

**ADMINISTRACIÓN DE  
SEGUROS DE SALUD DE PUERTO RICO  
(ASES)**

**PUERTO RICO HEALTH INSURANCE  
ADMINISTRATION (PRHIA)**



GOBIERNO DE PUERTO RICO  
ADMINISTRACIÓN DE SEGUROS DE SALUD

**ACTUARIAL SERVICES  
GOVERNMENT HEALTH PLAN  
REQUEST FOR PROPOSALS  
RFP # 2025-001(ACTUARIAL)**

**ISSUE DATE: DECEMBER 30, 2024**

**PROPOSAL DUE DATE: FEBRUARY 20, 2025, ON OR  
BEFORE 11:59 PM (AST)**

**AMENDMENT #2 ISSUE DATE: FEBRUARY 18, 2025**

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**1. Amendment to the RFP**

This document constitutes an amendment to the request for competitive proposals (RFP) titled Actuarial Services for the Government Health Plan (RFP # 2025-001 (Actuarial)), issued by the Puerto Rico Health Insurance Administration (Administración de Seguros de Salud - ASES) (referred to herein as “Amendment #2”). Amendment #2 is being issued on February 18, 2025, and it amends the RFP by modifying Sections 3.2.3, 6.3.3, 6.4, 6.7, 6.9.2 8.4, 8.5, 8.6 & Appendix F, as explained below. The changes are shown in red line or “track changes” format. Accordingly, deletions to the initial RFP language are noted in strikethrough and additions are noted in underline. **The use of ellipsis (“...”) signifies the presence of text that has not been amended and has been omitted to allow a clear identification of the amended portions.**

Amendment #2 will be available on ASES’s webpage. Also, the Procurement Contact will send Amendment #2 via e-mail to all Potential Offerors that have already submitted the Appendix A, Notice of Intent to Participate.

**2. Amendment to Sections 2.2 and 2.3**

Sections 2.2 and 2.3 are amended to adjust the RFP schedule as follows:

**2.2 Schedule**

The delivery schedule set forth herein represents PRHIA’s best estimate of the schedule that will be followed. Unless stated otherwise, **items will be due at 11:59 p.m. (Atlantic Time) on the dates specified below.** If a component of this schedule – such as *Submission of Proposals* – is delayed, the rest of the schedule will likely be shifted by the same number of days. PRHIA will make every effort to adhere to the following schedule:

Action	Responsible Party	Date
1. Issuance of RFP	PRHIA	December 30, 2024
2. Deadline for questions	Potential Offerors	January 30, 2025
3. Publishing of Responses to Written Questions	PRHIA	February <del>18</del> <sup>7</sup> , 2025
4. Submission of Proposals	Offerors	On or before <del>February-March</del> <sup>20</sup> , 2025
5. Notice of intent to award Contract	PRHIA	No later than April 4, 2025
6. Reconsideration/Request for Administrative and Judicial Review	Offerors	Ten (10) days after the notification of the Notice of Intent to Award
7. Contract Execution	PRHIA and Awarded Actuarial Services Provider	No later than June 14, 2025
8. Go-Live Date	PRHIA	July 1, 2025
<b>NOTE:</b> Dates are subject to change based on number of Proposals to evaluate and final approval from federal partners.		

PRHIA reserves the right to request additional/clarification from Offeror at any time during the process.

## 2.3 Details of the Schedule

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### 2.3.3 Publishing Responses to Written Questions/RFP Amendments

Written responses to questions and any RFP amendments will be distributed to all potential Offerors appearing on the procurement distribution list. They will also be published on PRHIA WebPage under “CONTRATACION GUBERNAMENTAL/ACTIVE RFPs”.

PRHIA shall make every effort to provide answers as close to the deadline as possible. PRHIA reserves the right to determine, at its sole discretion, appropriate and adequate responses to written comments, questions, and requests for clarification. To the extent practical, inquiries shall remain as submitted. However, PRHIA may consolidate and/or paraphrase similar or related inquiries.

