



STATE OF CONNECTICUT  
OFFICE OF GOVERNMENTAL ACCOUNTABILITY  
STATE CONTRACTING STANDARDS BOARD

Final & Approved  
Minutes

10:00 A.M. - Wednesday October 20<sup>th</sup>, 2021 Meeting of the State Contracting Standards Board  
Sec. 4e-36 Contested Solicitations and Awards Subcommittee Via Microsoft Teams Video  
Conference

Members Present:

Robert Rinker  
Bruce Buff  
Stuart Mahler

David L. Guay, Executive Director - ex-officio Board member  
Ryan Chester, Staff – 2021-2022 UConn Graduate Intern

Michael Durham, Donahue Durham & Noonan. P.C. – representing Anthem  
Philip Schulz, Associate Attorney General – representing the Teachers' Retirement Board  
Richard Sponzo, Assistant Attorney General – representing the Teachers' Retirement Board  
Helen Sullivan – Administrator for the Teachers' Retirement Board  
Theresa DeMattie – Segal Consultant

1. Call to order

Chair Rinker called the meeting to order at 10:00 A.M.

2. Approve the Minutes of the October 13, 2021 Meeting

Bruce Buff moved to approve the minutes; Stuart Mahler seconded. All voted in favor.

3. Anthem contest of Connecticut Teachers' Retirement Board Retiree Health Request for Proposals

Chair Rinker asked is there an executed contract between TRB and UnitedHealthcare?

Attorney Phillip Schulz answered no.

Chair Rinker asked Anthem – In your letter dated October 18, 2021 you refer to a meeting of the subcommittee meeting on September 13? did you mean the subcommittee meeting of October 13?

Attorney Durham responded yes.

Chair Rinker asked has Anthem abandoned their claim relative to the costing of the contract?

Attorney Durham answered no.

Stuart Mahler asked which statute allows an agency to negotiate a contract without having the contract in place?

Question unanswered due to technical difficulties.

Chair Rinker asked Anthem – In the same letter, you stated that the cost difference was .347%. Do you have the calculation? The TRB has the cost saving at \$831,000. What is your number?

Durham disagreed with the TRB's calculations.

Chair Rinker asked Anthem - In your draft decision to the Board – you refer to the number of covered lives as being 38,000. Do you agree that the covered lives are approximately 31,500?

Attorney Durham stated that he needs to confirm, but yes.

Chair Rinker asked Anthem – you refer to the 50% savings mentioned by the TRB at its June 25th meeting and which you provide us a transcript. I believe Theresa DeMattie is quoted on that figure from page 2 of the transcript and Helen Sullivan on page 9. Is that correct? Do you believe that 50% savings is between Anthem and UnitedHealthcare proposals?

Attorney Durham answered yes, but they were comparing Anthem's proposed plan with the current 2021 Anthem plan.

Chair Rinker asked the TRB – is the 50% savings that was talked about on June 25th, savings from the current year costs to the projected costs submitted by UnitedHealthcare? Is it fair to say that if the Anthem proposal was chosen based upon the figures provide to us that Anthem would have been close to that savings number? Mr. Sponzo in his response stated that if the current plan were to continue into next year that lost savings would be \$45 million. Do you agree with that number?

Attorney Richard Sponzo said yes.

Attorneys Durham and Grossman stated they used the 31,500 covered lives in their calculations.

Chair Rinker asked the TRB – in reviewing the weights for criteria, is it fair to say that costs were weighted at 20% and the other criteria would have been 80% of the proposals?

Attorney Sponzo responded yes, but there were different weights for the different plans.

Chair Rinker asked the TRB – is it fair to say that if the same plan that TRB currently administers were to continue for next year, the cost would be between \$90 and \$100 million?

Theresa DeMattie said yes.

Chair Rinker asked the TRB – is it fair to say that there were seven categories that were scored by the evaluators? The first two categories were pass/fail which were proposal/submission requirements and qualifications of the firm, and that Anthem and UnitedHealthcare both were passed by the three evaluators?

Attorney Sponzo said yes.

Chair Rinker asked the TRB – did both Anthem and UnitedHealthcare receive passing grades for the first two categories?

Attorney Sponzo answered yes.

Chair Rinker asked the TRB – Is it fair to say that the next five categories were given numerical scores by the three evaluators? The scores were weighted and then averaged? And in each of the options offered by the TRB, that UnitedHealthcare was the highest scorer among the three proposers? And was this basis for the recommendation of the subcommittee to the full TRB to choose the UnitedHealthcare for the negotiations?

Attorney Sponzo answered yes to all questions.

