

Vendor Questions for the HIRSP Marketing and Outreach RFP August 27, 2010

1. *What is the current estimated universe of HIRSP Federal Plan prospects in WI (approx #)?*

Estimating the number of potential eligibles for the HIRSP Federal Plan has proven difficult; however, based on available Family Health Survey data from the Wisconsin Department of Health Services (DHS), we believe that there are between 40,000 and 60,000 Wisconsin residents who may qualify for the federal pool.

2. *Separate of referral sources; please describe HIRSP Authority's past methods of marketing utilized to enroll existing HIRSP candidates.*

HIRSP has engaged in very limited marketing and outreach throughout its 30 year history, mainly because Wisconsin insurance regulations require that insurers notify applicants that they may qualify for HIRSP when they decline the applicant for coverage. Besides the private insurer declination letters, HIRSP has generally relied on the referral methods listed in the RFP. HIRSP produces a newsletter to existing members three times per year titled, "News from the HIRSP Authority." This newsletter is also distributed to the Wisconsin Legislature.

3. *If direct mail has been utilized, how have these programs traditionally performed? (i.e. average response rate)*

HIRSP has only engaged in one direct mail program to increase enrollment. Through an agreement with DHS, HIRSP was able to include a single page of information announcing the availability of the HIRSP Federal Plan in a packet that was sent to over 40,000 Wisconsin residents on the BadgerCare Plus Core Plan waiting list. A small percentage of these members may meet the HIRSP Federal Plan criteria and be willing/able to pay the HIRSP Federal Plan premiums. HIRSP will be sending a second mailing to additional waitlist members in the coming weeks.

4. *Please describe the process with which each referral source refers candidates to HIRSP.*

Individual insurance carriers are required to inform applicants about HIRSP when they decline coverage. Insurance agents, human service agencies, family, friends and other referral sources generally assist applicants with the application process, direct the applicant to the HIRSP customer service line or direct the applicant to the HIRSP website. Aside from agents submitting an application for an applicant, there is no formal process for receiving referrals from other sources.

5. *Can you provide descriptions and/or samples of current communications to candidates via referral sources as well as communications used for direct solicitation?*

HIRSP does not do direct solicitations. HIRSP can provide an enrollment packet, if requested. The HIRSP application is available at www.hirsp.com, as are the rate tables and outlines of

coverage. These materials are included in the enrollment packets. HIRSP does not produce or mail any marketing/outreach brochures or other similar documents.

As part of HIRSP's initial outreach efforts for the HIRSP Federal Plan, HIRSP has mailed a letter and accompanying documentation to several agencies who may serve as referral sources. These agencies include many of the disease specific associations (e.g. American Cancer Society), Wisconsin agent organizations and the Federally Qualified Health Clinics in Wisconsin. This mailing also went out to the Wisconsin Legislature and Wisconsin Congressional delegation.

A sample private insurer declination letter can be provided upon request.

6. Has HIRSP attempted any Business to Business marketing campaigns? If so, what was the scope and how did they perform?

HIRSP has not attempted any business-to-business marketing. Recently, in light of the HIRSP Federal Plan, HIRSP Authority staff have participated in employer-sponsored benefit fairs, healthcare and insurance webinars and other related presentations to inform the public about the availability of a new insurance option for Wisconsin residents with pre-existing conditions who have been uninsured for at least six months.

7. What is the age distribution of current/expected members? What is the income distribution of current/expected members? Geographical distribution (cities, suburbs, rural)? Gender distribution? Other demographics trends to help identify likely candidates?

This information can be found in the HIRSP Annual Report located on the HIRSP website at: http://www.hirsp.org/pdfs/annual_2009.pdf. The gender distribution is approx. 54% female and 46% male. However, it is difficult to predict the distribution of HIRSP Federal Plan eligibles statewide. Current HIRSP member income data is provided in the table below. This income data is self-reported on the HIRSP application and is not available for all members.

