



HIRING OF INURANCE COMPANY REQUEST FOR PROPOSAL (RFP)



**SOCIAL HEALTH PROTECTION INITIATIVE
HEALTH DEPARTMENT, KHYBER PAKHTUNKHWA**

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LETTER OF INVITATION

**DEPARTMENT OF HEALTH, GOVERNMENT OF KHYBER PAKHTUNKHWA
SOCIAL HEALTH PROTECTION INITIATIVE**

**Subject: REQUEST FOR PROPOSAL FOR SELECTION OF INSURANCE COMPANY
FOR DELIVERY OF SERVICES**

For implementation of the Scheme, the Health Department, Government of Khyber Pakhtunkhwa invites “Proposals” from reputed Companies/Firms or Associations/Consortiums having expertise in the fields of **Health Insurance and Community Mobilization** for implementing the “Health Insurance” coverage to the targeted population in the Province of Khyber Pakhtunkhwa. The firm will be selected by following "Single Stage Two Envelops" bidding procedure in accordance with the "Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014". Request for Proposal (RFP) document can be downloaded from the website of Health Department, Government of Khyber Pakhtunkhwa www.healthkp.gov.pk and the Social Health Protection Initiative (SHPI) website www.sehatsahulat.com.pk

Interested Companies/Firms are required to provide explicit information of their capacity/qualification to perform this assignment as detailed in the RFP. The Firms/Companies are allowed to make Consortiums, or Joint Ventures (JVs) to enhance their capabilities, however, the lead firm must be an insurance company.

In order to explain various elements of the scheme, a pre bid conference will be held on **9th October, 2018** at 10:00 AM in Social Health Protection Initiative, Health Department, Khyber Pakhtunkhwa, House No. 9-A, Rahman Baba Road, University Town, Peshawar. All prospective bidders/interested organisations are invited to attend the pre bid conference.

Sealed Technical Proposal in hard as well as in soft form (PDF format on CR-ROM) whereas Financial Proposal in hard form (in separate sealed envelope) only, must be delivered to the address given below by or before **04:00 PM on October 31st, 2018**. The Technical Proposals will be opened on the same day at 04:30 PM.

Director

Social Health Protection Initiative
Health Department, Khyber Pakhtunkhwa
House No. 9-A, Rahman Baba Road,
University Town, Peshawar
Tel: +92 91 9216013
Fax: +92 91 5841792

INSTRUCTIONS
FOR
PREPARATION OF PROPOSAL

2.1 Definitions

1. Agreement” means the Agreement signed between the Parties.
2. “Client” means the Department of Health, Government of Khyber Pakhtunkhwa with which the selected Organisation signs the Agreement for the Services.
3. Day” means calendar day.
4. DoH” means the Department of Health, Government of Khyber Pakhtunkhwa.
5. Organisation” means the Organisation which shall provide the services to the Client under the Agreement.
6. Personnel” means professionals and support staff provided by the Organisations and assigned to perform the Services or any part thereof.
7. Proposal” means the Technical Proposal and the Financial Proposal.
8. RFP” means the Request for Proposal prepared by the Client for the selection of Organisations.
9. Services” means the work to be performed by the Organisations pursuant to the Agreement.
10. SHPI” means Social Health Protection Initiative
11. “Terms of Reference” (TOR) means the document included in the RFP which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Client and the Organisations, and expected results and deliverables under the assignment.

2.2 Introduction

1. The Organizations are invited to submit a Technical Proposal and a Financial Proposal for Services required for the assignment named “*Social Health Protection Initiative*”. The proposals should be in separate marked and sealed envelopes. The Proposal will be the basis for agreement negotiations and ultimately for a signed Agreement with the selected Organizations.
2. Organizations should familiarize themselves with the assignment conditions and take these into account in preparing their Proposal, and for this purpose they are encouraged to contact Social Health Protection Initiative (SHPI) Office for inquiries or clarifications.
3. Organizations shall bear all costs associated with the preparation and submission of their proposals and agreement negotiation. The Client reserves the right to annul the selection process at any time prior to Agreement award, without thereby incurring any liability to the Organizations. Specifically, the client reserves the right to accept or reject any or all proposals. However, the client shall, upon request, communicate to any Organization which submitted a proposal, the grounds for its rejection of all proposals, but is not required to justify those grounds.
4. Client will select Organization(s) in accordance with Quality & Cost Based Selection

2.3 Conflict of Interest

1. The Client policy requires that Organisations at all times hold the Client’s interest paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work.
2. An Organisation or any of its associates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Organisations to be executed for the same or for another Client.
3. An Organisation that has a business or family relationship with a member of the Client’s staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the Agreement, may not be awarded an Agreement, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the DoH throughout the selection process and the execution of the Agreement.
4. Organisations have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Organisations or the termination of its Agreement.