PRHIA official responses and other official communications pursuant to this RFP shall constitute an amendment or supplement of this RFP.

PRHIA reserves the right to amend this RFP (including all appendices) any time before the closing date for submitting proposals (~~February-March 204~~, 2025), excluding changes to the schedule of events. Amendments shall be sent to all Offerors appearing on the procurement distribution list pursuant to Section 2.3.1 of this RFP and shall be published on PRHIA’s webpage.

### 2.3.4 Deadline for the Submission of Proposal

Proposals are due on or before 11:59 PM (AST) on ~~February-March 204~~, 2025. Any Proposal received after this deadline **will be rejected and will cause the Proposal to be disqualified**.

Offerors are required to submit only one (1) Proposal in response to this RFP. The entire Proposal must be uploaded onto the secure site with the unique password and username given to the Offeror. The Offeror must place the Proposal in the appropriate folders with the Offeror’s name.

The Offeror shall not distribute the Proposal to any entity not specified in this RFP, nor shall the Offeror share its Proposal with other potential Offerors.

The contents of any Proposal shall be maintained in strict confidentiality by PRHIA according to **Section 2.4.7 of this RFP** and shall not be disclosed to competing Offerors or the general public during the procurement process and only may be disclosed after the Contract is awarded.

### 3. Amendment to Section 3.2.3

After evaluating multiple questions received by Potential Offerors regarding this Section, ASES has determined to amend Section 3.2.3, regarding the Lead Actuary minimum qualifications and experience requirements, as follows:

#### 3.2.3 Lead Actuary minimum qualifications and experience requirements:

- **3.2.3.1** Must have at least ~~twenty-five~~ (2015) years of experience in actuarial services; and be qualified to sign statements of actuarial opinion and certifications to CMS for managed care capitation rates in accordance with the AAA qualification standards for actuaries signing such statements, and at least ten (10) years of recent experience in Medicaid Managed Care rate development and Medicaid management.

**3.2.3.2** This person must have vast and strong experience in designing and applying risk adjustment methodologies in Medicaid, such as retrospective and prospective models. Experience in providing support and implementation services relating to MMIS is also required. Must be a member in good standing of the American Academy of Actuaries (AAA) with active credentials as a Fellow of the Society of Actuaries (FSA).

**3.2.3.3** Must have experience and knowledge of CMS regulations applicable to Medicaid and CHIP capitation rates.

~~**3.2.3.4** Must have at least ten (10) to twenty (20) years of experience in actuarial services and be qualified to sign statements of actuarial opinion for life and health insurance company annual statements in accordance with the AAA qualification standards for actuaries signing such statements.~~

~~**3.2.3.5** Must have at least five (5) to ten (10) years of experience with Medicaid Managed Care rate development.~~

**3.2.3.46** Must have firsthand experience of pricing or valuing life/health insurance or reinsurance business and in preparing actuarial analysis, certification and state exhibits for healthcare insurance, preferably Medicaid, and government funded programs.

**3.2.3.57** Must have experience performing forecasts to provide recommendations on the strategic use of federal funds.

**3.2.3.68** Must have experience in the calculation, development and management of DRG-based payment system

**3.2.3.79** Must be proficient in both the English and Spanish language, both written and oral.

#### 4. Amendment to Section 6.3.3

Section 6.3.3 is amended to conform the same to the amended qualification requirement of Section 3.2.3.1 of this RFP, as follows:

6.3.3 Evidence of qualifications to sign statements of actuarial opinion and certifications to CMS for managed care capitation rates for life and health insurance company annual ~~Compliant-compliant~~ with statements in accordance with the American Academy of Actuaries qualification standards for actuaries signing such statements.