Income	Policyholders	% of Total
Over \$100,000	361	10%
\$75,000-\$99,999	268	7%
\$50,000-\$79,999	645	18%
\$33,000-\$49,999	868	24%
Under \$33,000	1,452	41%
Total	3,594	100%

8. ***Can you define “reasonably priced” with specific examples? For example, what do you expect the average HIRSP Federal Plan premium to be compared (as a percentage) of the average premium for like coverage from commercial insurers?***

The HIRSP Federal Plan rates are set to be slightly below the average rate for healthy persons in the private, individual insurance market in Wisconsin. The rates are available here: <http://www.hirsp.org/pdfs/Federal-Rates.pdf>.

9. ***What is the best way to contact the HIRSP Authority’s Consumer Advisory Council?***

The Consumer Advisory Council is available via email, phone or through in person and conference call meetings. These meetings are scheduled on an as needed basis.

10. ***If insurance companies are required to refer those who are declined coverage to HIRSP, is contact information for these individuals ever supplied to HIRSP for outbound communication purposes?***

Private, individual insurance carriers are not required to notify HIRSP when they reject an individual for coverage and doing so would require a state law change. HIRSP only has contact information for these individuals if they apply for HIRSP coverage.

11. ***Have 90% of all members of HIRSP come through referrals due to a lack of outbound marketing communications, or in spite of direct marketing efforts?***

HIRSP has not engaged in direct marketing. 38% of HIRSP applicants apply to HIRSP due to a medical condition. These applicants generally learned about HIRSP through a declination letter from a private carrier. The remaining 62% of applicants come to HIRSP because they have lost their employer-sponsored, group coverage and may have learned about HIRSP through their employer, an agent, family, friends or a human service agency, among other possible referral sources.

12. ***Although the federal definition of a preexisting medical condition has not been determined to date, is there a list of likely ailments HIRSP could supply which likely would cause for uninsurability under most commercial plans?***

Final regulations for the federal risk pools can be found here: <http://edocket.access.gpo.gov/2010/pdf/2010-18691.pdf>. The definition of a pre-existing medical condition can be found in the section: “Eligibility Based on Having a Pre-Existing Condition.” Conditions that we see in HIRSP today that tend to get applicants underwritten out of the private market include: diabetes, high blood pressure and/or cholesterol, cancer, back pain, body type (body mass index), obesity and arthritis.

13. ***What is HIRSP’s average conversion rate from those who apply to those who become enrolled? What are the most common reasons for declining a client?***

In 2009, HIRSP approved 79% of its applications, including closed applications where all necessary material has not been received within 45 days. The most common reason for declining an application is because the applicant has access to group coverage. HIRSP does not conduct any underwriting. All eligibility criteria are written into state law.

14. Lastly, will we be supplied with a list of other bidder's questions and HIRSP's responses?

Yes.

15. (2.1) What information can be made available, prior to the proposal response deadline, that would help create a profile of HIRSP's current 17,755-member enrollment base? We would be interested in knowing the geographic breakdown of the current enrollees (preferably by county), their age, ethnicity, and family/individual status at a minimum.

Please see Q.7. above.

16. (2.1) Paragraph 8 states that "All health insurers that do business in Wisconsin are required by law to notify individuals about HIRSP in an insurer declines to provide healthcare coverage." A number of questions about this:

A. Are carriers required to provide proof of this notification to HIRSP?

No.

B. Do carriers all communicate about HIRSP in the same, uniform way, or are they left to their devices?

No. The carriers do not communicate about HIRSP in the same uniform way. Some carriers list the HIRSP website and others provide a slightly more detailed description of HIRSP and include additional contact information.

C. Is there any way to calculate a response rate on these notifications, i.e., how many recipients contact HIRSP based on the carrier notification?

Carriers are not required to report their declinations to HIRSP.

D. Is HIRSP allowed to contact these individuals directly?

HIRSP does not know who these individuals are until they apply for HIRSP.

17. (2.1) Since HIRSP has no dedicated marketing staff, who is the "face" of the organization for Public Relations efforts (interviews, appearances, etc.)?

