

MEMORANDUM

TO: Health Care Commission
Jim Clark
J. Scott Day
Steve Dechant
Kenneth Selzer
Heather Young

FROM: Mike Michael

DATE: April 6, 2014

SUBJECT: **Vision Contract**

Request for Proposal (RFP) EVT0003434 for administrative services for the voluntary fully insured vision plan was released on November 17, 2014, and closed on January 2, 2015. Six (6) qualified bids were received. In addition to the incumbent—Superior Vision—bids were received from Aetna, MetLife, OptiCare, Surency, and VSP. Based upon the vendors' responses, State Employee Health Plan staff scheduled negotiation meetings with four vendors: Superior Vision, MetLife, OptiCare and Surency. Following the negotiation meetings, the vendors were asked to provide their best and final premiums.

In addition to the initial premium and three-year premium rate guarantee, the vendor's flexibility, capacity, claims processing ability, and ability to provide quality customer service were considered. The current vendor has the most robust network of providers. The vendor network being proposed is not as robust as the current network available but they do have 124 of the top 200 providers in the current network. The vendor has committed to enhancing their network by providing a guarantee of \$30,000 if they do not recruit at least 75 percent of the top 200 providers or providers representing 75 percent of the claim volume.

Staff Recommendation:

Based on the information gathered in bid responses and during negotiation meetings, staff recommends that Surency be awarded a three-year contract to provide the insured voluntary vision plan.