#### 5. Amendment to Section 6.4

Section 6.4 is amended to clarify in subsection 6.4.1 that former PRHIA employees can be used as business references only if such reference is unrelated to the employee's work in PRHIA. Subsection 6.4.3 is eliminated because it is repetitive of the text already referenced in subsection 6.4.2. The amendment is as follows:

##### 6.4. References:

6.4.1 Provide a list of three (3) recent specific business references, not more than two (2) years, that can discuss Offeror's qualifications, experience, and performance similar to those sought in this RFP. It is preferable that references are provided for services that were procured in a competitive environment. **The Offeror shall not use PRHIA as a reference to fulfill this requirement. Persons who are currently employed or contracted as consultants by PRHIA are not eligible to be references. Former PRHIA employees can be used as references, in as much as the business reference is not related to such employee's work in PRHIA.**

6.4.2 Each reference must include the contact's name, phone number, email address, a brief description of the services provided, and the period of service. Include a letter addressed to the Executive Director of PRHIA authorizing the Director to contact the reference.

~~6.4.3 The proposal must include contact information (name, company, position title, phone number, email) the references along with a brief description of the services provided, the contract period, and number of years of business relationship.~~

6.4.~~3~~<sup>4</sup> At least one (1) of the references must be from a contract of a similar scope as required by this request. Properly identify it.

#### 6. Amendment to Section 6.7

Section 6.7 is amended to substitute the reference to "actuarial opinions" with the term "audited opinions" in subsection 6.7.2.1 and eliminate the same from Section 6.7.2.2. Section 6.7 is also amended to include a reference to Appendix J of the RFP, "Lobbying Certification for Contracts,

Grants, Loans, and Cooperative Agreements”, in a new Section 6.7.12, as part of the documentation to be submitted under the Mandatory Requirements. These amendments are as follows:

## **6.7. Financial and Legal Documentation**

### **6.7.1 Dun and Bradstreet Reports:**

Offerors with a Dun and Bradstreet number must include a Comprehensive Insight Plus Report, Business Information Report, or Credit eValuator Report (collectively referred to as “Dunn and Bradstreet Reports”).

### **6.7.2 Financial Statements and Financial Solvency**

**NOTE: Financial materials must be submitted as a word searchable PDF.**

6.7.2.1. Offerors must submit an annual report for the entity submitting the Proposal which must include:

- a. Audited financial statements for 2021, 2022, and 2023, that include all supplements, management discussion and analysis, and ~~actuarial-audited~~ opinions;
- b. If applicable, for years 2021, 2022, and 2023, consolidated statements for any holding companies or affiliates; and
- c. A full disclosure of any events, liabilities, or contingent liabilities that could affect Offeror’s financial ability to perform this Contract. At a minimum, financial statements must include:
  - i. Balance sheet;
  - ii. Income statement;
  - iii. Statement of changes in financial position;
  - iv. Statement of cash flows; and
  - v. Capital expenditures.

...

6.7.2.2 Alternate Report If the Proposal does not contain the annual report specified in Section 6.7.1 above, the Offeror must provide the following within the Proposal: (1) a statement that the Offeror does not have an audited annual report for the specified time frame(s); and (2) an alternate which contains the following:

- a. For years 2021, 2022, 2023, Offeror's unaudited financial statements, including all supplements, management discussion and analysis, ~~and actuarial opinions~~;
- b. Respondent's unaudited financial statement of the most recent quarter of operation; and
- c. A full disclosure of any events, liabilities, or contingent liabilities that could affect Offeror's financial ability to perform this Contract. At a minimum, such financial statements must include:
  - i. Balance sheet;
  - ii. Income statement;
  - iii. Statement of changes in financial position;
  - iv. Statement of cash flows; and
  - v. Capital expenditures.

**6.7.3** Provide a list of terminated contracts for the type of services required in this RFP, including expired or non-renewed Contracts, in the last five (5) years and the reason/circumstances pertaining to the termination.

**6.7.4** Provide a certification confirming the Offeror's/Offerors' adherence to the requirements of this RFP and the expectations of PRHIA as stated in the RFP.

