking respondents that capitalize on modern, flexible, technological solutions that efficiently handle working with a third-party administrator and provide customer service functions for a growing and continually evolving pool of Consumer-Employers across the state.

Responding Organizations are encouraged to provide the State with proposed methods, strategies and practices to secure and provide workers’ compensation insurance through detailed responses to the topic areas below, or in specific areas where the Organization has particular experience or knowledge. At this time, the State is open to the provision of these services by two or more entities, as long as the services are well coordinated, of quality, customer-focused and cost efficient.

Responding Organizations may choose to respond to all topics or only those that relate to the Organization’s particular experience and knowledge. Organizations should respond in a topic-by-topic manner (e.g., in an issue/response format) following the numbering of the RFI inquiries. Please indicate “N/A” under any topic area that is not applicable to your Organization.

What follows is a description of characteristics of the workers compensation exposures to be insured:

- Based on current information, in calendar year 2017, 12,954 unduplicated PCA employees (approximately, 8,500 on payroll in any given month) were covered by the Collective Bargaining Agreement for self-directed DSS and Department of Developmental Services (DDS) programs.
- Those employees were contracted to approximately 4,958 Consumer-Employers.
- Total program payroll is estimated to be approximately \$115 million.
- It is reasonable to assume that the number of Consumer-Employers and the size of the related workforce will continue to grow both in number of employees and payroll.

- Employers in this program have no common ownership and are not combinable under workers’ compensation rating rules. Individual policies must be issued. Where applicable, individual experience ratings would apply.
- Employers without significant exposure would be issued policies subject to minimum premium rules.
- **ALL** employees eligible for coverage under this program are assigned to the National Council on Compensation Insurance (NCCI) Classification Code 0918 Domestic Service Workers— Inside—Physical Assistance—Consumer-Directed Programs (Connecticut). NCCI recognized that experience under this program was different and established a unique class code for workers under consumer directed care. (Employees classified as 8835 or other similar codes provide services to a different population and are ineligible for coverage under this program).
- Although Consumer-Employers may be added to the program mid-term, the program should be designed to have a common anniversary rating date.
- Employees assigned to Class 0918 (CT) are hired directly by Consumer-Employers under the following programs:

DSS Medicaid Waiver Programs

- *Acquired Brain Injury (ABI) Waivers* - provide a number of support services, including personal care assistance, to people between the ages of 18 and 64 with ABI to help them remain in the community. This waiver is jointly operated with the Department of Mental Health and Addiction Services, (DMHAS).
- *Connecticut Home Care Program for Elders (CHCPE) Waiver and State Funded program* - provides home care and related community-based services to people aged 65 and older who are at risk of nursing home placement.
- *Personal Care Attendant (PCA) Waiver* - provides, in conjunction with the Section 1915(k) Community First Choice State Plan Option described below, consumer-directed personal care assistance services to people with physical disabilities who are between the ages of 18 and 64 and who would otherwise require institutionalization. Participants must need help with activities of daily living and must be able to hire and direct their own PCA.
- *Community First Choice (CFC) State Plan Option* – provides consumer-directed personal care assistance services to people with physical disabilities who are between the ages of 18 and 64 and who would otherwise require institutionalization. Participants must need help with activities of daily living and must be able to hire and direct their own PCA.

DDS Medicaid Waiver Programs

- *Comprehensive Supports Waiver* - provides services to individuals with developmental disabilities who live in licensed community living arrangements, community training homes or in assisted living, as well as individuals who live in their own or their family’s home and require a level of support not available under the Individual and Family Support waiver due

to significant behavioral, medical and/or physical support needs and/or the absence of natural supports.

- *Employment and Day Supports Waiver* – provides services and supports for individuals with developmental disabilities, ages 18 and up, and individuals with intellectual disabilities, ages 3 and up.
- *Individual and Family Supports Waiver* – provides direct services and supports to people with developmental disabilities who live in their own home or their family’s home and do not require 24-hour paid supports.

Medicaid Reimbursement

The Medicaid Home and Community-Based Services (HCBS) waiver programs and the Community First Choice State Plan Option are authorized under section 1915(c) and section 1915(k) of the Social Security Act, respectively, and require approval from the Centers for Medicare and Medicaid Services (CMS). DSS is the designated State Medicaid agency. All Medicaid waiver programs operated by other State agencies are administered in partnership with DSS.

