



STATE OF INDIANA

ERIC J. HOLCOMB, GOVERNOR

DEPARTMENT OF ADMINISTRATION

Commissioner's Office

402 West Washington Street, Room W469
Indiana Government Center – South
Indianapolis, Indiana 46204-2746

Award Recommendation Letter

Date: June 30, 2021

To: Roxie Coble, Director Strategic Sourcing
Indiana Department of Administration

From: Traci Davidson, Sr. Strategic Sourcing Analyst
Indiana Department of Administration

Subject: RFP 21-66211 Medical TPA, EAP, & Data Warehouse

Estimated 4-year Contract Amount: \$54,710,000.00

Based on the evaluation of our team, we recommend **Anthem Insurance Companies, Inc. (Anthem)** for Medical Third-Party Administrator (TPA) Services and **United Healthcare Services, Inc. (United Healthcare)** for Employee Assistance Program (EAP) services as the successful respondents of the RFP process for Medical TPA, EAP, & Data Warehouse.

At this time, the State of Indiana has decided not to award Data Warehouse services.

Anthem and United Healthcare are committed to subcontracting a portion of the initial contract value to the following companies:

Anthem Insurance Companies, Inc	United Healthcare Services, Inc
BC Forward – MBE – 4.9%	BC Forward – MBE – 2.5%
Engaging Solutions – WBE – 3.1%	Fineline Graphics – MBE - .44%
308 Communications – WBE – 4%	The Niche Agency – MBE – 3.7%
Repucare – WBE – 4%	Rose International – WBE – 7.5%
Professional Management – IVOSB – 2.3%	Indiana Wellness – WBE - .22%
Javit Consulting – IVOSB - .7%	Professional Management Enterprise – IVOSB – 3.8%

Proposals for this RFP were due on March 10, 2021, IDOA received a total of eight (8) responses:

- Anthem
- Cigna Health
- Harris Rothenberg
- Indiana University
- Innovaccer
- United Healthcare
- UPMC
- Vital Incite

The proposals were separated by service category and evaluated by IDOA and the evaluation team according to the following criteria established in the RFP:

- Adherence to Requirements (Pass/Fail)
- Management Assessment/Quality (40 points)
- Price (40 points)
- Minority Business Participation (5 points plus 1 bonus point if certain criteria are met)
- Women Business Participation (5 points plus 1 bonus point if certain criteria are met)
- Indiana Veteran Owned Small Business Participation (5 points plus 1 bonus point if certain criteria are met)
- Buy Indiana (5 points)

The proposals were evaluated according to the published process outlined in Section 3.2, “Evaluation Criteria, of the RFP. Scoring was completed as follows:

A. Adherence to Requirements

All proposals were reviewed for adherence to mandatory requirements. All the respondents adhered to the mandatory requirements and were then advanced to the next step of evaluation.

B. Management Assessment/Quality (MAQ)

Business Proposal

For the business proposal evaluation, the evaluation team considered the respondent’s proposals as set forth in Section 2.3 of the RFP. The evaluation team’s scores were based on a review of each respondent’s business proposal, Attachment E.

Technical Proposal

For the technical proposal evaluation, the team considered each respondent’s proposals as defined in Section 2.4 of the RFP. The evaluation team’s scores were based on a review of each respondent’s technical proposal, Attachment F.

Results of the initial management assessment/quality evaluation are shown below:

Table 1: Initial MAQ Score

Respondent	MAQ TPA Score (40 pts Max)	MAQ EAP Score (40 pts Max)
Anthem	32.17	22.25
Cigna	20.75	23.08
Harris Rothenberg	No Bid	27.58
Indiana University	18.92	11.92
Innovaccer	No Bid	No Bid
United Healthcare	28.17	31.33
UPMC	No Bid	No Bid
Vital Incite	No Bid	No Bid

C. Cost Proposal

Based on MAQ scores Respondents were short-listed for further evaluation of cost proposals, cost scores were normalized, based on the lowest cost proposal evaluated. The lowest cost proposal, relative to their total cost, received a total of 40 points. Other proposals received scores based on the following normalization formula shown below.

$$\text{Respondent's Cost Score} = (\text{Lowest Cost Proposal} / \text{Total Cost of Proposal}) \times 40 \text{ points}$$

The cost scoring is as follows:

Table 2: Initial Cost Score

Respondent	Cost Score: TPA (40 pts Max)	Cost Score: EAP (40 pts Max)
Anthem	40	--
Cigna	38.20	--
Harris Rothenberg	--	32.60
Indiana University	32.46	--
United Healthcare ⁱ	--	40

D. Best and Final Offer

Respondents were given the opportunity to improve their cost through a Best and Final Offer Round (BAFO). MAQ scores remained the same and cost scores were updated accordingly in Table 3 (below).

Table 3.1: Medical TPA MAQ + BAFO

Respondent	MAQ Score (40 Max)	BAFO Score (40 max)	Total Score (80 max)
Anthem	32.17	40	72.17
Cigna	20.75	38.22	58.97

Table 3.2: EAP MAQ + BAFO

Respondent	MAQ Score (40 Max)	BAFO Score (40 max)	Total Score (80 max)
Harris Rothenberg	27.58	33.17	60.75
United Healthcare	31.33	40	71.33

E. IDOA Scoring

IDOA scored the respondents in the following areas: Minority and Women Business Participation, Indiana Veteran Business Participation (5 points each) using the criteria outlined in the RFP. Once the final MWBE and IVOSB forms were received from the respondents, the total scores out of 103 possible points were tabulated, and are as follows:

Table 4.1: Final Overall TPA Evaluation Scores

Respondent	MAQ Score (45Max)	Cost Score (35 Max)	Buy Indiana	MBE (5 max + 1 bonus)	WBE (5 max + 1 bonus)	IVOSB (5 max + 1 bonus)	Total Score¹ (100 max + 3 bonus)
Anthem	32.17	40	5	3.13	6.00	5.00	91.30
Cigna	20.75	38.22	0	6.00	3.75	5.00	73.72

Table 4.2: Final Overall EAP Evaluation Scores

Respondent	MAQ Score (45Max)	Cost Score (35 Max)	Buy Indiana	MBE (5 max + 1 bonus)	WBE (5 max + 1 bonus)	IVOSB (5 max + 1 bonus)	Total Score² (100 max + 3 bonus)
Harris Rothenberg	27.58	33.17	0	6.00	4.38	6.00	77.13
United Healthcare	31.33	40	5.00	4.38	5.00	5.00	90.71

Award Summary

During evaluation, the State scrutinized the proposals to determine the viability of the proposed business solutions to meet the goals of the program and to meet the needs of the State. The team evaluated the proposals based on the stipulated criteria outlined in the RFP.

The term of the contract shall be for a period of four (4) years from the date of contract execution. There may be two 2-year renewals for a total of eight (8) years at the State's option.

Traci Davidson
Sr. Strategic Sourcing Analyst
Indiana Department of Administration

ⁱ Respondent removed from further consideration as the cost proposal could not be evaluated.