Pre-Proposal Conference Questions and Responses
Conference Date December 8, 2009

1. In reference to Section 1.5, can you clarify what is meant by a governmental entity the same or similar in size to Louisiana? Who else would be the same size as the State?

   The requirement refers to a company having experience in a comprehensive governmental organization with a broad spectrum of responsibilities – a state, a large municipality entity (i.e. City of Los Angeles), or a large county. While the reference does not have to be a state government or have the same scope of responsibilities as a state government, it should have broader responsibilities than a single department of state government.

2. Does the experience have to be with an entity outside of the State of Louisiana? Is there anything in Louisiana that would qualify?

   There are entities in Louisiana that would meet our criteria. The city of New Orleans is an example.

3. In reference to audited financial statements, those are usually performed for publicly traded companies and government. What about private companies that are not publicly traded and do not have audited financial statements?

   Three years of audited financial statements, including management letters, is a mandatory requirement.

4. In the case of joint proposals, do all subcontractors have to be represented at the pre-proposal conference?

   No. Only the prime contractor is required to attend.

5. In reference to the employment of existing staff, what is the current job function of the Accounting Technician listed in Phase 1?

   The position primarily deals with check processing.

6. The requirements for the employment of existing staff allows for a criminal background check. Can the Contractor also require a motor vehicle check?

   Yes. Any checks that are a normal part of your screening process will be allowed.

7. Are any of the adjusting staff in supervisory positions, and would they be required to be hired by the Contractor?

   There are supervisory positions on the RFP list of positions to be eliminated. For example, State Risk Adjuster 5s are supervisory positions. Which positions are supervisory can be determined from the job descriptions which are available on the Civil Service website. The list of positions in the RFP was included to provide a basis for estimates. In preparing that list, ORM assumed that positions would be eliminated from the bottom up. However, when layoff procedures are implemented, the results may be different.

8. So the supervisory positions wouldn't necessarily be going to the Contractor?

   Not necessarily, but there will probably be some.

9. What does the term displaced employee mean?

   A displaced employee is one whose ORM position will be eliminated.

10. How many employees are currently in ORM?

    127, not counting student workers.

11. Of the 127 employees, are 39 employees being displaced?

    It is estimated that 39 employees would be displaced in Phase 1.

12. What is the current job function of the Accounting Specialist Supervisor, and what would that person be doing for the Contractor?

    That position currently supervises Accounting Specialists and performs additional duties, including general accounting functions.

    Proposers should not assume that the duties currently associated with the positions on the list will be transferred to the contractor.

13. In reference to current employees in outlying offices, will the Contractor be required to maintain those outlying offices?

    The requirements for office location are contained in 1.0 of the Scope of Work. The Contractor should determine whether the outlying offices are necessary to effectively perform the level of service required by the RFP.

14. How many people are in the Alexandria, Louisiana office?

    The Alexandria office has 1 Loss Prevention Officer and 5 adjusters (1 medical malpractice and 4 workers' compensation).

15. How many of the displaced employees are currently telecommuting?

    There is 1 employee in New Orleans working from home.

16. Should the Contractor decide to have one central location in Baton Rouge, is the Contractor required to pay the moving expenses of displaced employees who must relocate to Baton Rouge?

    Payment of moving expenses of displaced employees is not a requirement of the RFP. Any moving expenses would be at the discretion of the Contractor.

17. In reference to the existing outlying offices and employees, would the Contractor have the option of keeping that office space for those employees?

    Proposers should assume that they would have to rent office space for the satellite offices.

18. If Contractor is allowed to occupy space in a State office, would there be a charge back for the rent?

    See #17.

19. In reference to the Cost Proposal, do allocated expenses have to be included in the proposal?

    Only the ancillary services listed in Section 4.3.5 will be paid directly by the State and should be excluded from the cost proposal. All others should be included as specified in Section 4.3.5 and Appendix F.

20. Would the State provide a history of the average cost of investigations per file?

    Send an email to Bonnie Fuller describing the information you need and we will provide it.

21. How are scene investigations priced out?

    See question #19.

22. Not all industry standard charges are listed. If a charge is not specifically listed, does it have to be included in the flat fee?

    Yes.

23. Will the Contractor be required to provide STARS Audit and STARS Web?

    No, but you must supply an equivalent system.

24. Will the Contractor's replacement system have to accommodate ORM customization?

We do not expect that the contractor's system will work exactly the way ours does. However, some customization may be necessary. For example changes might be needed to meet OWCA requirements, to meet State accounting and budgeting requirements, or to meet legislative reporting requirements.

25. What is the average cost of investigation per claim?

    Send an email to Bonnie Fuller describing the information you need and we will provide it.

26. In the Scope of Work, 20.04, what is the purpose of the escrow requirement?

    Escrow is required to ensure the State can continue to use the software even if the licensor becomes unable to do so, as in the case of bankruptcy.

27. If the Contractor is a STARS user, would the Contractor be required to escrow the source code?

    The contractor's implementation of CS STARS is unlikely to be identical to ORM's, so escrow would still be required.

28. In reference to customer service surveys, who are the customers?

    The line of coverage determines who the customers are. In the case of Workers' Compensation, the customers are both the claimant and the claimant's agency.

29. In reference to claims service, is the Contractor required to service a claim for the life of the contract or the life of the claim?

    The Contractor is required to assume the responsibility for the handling of all open (assumed), re-opened, and new claims under this contract, and to service a claim for the life of the contract.

30. In reference to the sample contract, Subcontractors, does the Contractor have to seek and receive written permission from the State any and every time a new subcontractor is used?

    Yes, in accordance with Section 14.0 of the sample contract.

31. If subcontractors are used, does the Contractor have to submit 3 years of financial audits for every subcontractor? Section 2.11 of the RFP states, "Information required of the proposer under the terms of this RFP are also required for each subcontractor."

    The RFP will be amended to eliminate a conflict between Section 2.11 and Section 4.3.2 of the RFP, which states, "Proposers should also submit sufficient information for the State to evaluate the financial stability of all proposed subcontractors." It was not our intention to require audited financial statements for every subcontractor.

32. Will the Contractor assume the existing ORM contracts?

    No, the contracts will be terminated in accordance with termination procedures.

33. In reference to the Cost Proposal, the service fees are to be quoted by year. If the Contractor's fees cross fiscal years, are the costs to be prorated? Is there flexibility in the implementation approach?

    Proposers must complete an Appendix F Cost Proposal based on the State's proposed implementation approach and put costs in the appropriate years, prorating if necessary. The State will consider alternate implementation approaches. Alternate approaches should include cost information submitted in addition to the cost proposal in Appendix F.

34. The RFP states that ORM currently contracts with a Medical Director. Will the contractor be expected to provide a Medical Director?

    ORM will terminate the contract with our Medical Director. The Contractor will be expected to provide that service.