Connecticut is reimbursed at a rate of 50% for the provision of workers’ compensation insurance for waiver services and 56% for Community First Choice services.

Section 4: RFI Submission Instructions and Response Format

Timeframe for the RFI is as follows:

RFI Issue Date	May 15, 2018
Deadline for Questions	May 22, 2018 by 3:00 PM EST
Answers Released	June 5, 2018 by 3:00 PM EST
RFI Response Due Date	June 14, 2018 by 3:00 PM EST

How to Submit Responses to This RFI

To respond to this RFI, follow the format instructions in Section 6, Information Requested, of this document. Respondents are permitted to respond only to sections in which the Organization has relevant experience. Respondents are not required to submit responses to all categories.

The responses to this RFI will be reviewed by staff from DSS and Departments in State government including: DDS and the Office of Policy and Management (OPM).

Written responses to this RFI must be received by the Official State Contact Person **not later than 3:00 p.m. EST on June 14, 2018**. Late responses will not be considered. Interested parties must respond to this RFI in writing by submitting one (1) original paper application, clearly marked as “original” and five (5) conforming paper copies of the original response; and one (1) electronic copy of the original response to the Official State Contact Person. The electronic copy must be submitted on CD or DVD, no flash drive.

The original paper response must carry original signature(s) by individual(s) with signatory authority on behalf of the Organization and be clearly marked on the cover as “Original.” Unsigned responses will not be accepted. The original response and each conforming paper copy of the response must be complete, properly formatted and outlined. For the electronic copy, any attachments may be scanned and submitted in Portable Document Format (PDF).

Responses must be submitted as follows:

- In Microsoft Office Word with responses following the format in Section 6 of this RFI. If a particular service area is not applicable to your organization, please enter “N/A” below that item.
- On “8 ½ x 11” paper
- Double spaced
- No smaller than 11 point, Arial font
- With a Table of Contents
- With numbered pages
- Maximum page limitation is not to exceed 10-double-sided pages
- No more than five attachments
- With a cover sheet specifying: Responding Organization’s full business name, address of its primary place of business, its corporate status (e.g. 501(c)(3), partnership, LLC), telephone number, contact person, and e-mail address.

Communication Regarding the RFI: Official State Contact Person

The Official State Contact Person is available to answer questions and provide information regarding the RFI process. Written questions from potential respondents must be submitted in writing by **not later than 3:00 p.m. EST on May 22, 2018** using electronic mail, with the subject line “WC Insurance RFI Questions” and addressed to:

Stacey Hubert
Department of Social Services
State of Connecticut
55 Farmington Avenue
Hartford, CT 06106
e-mail: Stacey.Hubert@ct.gov

A link to responses to the RFI questions will be posted on DAS and DSS web site by 3:00 P.M. EST June 5, 2018.

All communications with the State or any person representing the State concerning this RFI are strictly prohibited, except as permitted by this RFI. Any violation of this prohibition by respondents or their representatives may result in disqualification or other sanctions, or both.

Section 5: Summary of Requested Information

Requirements

Respondents are asked to provide details related to their experience providing services in the following categories as detailed in Section 6 of this RFI.

- General Experience
- Staffing
- Payments and Fiscal Administration
- Claims Administration
- Auditing
- Customer Service
- Technology/Information Systems
- Litigation Management
- Quality Assurance
- Reporting
- Privacy and Confidentiality
- Transition Plan
- Risk Mitigation

Qualifications of Respondents

Any person, group, business, organization or combination thereof with relevant knowledge and/or expertise in program design or the marketing and selling of group workers’ compensation in the State of Connecticut is welcome to respond to this RFI (hereinafter referred to as “Organization”).

Section 6 - Information Requested

Please describe in detail the Organization’s relevant experience and performance relating to the functions set forth below:

A. General Experience

A1. Provide a general description of the Organization’s knowledge and experience in providing workers’ compensation (WC) coverage to groups of employers. Additionally, please:

- i. Describe your experience with WC programs in other States for Consumer-Employers funded through publicly-funded self-directed service programs such as Medicaid.
- ii. Include years of operation as an agent/broker/program manager/insurance company providing this or similar insurance options. Are you and your producers licensed to offer WC in Connecticut? If not, are you willing to obtain a license in order to service the proposed Connecticut program?

