



COMMONWEALTH OF PENNSYLVANIA
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

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SOLICITATION ADDENDUM

Date: **January 16, 2026**
Subject: **Questions & Answers**
Solicitation Number: **PSERS RFP# 2025-1 Third Party Administrator for the Health Options Program and Premium Assistance Program**
Due Date/Time: **Friday, January 16, 2026**
Addendum Number: **2**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

Questions and Answers to PSERS RFP#2025-1 TPA

- 1. Are there any challenges or issues with the current HOP or PAP program that you are hoping for a new TPA to address?**
Please refer to services requested in RFP.
- 2. Are there any existing manual processes that you would prefer to have automated under the new contract?**
Please refer to services requested in RFP.
- 3. Could you provide additional information regarding the anticipated implementation timeline, as well as the expected date for the final award decision?**
Implementation must be completed to PSERS satisfaction well in advance of the end of the current contract which is December 31, 2026. Final award for the RFP is anticipated to occur in April 2026.
- 4. In reference to PART III, TECHNICAL SUBMITTAL III-2 Mandatory Requirements (B), can you confirm whether a bidder must have at least one public sector plan with a minimum of 100,000 members to be considered?**
Correct.

5. For PART V (Small Diverse Business and Veteran Business Enterprise Participation), could you identify the current SDB and VBE subcontractors supporting the HOP and PAP programs and outline the services they provide?

We do not have that information to provide. Every TPA will have different needs that could be subcontracted and can also change during the awarded term.

6. Regarding Part VI, HOP Sample Contract and Exhibits, Section 2.8.6 (Claims Adjudication), can you provide additional detail about the utilization review process, including the number of reviews completed on a monthly and annual basis?

In 2025, there were 45 Utilization Management cases reviewed.

7. Concerning the Performance Guarantees in the HOP and PAP Services Agreements in Part VI:

- a. Will bidders be permitted to propose alternative performance guarantee metrics?

Yes. Refer to Section III-7, D of the Technical Submittal (page 36).

- b. Are all current performance guarantees being met, and have they been met consistently throughout the existing contract period?

This is not required to respond to RFP.

8. Regarding III-5 Financial Capability (E), is it acceptable for a bidder to provide financial statements but not to have ratings to provide from the financial agencies?

Financial statements can be provided in lieu of ratings.

9. Are electronic signatures acceptable for the required signed documents?

Yes.

10. Are the HOP plans grandfathered plans?

Question not clearly stated.

11. Will the winning bidder be required to store account balances for the PAP plan?

No

12. How will pension amounts for the PAP be provided?

Pension amounts (i.e., a member's monthly annuity) are not needed to administer the PAP. All PAP amounts are determined by PSERS.

13. How are PAP requests submitted? Do members submit these requests for reimbursements directly or are they submitted via file feed? If they are submitted via file feed, please provide the file format.

Paper PAP applications are submitted to PSERS and provided to the TPA through PSERS pension administration system.

14. How will the bidder receive Medicare claims? Will they come from HDM the Medicare clearing house?

Medical claims are received through a clearing house selected by the TPA.

15. Please describe the portal access the Board has today and what access they require.

Please refer to services requested in RFP.

16. Please describe the scope of Medicare Part D integration required from the successful bidder.

Refer to Section 2.7 of the Third Party Services Agreement (Health Options Program).

17. Please describe PSERS' expectations for TPA maintaining and overseeing compliance with Medicare Part D regulations and the RX plan/PBM.

Refer to Section 2.7 of the Third Party Services Agreement (Health Options Program).

18. Please confirm the number and volume of different letters and reports currently utilized by PSERS.

Refer to Section 2.5 of the Third Party Services Agreement (Health Options Program).

19. Is the SDB/VBE Goal percent met each year or over the life of the 5-year contract?

Goals are prospectively tracked for compliance over the full term of the contract.

20. Must the SDB/VBE activity be directly tied to PSERS, or can it be across the bidder's full book of business, assuming the total fees still account for the required totals outlined in the RFP?

SDB and VBE goals and all sub-contracted work in fulfillment of the goals must be directly related/assigned to this specific contract only. No other book of business may be considered as counting toward the SDB and VBE spend for compliance tracking. Please review SDB/VBE -1 "INSTRUCTIONS FOR COMPLETING THE SMALL DIVERSE BUSINESS (SDB) PARTICIPATION SUBMITTAL AND SDB UTILIZATION SCHEDULE, Section IV Calculating SDB/VBE participation". "The selected Bidder or Offeror may only count dollar amounts actually paid to an SDB for performance of a Commercially Useful Function (the performance of a distinct element of work required for the Contract, with the requisite skill and expertise) towards satisfying its SDB participation commitments. In addition, the SDB subcontractor, through its own employees, must perform at least 50% of the amount of the subcontract."

21. Is the SDB/VBE activity limited to PA vendors only?

No. The PA DGS SDB and VBE program is not PA restricted. Eligibility includes any US based enterprise. However, SDB/VBE subcontractors must be PA DGS verified and listed on the DGS Supplier Search as an SDB/VBE. Additional information on the DGS verification process can be found at:

<https://www.dgs.pa.gov/Small%20Diverse%20Business%20Program/Pages/default.aspx>

22. If a subcontractor of the bidding firm uses SDB/VBE, does that apply toward the prime's goal?

No. Only first tier sub-contracting from the prime vendor is allowed. Second tier subcontracting does not apply to the program.

23. Is PSERS open to expanding the SDB_VBE requirements to include qualified small businesses/micro business listed on the DGS Supplier Search directory to fulfill the requirements of the RFP? The current SDB/VBE requirements as stated require a level of outsourcing that limits the bidder's ability to manage plan performance and staff, which is critical to meeting the guaranteed requirements outlined in the RFP.

No, the Goal Setting Participation requirements only apply to PA DGS-verified SDB and VBE vendors. It is the prime bidders' discretion as to what scopes of work to subcontract to meet the participation goals. Please review SDB/VBE -1 "INSTRUCTIONS FOR COMPLETING THE SMALL DIVERSE BUSINESS (SDB) PARTICIPATION SUBMITTAL AND SDB UTILIZATION SCHEDULE, Section II – SDB/VBE Eligibility".

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

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