5. No agency or current employee (unless granted leave without pay) of the Client shall work for the organisation. Recruiting former employees of the Client is acceptable provided no conflict of interest exists. When the Organisations nominate any government employee as personnel in their technical proposal, or subsequently employ any such person in the assignment, such personnel must have written certification from government that they are on leave without pay from their official position and allowed to work full-time outside of their previous official position. Such certification shall be provided to the Client by the Organisations as part of their technical proposal.
6. If an Organisation could derive a competitive advantage from having provided Insurance Services related to the assignment in question, the Client shall make available to all Organisations together with this RFP all information that would in that respect give such Organisations any competitive advantage over competing Organisations.

2.4 Fraud and Corruption

1. The Client will reject a proposal for award if it determines that the Organization recommended for award has, directly or through an agent, engaged in corrupt and fraudulent practices in competing for the agreement in question;
2. The Client will sanction an Organization, including declaring the Organizations ineligible, either indefinitely or for a stated period of time, to be awarded a DoH agreement if at any time it determines that the Organization has, directly or through an agent, engaged in corrupt and fraudulent practices in competing for, or in executing, a DoH agreement; and
3. The Client will have the right to require that a provision be included requiring Organization to permit the DoH to inspect their accounts and records and other documents relating to the submission of proposals and agreement performance, and have them audited by auditors appointed by the DoH.

2.5 Commissions and gratuities

Organisations shall furnish information on commissions and gratuities, if any, paid or to be paid to agents relating to this proposal and during execution of the assignment if the Organisation is awarded the Agreement.

2.6 Proposal Validity

Proposals will remain valid for 120 days after the submission. The Client will make its best effort to complete negotiations within this period. Should the need arise, however, the Client may request Organisations to extend the validity period of their proposals. Organisations who do not agree have the right to refuse to extend the validity of their Proposals, resulting which they shall be treated out of the competition/selection process.

2.7 Clarification and Amendment of RFP Documents

1. Organisations may request a clarification of any of the RFP documents before the proposal submission date. Any request for clarification must be sent in writing or by standard electronic means to the Client's representative. The Client will respond in writing or by standard electronic means and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Organisations.
2. The address for requesting clarifications is:

Director
*Social Health Protection Initiative,
Department of Health Khyber Pakhtunkhwa,
House No. 9-A Rahman Baba Road, University Town, Peshawar
Telephone: 0092-91-9216013
Fax: 0092-91-5841792
Email: projectdirector.shp.kp@gmail.com*

3. The Client may amend the RFP at any time before the submission of Proposals, by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to all Organizations and will be binding on them. Organizations shall acknowledge receipt of all amendments.

2.8 Preparation of Proposals

1. The Proposal as well as all related correspondence exchanged by the Organisations and the Client, shall be written in "English".
2. In preparing their Proposal, Organisations are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.
3. If an Organization considers that it may enhance its expertise for the assignment by associating with other Organizations in a joint venture or sub-consultancy. In case of a joint venture, the Insurance Company will act as the leader of the joint venture.
4. The Technical Proposal shall provide the following information:
 - a. A brief description of the Organisations' structure and functions
 - b. An outline of recent experience of the Organisation including the service profile.
 - c. Description of the Approach, Methodology and Work Plan for Performing the Assignment
 - d. Comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/ effectiveness of the assignment and on requirements for counterpart staff and facilities including

administrative support, office space, local transportation, equipment, data, etc. to be provided by the Client (Form TECH-3 of Section 4).

5. The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information i.e. cost of their Financial Proposal or any information related to the financial proposal's costing which may provide idea of the financial proposal's cost, shall be rejected.
6. Financial Proposal shall be prepared keeping in view all the heads of account which shall be used for delivery of services corresponding to the Technical Proposal as considered appropriate by the organisation. However, the attached Forms (Section 4) are mandatory but the organisation, if it deems necessary, may elaborate it.
7. The Organization shall be subject to Local Taxes (such as value added or sales tax or income taxes on nonresident Foreign Personnel, duties, fees and levies etc) on amounts payable by the Client under the Agreement. Taxes shall be deducted at source, wherever required under the law. The Client will not reimburse any tax paid by the organisation.
8. Organisations should express all amounts in Pak Rupees.