A2. We anticipate a single carrier would underwrite the program on a “take all comers” basis. Please identify which markets you are appointed with and whom you expect would bid on underwriting this program and answer the following questions:

- i. Are these markets currently licensed to write WC in Connecticut and have they filed rates for class code 0918 in the State? If not, do you anticipate they would be willing to do so in time to write policies with an effective date of January 1, 2019?
- ii. Do you anticipate encountering obstacles in finding markets for this program? If so, please identify any obstacles you anticipate finding and your plan to overcome those obstacles. Do the proposed carriers you foresee underwriting this program have five (5) or more years of experience in writing WC? How much annual WC premium has the carrier written in the last 5 years?

A3. Provide a detailed description of the business model(s) utilized for the provision of WC insurance for self-directed programs in other states within the last 24 months. If you have not provided coverage to a self-directed program but have provided coverage to another group for who you believe the business model could be adapted; please describe that group and the business model including any modifications you might make to fit this group.

Describe ways in which you might foresee dividend or other loss performance measures to be added to the program as future enhancements.

A4. Describe your Organization’s partnership with fiscal intermediaries (FIs) and other third-party agents. Be specific as to the type of information that is shared and the method of sharing information.

A5. Describe your Organization’s experience contracting with State Agencies.

A6. Describe your Organization’s experience working in States with a unionized self-directed workforce.

A7. Provide examples of where your Organization has been innovative in providing workers’ compensation coverage to Consumer-Employers of self-directed programs or programs of a similar nature.

B. Staffing

B1. Describe the personnel and other resources you have allocated to provide similar services. Please include the titles, experience and qualifications of key personnel. Based on the estimated size and nature of a proposed Connecticut program, describe how you would expect to allocate staff.

B2. Describe how your organization interacts with Consumer-Employers or other policyholders in WC group programs, acting as a first point of contact for policy or claim related questions for policies associated with a group WC program and ensuring all program participants receive a high level of service and satisfaction.

C. Payments and Fiscal Administration

C1. Describe your Organization’s process for “acting as the gatekeeper” (i.e., determining eligibility and registering new Program Participants). Include the process for gathering WC policy information, quotation and policy issuance.

C2. Describe how policies and statistical data are transmitted and filed with the NCCI and any regulatory authority relative to such program.

C3. Describe the process for tracking and remitting premiums for individual policyholders and the roles of the FI and your staff or others in the process.

C4. Describe how your organization reports the enrollment data and program results to the program sponsor, carrier (underwriting, premium audit, unit statistical reporting), or Third Party Administrator (TPA) if other than the carrier.

D. Claims Administration

D1. Describe how claims are administered under any existing programs identified in your responses immediately above. Specifically, please describe how claims handling is made consistent across all policyholders and how data is managed and evaluated for the program overall. Who do you propose would administer claims for the proposed program (carrier, TPA)? If a TPA is recommended, describe how a TPA would be selected and what performance measures you would suggest for measuring their service.

D2. Describe how your Organization monitors workers’ compensation claims for performance of the program, particularly how do you identify trends? Describe how your monitoring of claims has led to increased loss control or rate actions on other programs you have worked with.

D3. Describe the experience of claims adjusters and attorneys who would handle WC claims under this program and specify if they are licensed to perform such work as may be required under Connecticut law.

E. Auditing

E1. Describe your Organization’s process for conducting policy level premium audits for group programs with common rating dates including working with the FI’s and the underwriting company(ies) to efficiently coordinate premium audit information and premium adjustments including performance timeframes.

F. Customer Service

F1. Describe how your Organization provides real-time customer service to a variety of customer types. Detail specific customer service protocols and services implemented to address the needs of each of the following customer types: (i) Consumer-Employers; (ii) Fiscal Intermediaries; (iii) State agency and Access agency staff (case managers, counselors, managers, program directors). Please be specific as to staffing pattern, methods of triaging, ability to handle large call volumes and average call-wait times and e-mail response times.

G. Technology /Information Systems

G1. Describe any systems you would anticipate using in support of the proposed WC program. Do these systems allow access by policy holders, program sponsors, etc.? Are there separate associated costs or licenses required to access program information? Typically, how long is data stored and available on-line, or thereafter, by request?

