



Improving the quality of life
through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

EyeMed Vision Care, LLC

4000 Luxottica Place
Mason, OH 45040

Cost Proposal
Complete Redacted Submission - Blacked-out



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: Table of Contents



Table of Contents

Cover Letter

A. General

B. Offeror's Cost Proposal

Exhibits

Exhibit Summary

Title	Description
IV.A	Participating Provider and Laser Vision Correction Surgery Fee Schedule
IV.B	Monthly Administrative Fees and Communications Fee Schedule

Financial Proposal

Attachment Summary

Title	Description
1.	Contact Lens Benefit – Client Billed Summary
2.	ALESU
3.	Council 82
4.	SEHP & CUNY
5.	M/C & Unrep & Retiree
6.	NYSCOPBA
7.	PBA-T
8.	PBA-S
9.	PEF
10.	PIA



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: Cover Letter

Cost Cover Letter

EyeMed is committed to continuing to provide the State of New York and its members a vision care plan that offers simplicity and ease of use, along with value, provider accessibility and high-quality service. Our RFP responses reflect that commitment, with the following key components of EyeMed's offer:



EXCELLENT ECONOMIC VALUE

- For groups excluding SEHP, a 51% reduction in Administrative Fee of \$.15 monthly administrative fee per enrollee
- An estimated 5% claim cost reduction for the Dresswear and Occupational plans
- An estimated 40% claim cost reduction for the Funded Laser plan
- A 20% discount on the remaining frame balance
- A 15% discount on the remaining conventional contact lens balance
- A 20% discount on non-covered items
- An unlimited 40% discount on extra prescription eyeglasses

PROVIDER ACCESSIBILITY AND CHOICE – Unsurpassed provider network

- 45,000 access points nationwide
 - 2,900 access points in the State of New York
- Therapeutic & Diagnostic Pharmaceutical Agent (TPA/DPA) certified participating providers
- In-network access: Urban 100%, Suburban 100%, Rural 99.8%
- A network with 70% independent locations and 30% retail locations
- Extended evening and weekend hours

WORLD-CLASS SERVICE

- Satisfied State of New York members that, across all employee groups rate the plan a 9 on 10 (highest) point scale
- Best-in-class performance guarantees
- Customer service center certified Center of Excellence by BenchmarkPortal
- 102 weekly hours of live agent access with Customer Care Center operating hours of:
 - 7:30 a.m. to 11:00 p.m. EST Monday – Saturday
 - 11:00 a.m. to 8:00 p.m. EST Sunday
- Extensive ad hoc and regular reporting

QUALITY OF BENEFIT

- Comprehensive eye exams including dilation at no charge
- Consistent application of benefits across all providers
- Unrestricted member choice of where and how to use their material allowances
- Unrestricted provider choice to determine which laboratories best meet their members' needs



EyeMed's leadership position in the industry results in a complete yet simple vision care solution for the State of New York.



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: A. General

State of New York
Section V: Cost Proposal

A. General

The information in this Section A, and Section B below, is presented for use by Offerors in developing their Cost Proposal. Additional information which may impact an Offeror's proposed pricing may be contained in other sections of the RFP, including but not limited to Section VII. Each Offeror may submit only one Cost Proposal.

- 1. The NYS Vision Plan contract is for Administrative Services Only (ASO); the NYS Vision Plan is not insured.**

Confirmed.

- 2. The NYS Vision Plan currently provides benefits to approximately 103,375 Enrollees who combined with covered Dependents, equal to approximately 261,884 covered lives. In addition, there are approximately 5,548 Enrollee contracts eligible for the limited NYS Vision Plan-SEHP benefits that provide coverage for approximately 6,625 covered lives. The Department cannot guarantee that, during the term of the Agreement, the same enrollment mix and benefit characteristics as those set forth in Exhibit II.A through Exhibit II.D of this RFP will exist.**

Confirmed.