2.9 Submission, Receipt, and Opening of Proposals

1. The original proposal (Technical Proposal as well as Financial Proposal) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Organizations themselves. The person who signed the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of FORM TECH - 1 of Section 4, and FORM FIN-1 of Section 4.
2. An authorized representative of the Organization shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed Technical and Financial Proposals shall be marked "**ORIGINAL**".
3. The Technical Proposals shall be marked "**ORIGINAL**" or "**COPY**" as appropriate. The original and six copies of the Technical Proposals shall be sent to the client representative along with soft copy in PDF format on a CD-ROM. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original shall prevail. Soft copy of Financial Proposal(s) must not be provided, otherwise, the respective proposal(s) shall stand rejected.
4. The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL"

5. Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the name of the assignment, and with a warning "DO NOT OPEN WITH THE TECHNICAL PROPOSAL."
6. The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and title of the Assignment, clearly marked "DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED, BEFORE SUBMISSION DEADLINE".
7. The Client shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection.
8. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive. *"Any document/paper not in the respective sealed envelopes for Technical and Financial Proposals will not be considered for Evaluation"*
9. Any proposal received by the Client after the deadline for submission shall be returned unopened.
10. The Client shall open the Technical Proposal immediately after the deadline for their submission. The Financial Proposal shall remain sealed and securely stored.

2.10 Evaluation

All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions illustrated in Section 4 of this document.

1. From the time the Proposals are opened to the time the Agreement is awarded, the Organisation should not contact the Client on any matter related to its Technical and/or Financial Proposal. Any effort by Organisation to influence the Client in the examination, evaluation, ranking of Proposals, and recommendation for award of Agreement may result in the rejection of the Organisations' Proposal.
2. Financial proposals shall be kept in safe custody until the technical evaluation is concluded.
3. Financial proposals shall be opened of only those firms securing minimum qualifying score in technical proposals.

2.11 Negotiations

1. Negotiations will be held at the date and address determined by the Client. Failure in satisfying the requirements of the Client may result in the Client proceeding to negotiate with the next-ranked Organisation. Representatives conducting negotiations on behalf of the Organisation must have written authority to negotiate and conclude an Agreement.
2. The financial negotiations will reflect modifications in the cost of the services as well as deductible taxes (income tax, sales tax and tax on services etc). A softcopy

of the Financial Proposal shall be asked from the highest ranked organization/association on CD-ROM before or during negotiations.

3. Negotiations will conclude with a review of the draft Agreement. To complete negotiations the Client and the Organization will sign the final Agreement. If negotiations fail, the Client will invite the Organization whose Proposal received the second highest score to negotiate an Agreement.

2.12 Award of Agreement

1. After completing negotiations, the Client shall award the contract to the selected Organization and promptly notify all Organizations who have submitted proposals. After Agreement signature, the Client shall return the unopened Financial Proposals to the unsuccessful Organizations.
2. The Organisation is expected to commence the assignment according to the scheduled agreed in negotiations and reflected in agreement.

2.13 Confidentiality

Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Organizations who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of Agreement. The undue use by any Organization of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the guidelines relating to fraud and corruption.

2.14 SAMPLE LETTER FOR PROPOSAL SUBMISSION

[Location, Date]

To,

Director Social Health Protection Initiative
Health Department, Khyber Pakhtunkhwa

Dear Sir,

We, the undersigned, offer to provide the Services for Social Health Protection Initiative in accordance with your Request for Proposal dated. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under separate envelopes.

We hereby declare that all the information and statements made in this Proposal are true and we accept that any misinterpretation contained in this proposal may lead to our disqualification. Our Proposal is binding upon us and subject to the modifications resulting from Agreement negotiations

We undertake, if our Proposal is accepted, to initiate the Services related to the assignment not later than the date as shall be communicated by the Client.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

Name of Organisation: _____

Address: _____

2.15 SAMPLE LETTER FOR FINANCIAL PROPOSAL SUBMISSION

[Location, Date]

To: [Name and address of Client]

Dear Sir,

We, the undersigned, offer to provide the Services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures]. This amount is inclusive of the taxes.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Agreement negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.10 of the Instructions to Consultants.