H. Litigation Management

H1. Describe the anticipated approach to managing litigation for claims under the proposed program. What about the program might be unique and how do you anticipate responding in that regard?

I. Quality Assurance

I1. Describe typical Service Level Agreements and any performance guarantees you might offer or consider for such a proposed program.

I2. Describe the methods you use to ensure that quality is provided throughout the program from enrollment thru policy issuance, claims processing, premium audit and renewal or cancellation of coverage that is no longer necessary. Provide information as to how you measure, manage and report on accuracy, timeliness and customer satisfaction.

J. Reporting

J1. Describe your Organization’s current reporting capabilities. Be specific as to the types and frequency of the reports you produce, information contained in the reports and flexibility of your data collection and reporting systems to rapidly produce customized reports upon request.

K. Privacy and Confidentiality

K1. Describe your Organization’s privacy policies and how you keep protected information safe, particularly under a group program of this nature.

L. Transition Plan

L1. Describe how you would roll out an implementation plan for the start-up of this new program to all Consumer-Employers, FI's, employees and State program staff. Include a calendar of key dates and activities.

M. Risk Mitigation

M1. What risk mitigation trainings and tools do you offer to policy holders in order to reduce the number of claims?

Appendix - Defined Terms

Consumer Employer:

A Program Participant or Responsible Party who hires and manages his or her own staff.

Department of Developmental Services (DDS):

DDS is responsible for the planning, development and administration of complete, comprehensive and integrated statewide services for persons with intellectual disability and persons medically diagnosed as having Prader-Willi Syndrome. DDS provides services, within available appropriations, through a decentralized system that relies on private provider agencies under contract or enrolled with the Department in addition to self-directed and State-operated services. These services include residential service and in-home supports, day services and employment supports, family support, respite, case management, and other periodic services such as transportation, interpreter services, and clinical services. For more information visit www.ct.gov/DDS.

Department of Social Services (DSS):

DSS administers and delivers a wide variety of services to children, families, adults, people with disabilities and elders, including health care coverage, child support, long-term care and supports, energy assistance, food and nutrition aid, and program grants. DSS administers a myriad of State and federal programs and approximately one-third of the State budget, currently serving more than 950,000 individuals in 600,000 households (October 2014 data). By statute, the Department is the single State agency responsible for administering Connecticut’s Medicaid program.

The Department administers most of its programs through 12 offices located in the three service regions, with central office support located in Hartford, Connecticut. The Department operates a service center where many of the services provided by the Department may be accessed via mail or telephone call.

Guided by a shared belief in human potential, the Department aims to increase the security and well-being of Connecticut individuals, families, and communities. For more information visit www.ct.gov/DSS

Fiscal Intermediary (FI):

An entity that acts as an agent between the Program Participant and/or Responsible Party, Participant-Directed Employees and the State for the purpose of assisting the Program Participant/Responsible Party to manage and distribute funds in accordance with the Program Participant’s service plan and/or individual budget. This entity may also

provide other administrative duties related to the operation of programs on behalf of the State.

- Employee:** Staff hired, monitored and trained by the Program Participant such as Personal Care Attendants (PCA) or other staff directly hired by the Employer.
- Payment:** Any compensation, excluding PCA payroll, provided by the FIs on behalf of a State agency. This includes payments to non-PCA providers.
- Payroll:** (1) Payment that is issued directly to PCAs by the FIs for hours worked and orientation stipends; (2) Payments to self-directed, non-PCA, service providers across programs such as Companions and Independent Living Skills Trainers under the Acquired Brain Injury waiver.
- Responsible Party:** An individual that acts on behalf of or in support of a Program Participant. These individuals may include: (1) Conservator of Person/Estate; (2) Power of Attorney/Durable Power of Attorney; (3) Guardian/Guardian Ad Litem; (4) Next of kin; (5) Individuals chosen by the Program Participant; or (6) Employer of Record.
- Self-Directed Programs:** Federal or State programs through which the Participant has control of what services are provided, who provides those services and an individual service budget. In most State self-directed programs, the Program Participant or designated Responsible Party is also the employer of record and is responsible for all employer - related responsibilities such as hiring, firing, training and timekeeping.

Signature Page

Authorized Representative Signature: _____ **Date** _____

Print Name of Authorized Representative _____

Title of Authorized Representative _____