- 3. The 2-year eligibility period (1-year for dependent children under age 19) will not be reset as of the beginning of the Agreement. The current contractor will provide benefit eligibility dates for Enrollees and Dependents to the Contractor.**

Confirmed.

4. **The Contractor shall bill the Department on a monthly basis for NYS Vision Plan claims, including Participating Provider, Laser Vision Correction Surgery and Non-Network claims via the submission of a Monthly Claims Summary invoice. The Non-Network claims are to be processed, for reimbursement to Enrollees and payment by the Department, based on the rates set forth in the Non-Network Reimbursement Schedule presented in Exhibit III.E of this RFP. Upon the Contractor's submission of the Monthly Claims Summary and supporting documentation, the Department shall prepare a voucher to submit to the Office of the State Comptroller (OSC). After OSC review, OSC shall electronically transfer the requested funds to the Contractor. On average, the transfer of funds will be 15-20 days after the receipt of the Monthly Claims Summary by the Department.**

Confirmed.

5. **Monthly: The Department will pay the Contractor a Monthly Administrative Fee based on the number of Enrollees reported by the NYBEAS enrollment system as of the first Thursday of each month. The Department shall calculate the amount payable to the Contractor for a given month by multiplying the applicable Monthly Administrative Fee by the applicable enrollment count as of the first Thursday of each month. A voucher shall be prepared requesting the Office of the State Comptroller to make payment to the Contractor. The payment will be issued by the end of each month. A statement shall be provided to the Contractor supporting the calculation of the payment. Performance credits (if any) will be deducted from the amount paid to the Contractor.**

Confirmed.

6. **The one-time Communications Fee shall be billed by the Contractor and paid by the Department after the Contractor has completed, to the satisfaction of the Department, all of the Contractor's responsibilities as set forth in Section IV.C.3.d. of this RFP.**

Confirmed. In addition, EyeMed will offer a "member mailer" cost credit not to exceed \$130,000 per year and a separate "at risk outreach" mailer not to exceed \$30,000 to be used for members who are diagnosed with high risk conditions. Standard communication pieces will be provided to the State of New York at no cost.



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New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: B. Offeror’s Cost Proposal

B. Offeror's Cost Proposal

The following describes the requirements for Offerors' Cost Proposal submissions.

1. **Participating Provider and Laser Vision Correction Surgery Fee Schedules:** The Department expects Offerors will propose aggressive pricing consistent with the size of the Department's membership. Offerors' proposed Participating Provider and Laser Vision Correction Surgery unit rates as set forth in the Offeror's Exhibit IV. A submission must be **guaranteed** for the term of the Agreement, although Offerors may propose varying fee levels for each year of the Agreement.

The Contractor shall charge the Plan for covered vision services based on the type of service and the Participating Provider and Laser Vision Correction Surgery Fee Schedule, less any applicable Enrollee copayments. The actual amount reimbursed to Participating Providers and Laser Vision Correction Providers is at the discretion of the Contractor provided that no liability is incurred by the Enrollee for **covered services** with the exception of applicable Enrollee copayments.

Offerors must complete and submit the Participating Provider and Laser Vision Correction Surgery Fee Schedules presented in Exhibit IV.A of this RFP. Offerors must propose a fixed fee for each type of service listed in the Participating Provider and Laser Vision Correction Surgery Fee Schedule for each year of the Agreement. During the term of the Agreement, the State reserves the right to renegotiate the unit rates contained in Participating Provider and Laser Vision Correction Surgery Fee Schedule in response to market conditions and/or changes in the collectively bargained benefits.

Confirmed. EyeMed has completed the Participating Provider and Laser Vision Correction Surgery Fee Schedules in Exhibit IV.A. In addition, we have included the Contact Lens Benefit – Client Billed Summary in **Attachment 1**.

Our cost proposal provides aggressive pricing consistent with the size of the Department's membership and is reflected in the following key components:

Monthly Administrative Fee Reduction

For groups excluding SEHP, a \$.15 monthly administrative fee per enrollee is proposed; this represents a 51% reduction from the current administrative fee.

