July 19, 2019

SUBJECT: REQUEST FOR PROPOSALS FOR PERFORMANCE OF PROFESSIONAL CLAIMS ADMINISTRATION SERVICES FOR THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY SELF-INSURED WORKERS’ COMPENSATION PROGRAM DURING 2019 - 2022 (RFP#58035) – ADDENDUM #3

Dear Sir or Madam:

The following questions were received from RFP recipients. The questions and the corresponding Authority answers are provided for your information and use, as appropriate.

Question #1: Which PPO network is being utilized by the current TPA?

Answer #1: Careworks.

Question #2: Is there a bill review charge in addition to the PPO network access charge? If so, what are the bill review charges?

Answer #2: Yes, a line item fee.

Question #3: How many medical bills did the TPA audit for 2017 & 2018? Please separate by Jurisdiction if possible.

Answer #3: NY 2017: 6,726  NJ 2017: 6,049
NY 2018: 8,241  NJ 2018: 6,948

Question #4: Does the Port Authority have a preferred Defense Counsel in NY handling WCB Hearings?

Answer #4: Yes.

Question #5: In the Attachment A, please confirm item #17 under Task C. Program Administration, that files handled by Port Authority Counsel for NJ Jurisdiction, are picked up and delivered 4x per week.

Answer #5: Yes.

Question #6: Does the current TPA charge a separate fee for file storage or is it included in the annual fee?

Answer #6: All fees are included in the flat fee.

Question #7: In Addendum #1, Question #2, why the significant increase in the number of Open and Closed claims from 2014 to 2015?

Answer #7: Correction to Open and closed:

2014 open: 831  closed: 936
2015 open: 734  closed: 837
2016 open: 654  closed: 737
Question #8: Did York’s TPA fees also include Allocated Expenses, such as MBR, NCM, IME etc.?

Answer #8: No, separate vendors are used.

Question #9: What were the Total Medical Charges, Medical Paid, Fee Schedule Reductions, PPO Savings achieved in 2017 2018?

Answer #9:

<table>
<thead>
<tr>
<th></th>
<th>total charged</th>
<th>total paid</th>
<th>Fee schedule reductions</th>
<th>PPO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$15,049,135.56</td>
<td>$6,899,337.54</td>
<td>$4,674,281.25</td>
<td>$3,040,222.17</td>
</tr>
<tr>
<td>2018</td>
<td>$15,584,099.44</td>
<td>$7,155,760.42</td>
<td>$4,739,084.20</td>
<td>$2,875,500.85</td>
</tr>
</tbody>
</table>

Question #10: Does the Medical Bill Review count include Pharmacy Bills?

Answer #10: No.

Question #11: Does the Port Authority have a current PBM program?

Answer #11: Yes.

Question #12: Would the Port Authority be interested in receiving information and quotes for MSP Compliance services such as MSA Allocation, CMS Submission, and Conditional Payment Management?

Answer #12: Not at this time.

Please Note: The date for receipt of proposals for the subject RFP remains 2:00 P.M. on July 25, 2019.

If you have any questions, please contact Ms. Jessica Smith at JLSmith@panynj.gov.

Sincerely,

David Gutiérrez
Assistant Director
Procurement Department