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## Email transmission

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TO:	ALL BIDDERS	FROM:	Courtney Linley Chief, Procurement Section
DATE:	3 August 2017	REF.:	RFP 2017-0145/MAEDA YM
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		COVER:	4
SUBJECT:	Clarification No. 2 RFP No. 2017-0145 "Provision of Group Medical Insurance Plan"		

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Dear BIDDERS,

With reference to the Request for Proposal No. 2017-0145, pertaining to the "Provision of Group Medical Insurance Plan", please find enclosed answers from the Commission in response to questions received from potential bidders.

Please take these responses into account in the preparation and submission of your Proposal.

We look forward to receiving your proposal by the deadline of 14 September 2017, 17:00 Vienna (Austria) local time.

Best regards,

  
Courtney Linley  
Chief, Procurement Section

***Request for Proposal No. 2017-0145, pertaining to the “Provision of Group Medical Insurance Plan”***

**Clarification No.2**

<b>Questions from Bidders</b>	<b>Answers from the Commission</b>
<p><b><u>Question 1</u></b></p> <p>Please can you confirm the table of benefits for the current scheme and whether there are any changes in the benefits you are requesting going forwards?</p>	<p>The RFP contains 3 options with different reimbursement rates. After receiving proposals for the three options, CTBTO will choose only one which will apply to all our employees. As a result, the table of benefits that is currently in place in CTBTO will no longer apply from 2018 onwards.</p>
<p><b><u>Question 2</u></b></p> <p>Are there currently 3 benefit options in place? If so how many people are in each category?</p>	<p>CTBTO will choose only one option of the three listed in the Terms of Reference. All beneficiaries will be included under the final options chosen.</p>
<p><b><u>Question 3</u></b></p> <p>Should we price each of the 3 options assuming 100% of the membership are in each (i.e. only one option will be chosen) or should it be an allocation against each? If so please confirm the split.</p>	<p>As mentioned in the answer to Question 2, only one option will be chosen. Please assume 100% membership for each option.</p>
<p><b><u>Question 4</u></b></p> <p>Is the current pricing on a per life, adult/child, age brackets or single/married/family/single parent family basis? Please provide the membership split by whichever format is currently used/required</p>	<p>The Commission is requesting pricing based on single / family with one dependent / family with two or more dependents basis. Please refer to Attachment D – Financial Proposal – Pricing Matrix. Please also refer to Attachment 1 to Annex B Terms of Reference for the membership split.</p>
<p><b><u>Question 5</u></b></p> <p>Are any elements of the plan voluntary?</p>	<p>No, beneficiaries are entitled to make use of the full medical plan. Partial application is not envisaged.</p>
<p><b><u>Question 6</u></b></p> <p>Please can you clarify the definition of the following within attachment 3 please; Expenses Other Ins Basic Suppl. Reimb. Total</p>	<p>Expenses: amount incurred by the provider on medical claims. Other ins.: reimbursements made by another insurance company Basic: ordinary reimbursement Suppl. Reimbursement: reimbursement under catastrophic expenses Total: the total amount of the sum up</p>

<p><b><u>Question 7</u></b></p> <p>Do you require a fixed rate for 3 years?</p> <p>If so what allowances can be included for claims performance above an expected level (i.e. could we offer to hold the rate for 3 years as long as claims remain below a certain loss ratio?)</p>	<p>Fixed rates are not required.</p> <p>Rates should be renewed every year based on the formulas you propose in your Financial Proposal. However, maximum rates for each year are required for evaluation purpose. The actual renewal rates calculated based on the formula shall not exceed the maximum rates.</p>
<p><b><u>Question 8</u></b></p> <p>What has driven the request to tender this year?</p>	<p>As the current insurance plan expires in the end of 2017, the Commission wishes to look for the best plan in the market.</p>
<p><b><u>Question 9</u></b></p> <p>What are the top 3 considerations in terms of your selected partner?</p>	<p>Please refer to Section 4.3 Evaluation of Proposal of Instructions to Invitees.</p>
<p><b><u>Question 10</u></b></p> <p>What aspects of the current scheme have performed well and what areas are you looking for improvements in?</p>	<p>This tender is aimed at assessing different options with the overall idea of improving the medical coverage for our employees by offering higher reimbursement rates.</p>
<p><b><u>Question 11</u></b></p> <p>Please can you confirm the status of the CTBTO employees. Are they diplomats? If not, do they enjoy full diplomatic status?</p>	<p>Staff members at the higher categories have full diplomatic status (approximately 30 staff). Nonetheless, all CTBTO staff members are international civil servants and therefore are not subject to the laws of the country as a result of the performance of their official duties.</p>
<p><b><u>Question 12</u></b></p> <p>Please can you confirm that the current benefits shown are the benefits applicable to the previous</p>	<p>The benefits included in the Terms of Reference are the new set of benefits that the Organization is willing to adopt.</p>
<p><b><u>Question 13</u></b></p> <p>Annex B 4.0 Scope of Services/Preventive Care/Sexual Health – Please clarify if the reference to abortion is intended to include “elective” abortion?</p>	<p>Abortion is defined here in its broadest term, and it shall include spontaneous abortion as well as elective abortion.</p>

<p><b><u>Question 14</u></b></p> <p>Annex B 4.2 Subrogation with the Austrian Social Security System – Please can you confirm if there is an agreed process in place currently?</p>	<p>Yes, there is an agreed process between the Commission and Austria.</p> <p>With the new contract, it is expected that a combination between Austrian Social Security System and CTBTO Medical Plan be possible.</p>
<p><b><u>Question 15</u></b></p> <p>Annex B 4.3 Catastrophic Expenses – Please can you clarify what is being requested here?</p>	<p>When the amount of medical expenses incurred by an employee exceeds 5% of his/her annual emoluments during a twelve month period, the excess is reimbursed at a 100% to alleviate the economic hardship of the employee.</p> <p>Catastrophic expenses therefore include medical expenses which exceed the 5% ceiling of the staff member annual emoluments.</p>
<p><b><u>Question 16</u></b></p> <p>Annex B 6.3 Termination of services and extension of coverage (continuation option) – Please can you confirm whether this request includes only retirees (and their dependants)? Please can you confirm that the claims experience provided includes any relevant claims for the current Insured periods?</p>	<p>Termination of services and extension of coverage applies not only to retirees but any staff member who has separated from the Commission regardless of his/her age. It is also confirmed that the claims experience provided include any relevant claims for the current Insured period.</p>