Amie Goldman, HIRSP Chief Executive Officer and the HIRSP Board of Directors.

18. (2.1) In Paragraph 8, you state that HIRSP could accommodate up to 8,500 Wisconsin residents with the Federal funding provided under the PP&AC Act. Has HIRSP determined (or estimated) how many Wisconsin residents are currently eligible for HIRSP state coverage, and how many may be eligible for coverage under the federal plan?

Please see Q.1. above.

- 19. Might some of the 17,755 current state enrollees move to the federal plan? Is this desired or allowed?**

Any currently enrolled member of HIRSP is not eligible for the HIRSP Federal Plan, because they have not been uninsured for at least six months before enrolling in the Federal Plan.

- 20. (2.2) Has HIRSP Authority determined how, if at all, its business model will change when insurers are no longer underwriting based on pre-existing conditions (as a provision of the PP&AC Act)?**

HIRSP has been involved in numerous discussions regarding the future of healthcare nationally and at the state level. HIRSP's role in the market as of 2014 has yet to be determined.

- 21. (2.3) How does HIRSP currently educate and communicate with decision influencers within the primary market: human services agencies, no-profits, human resource professionals, medical providers, etc.?**

HIRSP does not have a formal marketing plan to reach these interested parties. HIRSP does produce a newsletter, see Q.2. above, that provides very limited outreach to some of these groups. HIRSP has a strong working relationship with state agencies and consumer advocacy organizations. Communications with all other interested parties are conducted on an informal or ad hoc basis.

- 22. (2.4) HIRSP indicates they wish to enroll 8,500 new members with a marketing budget of \$250,000. Is there any evidence or data to support this \$29-per-member formula?**

No. The marketing budget was not conceived on a per-member basis. The \$250,000 is a line item in HIRSP's proposed budget to the federal government to run the federal risk pool in Wisconsin.

- 23. Is it HIRSP's expectation that the 8,500 new enrollee benchmark be achieved in 2011?**

Not necessarily. HIRSP would like to enroll as many eligible Wisconsin residents as possible as quickly as possible.

- 24. (2.4) As a non-profit body, has HIRSP established any relationships with media partners throughout Wisconsin that result in A) exposure via unpaid Public Relations efforts, or B) exposure by unpaid public service announcements?**

Not at this time.

- 25. (Attachment A, Coverage Limitations) At any given time, how many potentially-eligible Wisconsin residents are "waiting out" the 6-month uninsurability period before applying to HIRSP (as this condition doesn't apply under HIRSP Federal)?**

This population is unknown.

26. (Attachment A, Provider Network) Is a Provider Directory available to determine geographic concentration of Wisconsin Medicaid Certified Providers?

HIRSP may be able to provide this information to the winning bidder. In general, Wisconsin Medicaid Certified Providers are well represented throughout the state. Almost all Wisconsin hospitals are Medicaid certified.

27. What time period will the \$250,000 budget cover – through the July 1 “anniversary” date of the program or through the end of 2011?

The \$250,000 budget is intended to cover all marketing and outreach expenses between the signing of the contract to administer the federal pool and December 31, 2013, although we expect to use this funding primarily in the early months of the program.

28. Section 2.5 “Requirements” has 7 items listed. Is HIRSP expecting that the written response will directly follow this format (in other words, in a Q & A format), or can we create and organize our response as we prefer, provided we address the 7 points within our response?

For scoring purposes, please use the section numbers and titles included in the RFP in your proposal. Regarding the seven requirements, please be sure to clearly indicate which question is being answered. The responses can be in any format the vendor chooses, but must clearly address each specific requirement.

If the vendor wishes to include any value-added services, please do so under the most appropriate of the seven requirements. Any value-added services will be taken into consideration when scoring each requirement. If there is additional costs for these services, please clearly indicate the additional costs in your response.

29. Will the HIRSP Authority entertain proposals for less than the full \$250,000, for niche marketing?

Yes.