Dresswear and Occupational Plans

An estimated 5% claim cost reduction.

Funded Laser

An estimated 40% claim cost reduction that will result from lower unit costs.

Communications Fee

No costs for the one time Communications Fee.

Based on the projected total claims experience for 2011, the State of New York will realize a 12.5% total claim cost reduction by retaining EyeMed as its vision care provider.

2. **Monthly Administrative Fees and Communications Fee: Offerors must complete and submit the Monthly Administrative Fees and Communications Fee Schedule presented in Exhibit IV.B of this RFP. In developing its proposed Monthly Administrative Fee Per Enrollee fees for all groups excluding SEHP and for only SEHP, as well as its proposed Communications Fee, the Offeror must adhere to the following requirements and assumptions:**

- a) **There shall be no commissions included in any fees;**

Confirmed. There are no commissions included in any proposed fees.

- b) **The Monthly Administrative Fee Per Enrollee fees shall be quoted on a per Enrollee per month basis. Such amount(s) shall be in effect and fixed for the five (5) year term of the Agreement. Offerors may propose different Monthly Administrative Fee Per Enrollee fees for each year of the Agreement;**

Confirmed. Monthly administrative fees are quoted on a per enrollee per month basis. Proposed fees will be in effect and fixed for the five (5) year term of the agreement.

- c) **Except for the one-time Communications Fee and any Communications Fees resulting from Plan design changes described in (d) and (e) below, the cost of all routine Plan communications, including but not limited to maintaining and updating the customized website, mailing provider listings and benefit booklets to new Enrollees, mailing adequate supplies of benefit booklets to Agency Health Benefit Administrators, distributing Non-Network claims forms and communicating with Participating Providers and Laser Vision Correction Surgery Providers shall be borne by the Contractor and covered by the Contractor's Monthly Administrative Fee Per Enrollee fees as quoted;**

Confirmed.

- d) **A one-time Communications Fee must be quoted to cover all of the Contractor's costs associated with delivering all of the Plan Services set forth in Section IV.4.a. of this RFP, including but not limited to developing, producing and mailing benefit Plan booklets to Enrollees' homes during Plan implementation and the development, production and mailing of an adequate supply of benefit plan booklets to State agencies. If the Enrollee enrollment count on the date of Plan implementation deviates by 5%, plus or minus, as compared to the current Enrollee enrollment count as set forth in Section V.A.2. above (i.e., approximately 108,800 Enrollees), the Communications Fee paid will be adjusted to reflect the addition or reduction in enrollment beyond the 5% threshold. The Contractor shall not be required, and thus should not include in its proposed Communication Fee, the cost to develop, produce or mail benefit Plan booklets to Enrollees in the SEHP.**

Confirmed.

- e) **The cost of developing, producing and mailing to Enrollees' homes notification of benefit modifications or the cost of any additional communications material that may be required by DCS during the 5-year term, including Notices of Privacy Practices, shall not be factored in the development of the Communications Fee. Such cost of required communication material, if necessary, must be approved in advance by the Department and the cost incurred by the Contractor to perform such tasks shall be reimbursed by the Department at an agreed upon amount.**

Confirmed.

- f) **If a significant change(s) in technology, benefits, etc., occurs during the term of the Agreement which, determined by the Department in its sole discretion, materially impacts the Contractor's level of effort/cost, either by raising or lowering such efforts and/or costs, the State reserves the right to and at its sole discretion may renegotiate the Monthly Administrative Fees with the Contractor.**

Confirmed.