**6.7.5** Corporate resolution identifying the person authorized to represent and legally bind the entity. In case of a Limited Liability Company, the Offeror must submit evidence of the designation as Administrator or as authorized voting member. See Letter of Transmittal, Appendix B of this RFP

**6.7.6** A sworn statement certifying that it has no debts with the government of Puerto Rico, or with any state agencies, corporations or instrumentalities that provide or are related to the provision of health services or, if a debt exists, that such debt is subject to a payment plan with which the Offeror is in compliance, a work plan to reconcile amounts in controversy with which the Offeror is in compliance or pending administrative review under applicable law or regulations. In such case, the Offeror must submit recent evidence of said payment plan, debt reconciliation agreement or pending administrative review.

**6.7.7** Letter to indicate the agencies or government agencies with which the Offeror has or is in contract negotiation process.

**6.7.8** Provide evidence of registration in the System for Award Management (SAM) <https://www.sam.gov/SAM/>. If not currently registered, provide evidence of



current status of registration process. WARNING: The Offeror must be registered at the time of the Award.

**6.7.9** Provide a certification to the effect that all current personnel who would be providing services under the RFP and eventual contract are trained in the administrative, physical and technical aspects of HIPAA Law as established in 45 CFR §§ 164.308, 164.310, 164.312, 164.316. If said personnel is not currently trained, explain why and submit a Certification to the effect that, if awarded a contract, will fully comply with this requirement.

**6.7.10** Submit the Sworn Statement on Fraud and Misappropriation duly filled in and signed before a Notary Public (Appendix E of this RFP).

**6.7.11** Provide a current Certification of the Single Registry of Professional Service Providers (RUP).

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**6.7.12** Include a signed Lobbying Certification (Appendix J). See Section 2.4.25 of this RFP.

## **7. Amendment to Section 6.9.2**

After evaluating a question received by a Potential Offeror regarding this Section, ASES has determined to amend Section 6.9.2, to adjust the time period for business references of subcontractors to the same time period established in Section 6.4.1. This section is also amended to include the Lobbying Certification requirement. The amendment is as follows:

### **6.9 Subcontractor**

**6.9.1** Identify each subcontractor, specify the tasks in which each subcontractor will intervene and disclose the remuneration that the subcontractor will receive for the work to be carried out, and the profit margin, if any, that the Offeror will have in relation to the subcontractor's paid fees.

**6.9.2** If the Offeror will be using a major subcontractor(s) for functions and responsibilities under the Scope of Work of this RFP, it must provide the following documents, signed and submitted by the Major Subcontractor:

a) Attestation of Independence and Freedom from Conflict of Interests and Conflict of Interest Affidavit (Appendices C and C-1).

...

i) Provide at least three (3) specific business references with at least one (1) for a state Medicaid program or other large similar government or large private industry

project within the last ~~two~~ (25) years, or similar engagement or project of similar size and scope to those functions and responsibilities that it would be performing under this RFP, within the last ~~five-two~~ (25) years. Do not use PRHIA as one of the references to fulfill this requirement. Each reference must include the contact's name, phone number, email address, a brief description of the services provided, and the period of service. Include with the above required information a letter addressed to the Executive Director of PRHIA authorizing PRHIA to contact said business references.

j) Include a signed Lobbying Certification (Appendix J). See Section 2.4.25 of this RFP.

## **8. Amendment to Sections 8.4, 8.5, 8.6 & Appendix F**

After evaluation of multiple questions received from Potential Offerors regarding the annual hours set in the cost proposal template for evaluation purposes, ASES has determined to amend Sections 8.4, 8.5, 8.6 & Appendix F of the RFP, as follows, to provide further clarity:

8.4 The Cost proposal shall include the all-inclusive hourly rate per staff title or job position for each staff category to be used in the provision of services under this RFP (Billing Rates-Table 1). Key Personnel must be included in ~~the~~ Table 1. These rates will be used for invoicing ~~are for informational~~ purposes only.

