



C.L. "BUTCH" OTTER  
GOVERNOR

June 20, 2018

State Employee Group Insurance and Benefits Committee  
Idaho Legislature  
P.O. Box 83720  
Boise, ID 83720-0054

RE: Status of Proposed RFP for Employee Group Insurance and Benefits

Intent language contained in HB 715 suggests that the director of the Department of Administration (DOA) move immediately to issue a Request for Proposals (RFP) to identify a new provider(s) for state employees' healthcare benefits. The Governor has outlined his suggested path forward below. Governor Otter believes this approach achieves the spirit of the intent language, which is to provide employees the best health care at the most competitive prices.

1. DOA would complete a Request for Information (RFI) by November 1, 2018, to identify the offerings to pursue in a follow-on RFP;
2. DOA would brief the governor-elect on the findings and determine timing for an RFP;
3. DOA would discuss its findings with the Legislature – germane committees – and draft an RFP for tentative release in March 2019;
4. A final decision would be made by June 2019 consistent with HB 715;
5. DOA would develop an implementation plan for open enrollment in 2020 with new plan coverage effective July 1, 2020.

Developing a new provider contract and a transition plan will be a complex undertaking. If new or significantly different insurance and benefits plans are selected, time must be allowed to adequately communicate to state employees, allow employees time to consider their individual determinations, and time for the Department of Administration to enroll the nearly 47,000 individuals covered by state insurance and benefits plans. In addition, there are programming requirements at the Controller's office, Affordable Care Act notice requirements, and new enrollment documentation that must be developed prior to an open enrollment period.

I implore you to involve and inform state employees as you move forward to ensure that this will be an inclusive and transparent process.

Sincerely,

A handwritten signature in black ink, appearing to read "David Hensley", with a long horizontal line extending to the right.

David Hensley  
Chief of Staff