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: Exhibits



Exhibit Summary

Exhibits

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Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

**Tab:
IV.A**

NYS Vision Plan

Participating Provider and Laser Vision Correction Surgery Fee Schedule - SELECT NETWORK

Types of Services	Offeror's Proposed Unit Price 2012	Offeror's Proposed Unit Price 2013	Offeror's Proposed Unit Price 2014	Offeror's Proposed Unit Price 2015	Offeror's Proposed Unit Price 2016
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Examinations - \$0 Copay
 Examinations - \$10 Copay (SEHP and CUNY)
 Examinations - Occupational
 Contact Lens Fitting and Dispensing - Standard
 Contact Lens Fitting and Dispensing - Premium
 Basic Frames (up to \$80 retail)
 Standard Frames (\$80 to \$100 Retail)
 Enhanced Frames (\$100 - \$130 Retail)
 Basic Plastic Single Vision Lenses
 Basic Plastic Bifocal Vision Lenses
 Basic Plastic Trifocal Vision Lenses
 Plastic Progressive Vision Lenses
 Contacts (Note plan charge varies by benefit)
 Conventional/Standard - \$25 copay; \$105 Allowance
 Disposable/Premium - \$45 copay; \$125 Allowance
 Conventional/Standard - \$0 copay; \$105 Allowance
 Disposable/Premium - \$0 Copay; \$105 Allowance
Lens options (in addition to base lens price):

High Index
 Glass
 Ultraviolet Coating
 Photosensitive Glass - Single Vision
 Photosensitive Glass - Multifocal
 Photosensitive Plastic - Single Vision
 Photosensitive Plastic - Multifocal
 Polycarbonate - Kids under 19
 Polycarbonate - Adults
 Tint
 Scratch resistant coating
 Laser Vision Correction (Per Eye)
 PRK (Traditional)
 Traditional Intralase
 Custom Intralase
 Custom Wavefront Lasik

Note: Unit price quotes must be expressed in fixed dollar amounts.

Note: Prices above reflect plan charge amounts where benefits are covered. These are the negotiated provider fees less any applicable copays.