Chair Rinker asked the TRB - In Mr. Sponzo's response of October 18, 2021, he stated that the weights for the evaluation criteria were assigned before the submission of offers, is that correct?

Attorney Sponzo responded yes.

Theresa DeMattie stated the weights were discussed and assigned before the RFP's were sent out; the formal documentation was put together on June 2<sup>nd</sup>

Chair Rinker asked the TRB – were the weights for the RFP developed before the RFP was issued? Was there a discussion between Segal and the TRB as to what the weights would be before the RFP was issued?

Theresa DeMattie answered yes.

Chair Rinker asked the TRB – when were the first offers submitted by proposers? Mr. Sponzo refers to June 2, 2021, what is that date referencing?

Theresa DeMattie answered the first offers were submitted on April 2. The Best and Final offers were submitted on June 10. The scoring began sometime after the best and final presentations.

Chair Rinker asked if the TRB's recommendation was made on June 25<sup>th</sup>?

Theresa DeMattie answered yes.

Chair Rinker asked was Anthem a participant in the presentations?

Theresa DeMattie answered no that was an internal meeting.

Chair Rinker asked if the Best and Final offers came on June 10<sup>th</sup> and were presented on the same day?

Theresa DeMattie said yes.

Rinker asked if then the scoring began after June 10<sup>th</sup>?

Theresa DeMattie answered yes.

Chair Rinker asked when did the evaluation team receive proposals to begin scoring? After June 10<sup>th</sup>?

Theresa DeMattie answered I don't know.

Chair Rinker asked if the initial offers came in on April 2<sup>nd</sup>, were the proposals made available to the evaluators at that time?

Theresa DeMattie answered some did look at the questionnaire responses but not the financials which had to be analyzed first.

Chair Rinker asked if they knew the scoring sheet at that time?

Theresa DeMattie answered, the RFP committee was not aware of the weights until they received the weights later when the scoring began.

Stuart Mahler asked why can you negotiate with a contractor without a contract?

Attorney Schulz answered and reviewed C.G.S. 4e-36b.

Chair Rinker asked for confirmation that on June 25<sup>th</sup> UnitedHealthcare was chosen to negotiate a contract with, there have been negotiations between TRB and UnitedHealthcare since then, and as of today there is no contract.

Attorney Schulz answered yes that's correct.

Attorney Durham stated Anthem was notified it was a finalist on June 7. The TRB did not follow OPM Guidelines.

Attorney Schulz responded that OPM procurement guidelines are not law, they are suggestions. He reviewed C.G.S. 4e-40.

Chair Rinker stated that we will not discuss further whether this board has only the authority to intervene in the case of a violation of law. Rinker provided a past example of a case that was resolved that was indeed not a violation of law, but the board was granted the authority over.

Theresa DeMattie (answering a previous question) stated United and Anthem were selected as finalists after the analysis of the financials and questionnaire was done.

Bruce Buff asked if the weights are consistent with previous procurement practices for municipalities and states?

Theresa answered that it depends on the product, but yes.

Bruce Buff asked if they are consistent with healthcare products?

Theresa DeMattie stated it depends on the specifics of the plans, but yes they are the generally accepted weights. The weights were not designed for this specific RFP.

Bruce Buff asked DeMattie to provide documentation of these weights existing before this RFP process.

Theresa DeMattie stated she would provide that information; the weights were discussed with the TRB before the RFP went out.

Chair Rinker asked if that discussion or approval was done in writing?

Theresa DeMattie said I can provide that information.

Bruce Buff asked when did Sullivan approve the weights?

Theresa DeMattie said I don't know; I will look for that information.

Chair Rinker reviewed the weighted percentages for each category asking for confirmation.

Theresa DeMattie said yes, those percentages are correct.

Bruce Buff asked were those percentages applied to both plans?

Theresa answered generally yes, but there were some differences like revenue maximization is not typically used for Medicare.

Stuart Mahler reviewed C.G.S. 4e-39.

Attorney Durham addressed the Board

Attorney Schulz addressed the Board

Attorney Grossman reviewed C.G.S. 55a-4-17.

Chair Rinker asked was the OPM person on the subcommittee?

Theresa DeMattie and Helen Sullivan said yes, they were also part of the evaluation team.

Rinker asked that the documentation concerning the timing of the approval of the weights be provided by October 22, 2021.

Theresa DeMattie and Helen Sullivan agreed to provide that information by October 22, 2021

#### 4. Adjournment

Motion by Bruce Buff, seconded by Stuart Mahler. All voted in favor.

Meeting adjourned at 11:16 AM

Respectfully submitted: Ryan Chester