8.5 In Table 2, the Offeror must provide the Total Annual Cost for Scope of Work, which shall reflect the Offeror's best estimate of the total annual hours it deems that fulfillment of responsibilities under the scope of work will require, the applicable FTE's per staff position and the applicable hourly rate per staff position. Accordingly, the Offeror must provide detailed information on Total Annual Cost of Scope of Work including, but not limited to the amount of FTE's being used per staff position title, estimated number of annual hours and any other relevant information that will allow PRHIA to understand Offeror's Annual SOW Cost Offer. See Section 8.8 of this RFP. If the Offeror needs additional space, it may attach additional pages for this purpose.

NOTE: For evaluation and scoring purposes, the Total Annual Cost of the SOW provided under Table 2 must be equal to the applicable Blended Hourly Rate included in Table 3, multiplied by 20,000 annual hours.

For evaluation and scoring purposes, the Offeror must include in Table 3 of the Amended Cost Proposal, an all-inclusive blended hourly rate proposed for the provision of all the services requested under this RFP. This will be the rate to be used to calculate total cost for each contract year and corresponding for evaluation ~~for~~ and scoring ~~points~~ purposes. 3

8.6 The number of annual hours established for the calculation of total annual cost for SOW for each contract year is just for evaluation purposes. Optional Extension term costs (Optional Years #5 & #6) are included in the cost proposal for evaluation purposes only. PRHIA makes no guarantee of volume, number of hours, usage, or total compensation to be paid to any Offeror under any award contract, if any, resulting from this RFP. Nonetheless, the amounts submitted by the Offeror as the Total Annual Cost for SOW and the Total Annual Maximum Travel Cost for each contract year (including the years 5 & 6 which are optional extensions), will be understood by PRHIA as the Offeror's Cost Proposal submission under this procurement process.

Amended Appendix F – Cost Proposal Template

The Amended Cost Proposal Template is attached to this Amendment.



**2. Table 2: Total Annual Cost for Scope of Work**

Total Annual Cost of SOW	Base Years				Optional Terms	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**NOTE: The Total Annual Cost for Scope of Work to be provided under each applicable column in Line 29 shall reflect the Offeror's best estimate of the total annual hours it deems the scope of work will take, the applicable FTE's per staff position and the applicable hourly rate per staff position. Please provide detailed information on Total Annual Cost of Scope of Work (indicate amount of FTE's being used per staff position title, estimated number of annual hours and any other relevant information that will allow PRHIA to understand Offeror's Annual SOW Cost Offer). If you need additional space, you may attach additional pages. **Please note that for evaluation and scoring purposes, the Total Annual Cost of the SOW herein provided must be equal to the applicable Blended Hourly Rate multiplied by 20,000 annual hours.****

[Enter explanations here]

**3. Table 3: Blended Hourly Rate:**

**BLENDED HOURLY RATE**

For evaluation purposes, the blended rate to be reelected under Line #39 must be equal to the corresponding amount included under Offeror's Total Annual Cost for the Scope of Work (Line #29) divided by 20,000 annual hours.

Base Years				Optional Terms	
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**4. Table 4: Travel Cost**

**MAXIMUM ANNUAL TRAVEL COST**

Base Years				Optional Terms	
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**Provide detailed information on applicable travel costs for on-site visits:**

[Enter explanations here]

**5. Table 5 - Total Annual Cost:**

TOTAL ANNUAL COST						
Total Annual Cost for SOW	Base Years				Optional Terms	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Annual maximum travel cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Annual Cost</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Sum Total Annual Costs for Base Contract Term					\$0.00	
Sum Total Annual Costs for Optional Extension Terms					\$0.00	
Sum Total Annual Costs for Cost Proposal Points					\$0.00	

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_, 202\_  
Date

\_\_\_\_\_  
(Name of person signing)

\_\_\_\_\_  
(Position)