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

**Tab:
IV.B**



Exhibit IV.B

**NYS Vision Plan
Monthly Administrative Fees and Communications Fee Schedule**

2012 2013 2014 2015 2016



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: Attachments



Attachment Summary

Financial Proposals

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10.	PIA



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 1



Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 2



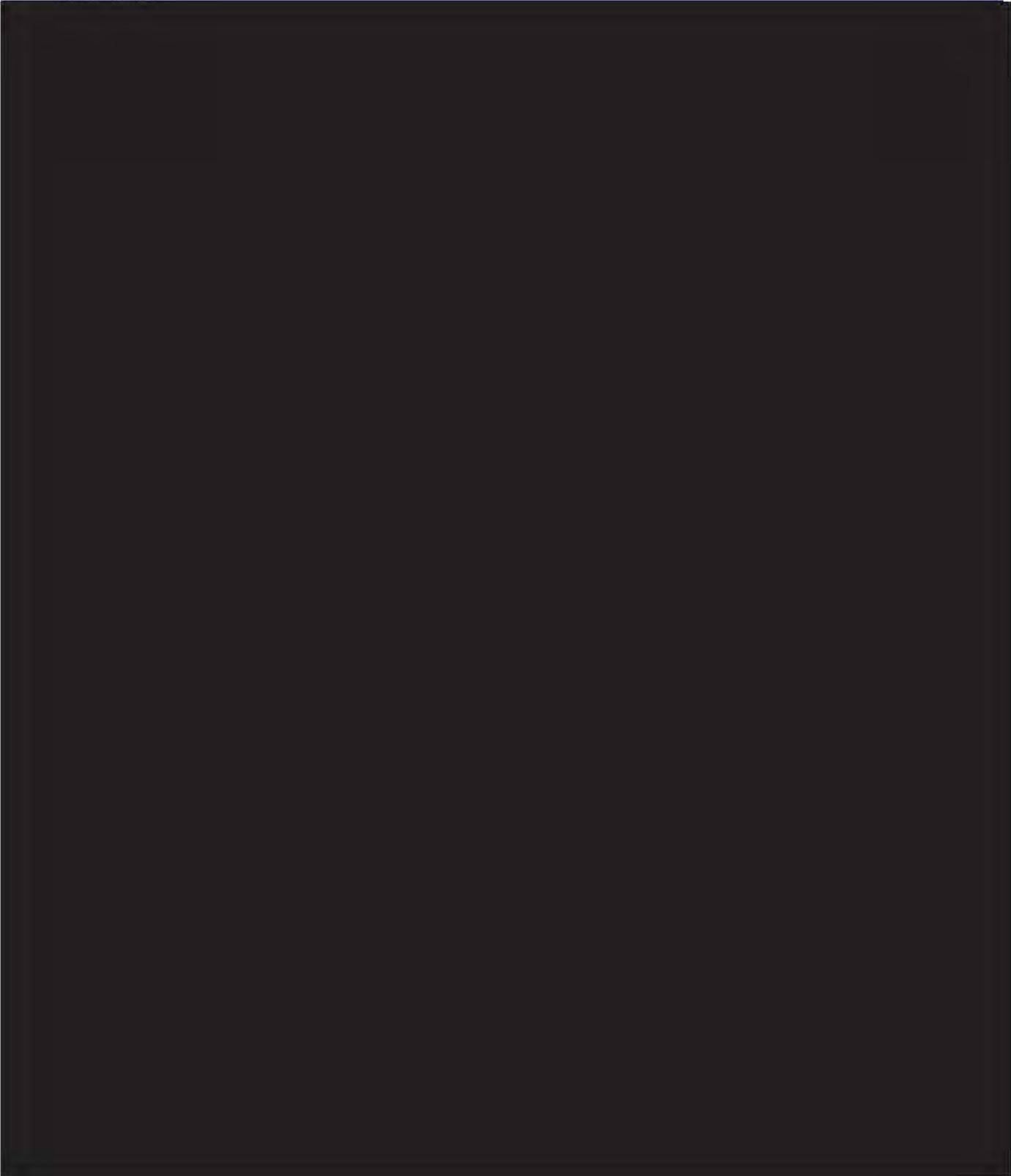
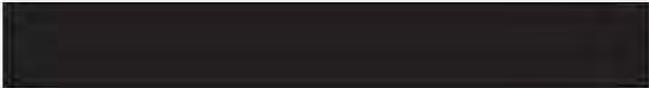




Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 3



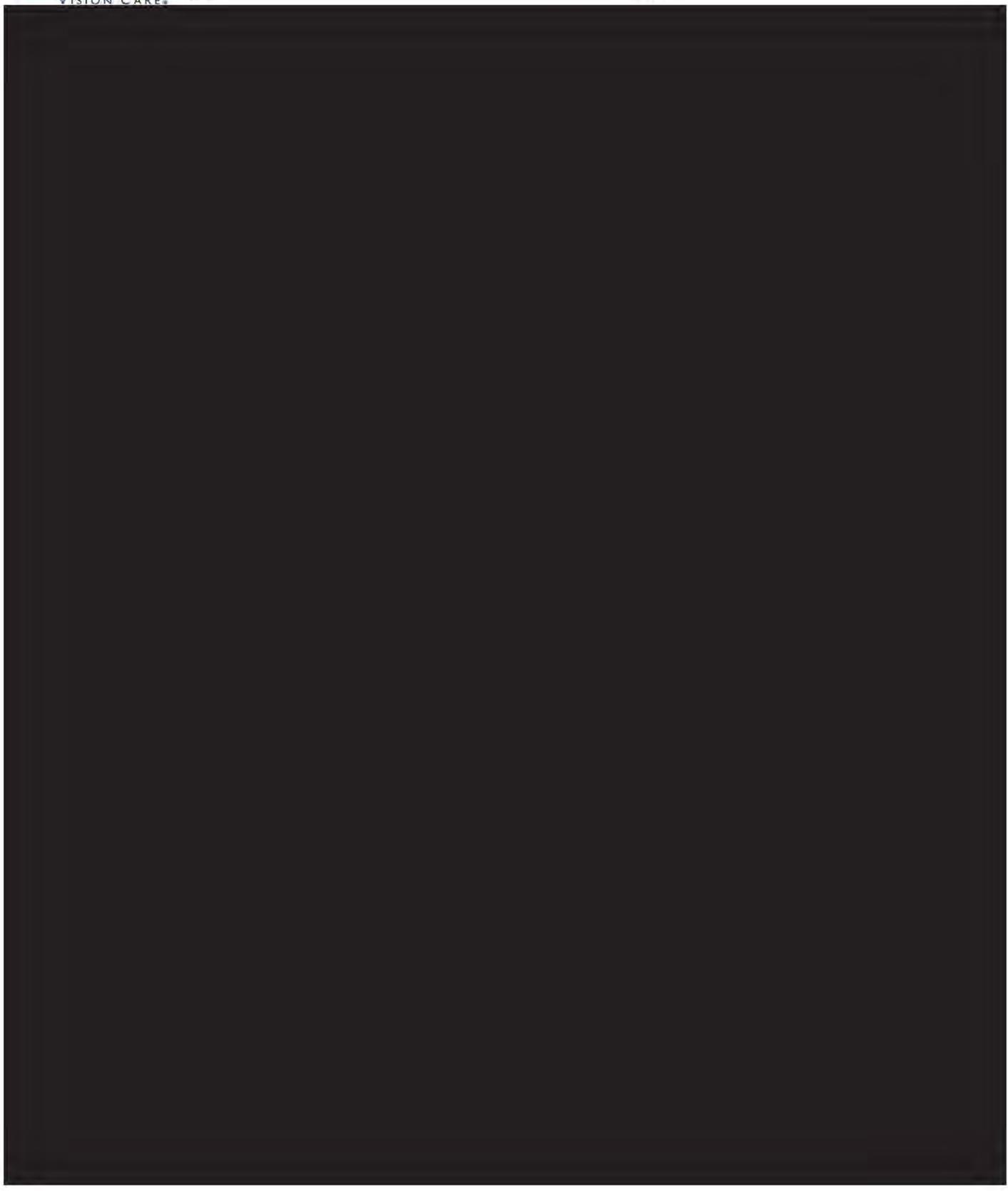




Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 4



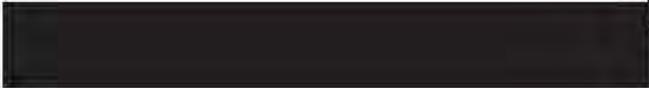


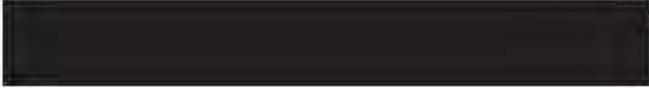


Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 5



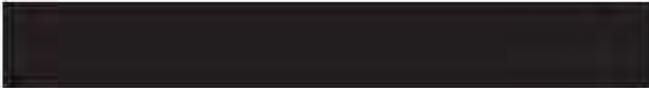


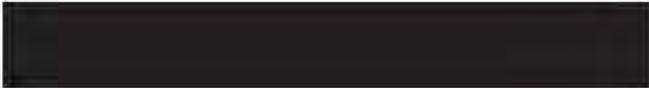


Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 6



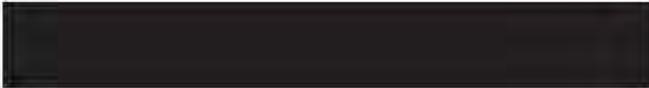




Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 7

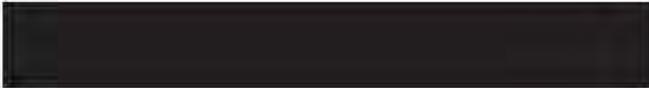




Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 8

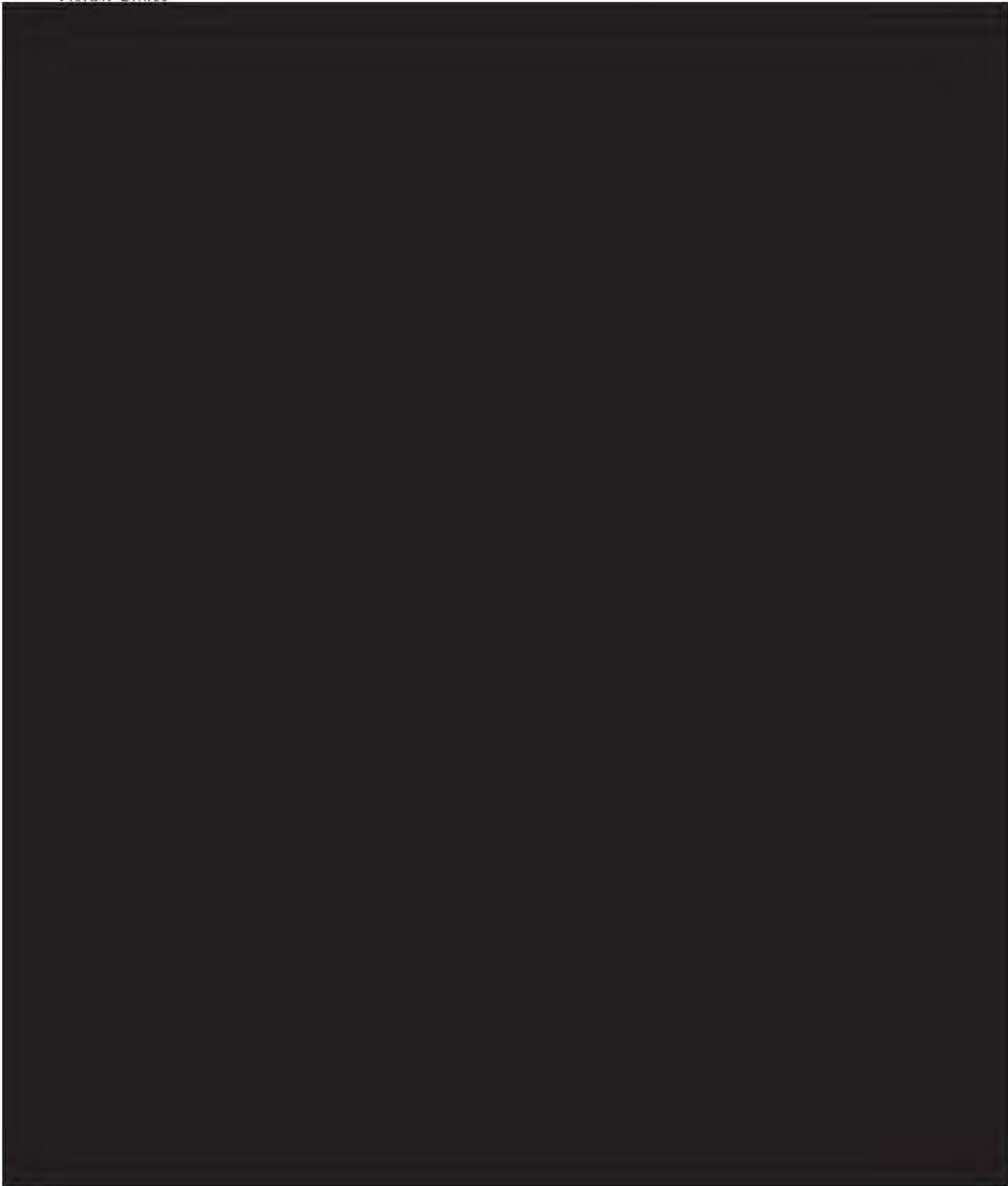
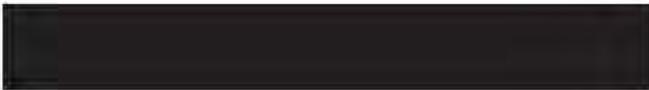




Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 9





Improving the quality of life through **better vision care**

New York State Department of Civil Service
Request for Proposals
“New York State Vision Plan Services”

Tab: 10