No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Agreement execution.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Organisation: _____

Address: _____

TERMS OF REFERENCE

3.1 Introduction

The Government of Khyber Pakhtunkhwa has initiated Social Health Protection Scheme in the province. The overall vision of the Government is progressive movement towards universal health coverage embracing the whole population, in which the needs of the poorest are specifically protected by the Government, and where the availability and quality of essential services is ensured.

The Government of KP, in line with new approaches to health systems development, supports initiatives that will be focused on “the demand side” of health financing. It will support initiatives that place spending power for health services in the hands of the clients of those services, either individually or through collective purchasing on behalf of clients.

3.2 Insurance Mechanism, Targeting and Coverage

A. Insurance product

The core design features of the SHPI are assumptions about enrolment of the insured, definition of a benefit package, estimation of utilisation rates, calculation of reimbursement costs and defining provider payment mechanisms. These core elements form the basis of the product design to be implemented by the providing organisation. They have been designed after careful analysis of the information available, applying appropriate actuarial techniques and taking into account national and regional experiences. They have also been the object of preliminary informal consultations with potential implementing organisations and it has been verified that they are acceptable in principle. However, since this is a new product in the market of Pakistan, implementation could give rise to significant variations and calls for a flexible approach with scope for adjustment.

The product to be implemented seeks to strike a balance between maximal improved access to health care, and operational and financial feasibility. The key features of the required insurance product are:

- It is a Health Insurance Scheme to be administered by insurance company.
- Premium would be charged on the basis of a family. Targeting of the beneficiary families would be done on the basis of BISP criteria.
- The programme would cover all ages starting at birth.
- The services covered in the scheme will be:

- The secondary care hospital services normally provided at secondary level hospitals (DHQ and THQ Hospital) such as Medicine, General surgery, Orthopaedics, Gynae and Obstetrics, Paediatrics, Ophthalmology and ENT etc.
- Tertiary care priority diseases coverage including:
 1. Accident and emergency including
 - a. Head injuries
 - b. Spinal injuries and all kind of fractures
 2. Medical emergencies
 3. Cardio Vascular problems including:
 1. Congenital heart diseases
 2. IHD
 3. Valvular Repair and replacement
 4. Hyper tension
 5. CVA
 4. Complications of Diabetics
 5. All types of cancers including
 - a. Chemotherapy
 - b. Radio therapy and surgeries
 6. Kidneys diseases including
 - a. Dialysis
 - b. Kidney transplant
 - c. Genito-urinary diseases
 - d. Congenital anomalies
 - e. Kidneys stones/cysts
 7. Treatment of Complications of Hepatitis B & C
 8. Treatment of Complications of AIDS
 9. Musculoskeletal problems including Joint Replacement
- Benefits package would include:
 - Rs. 100,000 per family per year for Secondary care hospital services
 - Rs. 400,000 per family per year for Tertiary care priority diseases
 - Additional benefits including:

- 1) Wage Loss Rs. 250 per day for three days (excluding first day)
- 2) Tertiary transportation allowance Rs. 2,000
- 3) Funeral charges Rs. 10,000
- 4) Maternity Allowance Rs. 1,000
- 5) One free OPD Voucher

- There will be no age limits and no exclusions of pre-existing conditions (with the exception of some specific “standard exclusions” such as injuries due to suicide attempts, drug addiction or overdose, cosmetic surgery, etc.);
- Pre and post hospitalization treatment including medicines and other necessary prescriptions up to 1 day prior to hospitalization and up to 5 days from the date of discharge from the hospital shall be part of the package rates.
- Government of KP has launched the scheme as a means for Social Health Protection and not as a pure commercial venture. The organisations are expected to share a portion of the underwriting profit of the premium over the course of the program. Details of such profit sharing should be provided in financial proposal (Form FIN – 2).
- Measures that would be used to control costs through pre-negotiated rates for service packages, monitoring of patient by the programme’s own health professionals to ensure that appropriate and not excessive treatment is given, and that discharge is timely; treatment protocols are followed for the straightforward cases; and limitations to patient and provider fraud.
- The product design and associated costing assumes a card utilization rate of about 5-7 % per annum. A key feature of proposals will be convincing strategies to prevent unnecessary utilization and admission to hospital.
- Proposals will include an actuarial assessment of the levels of utilisation anticipated in the specific districts to be covered by the scheme.
- The benefit package suggested for this insurance product, such as specified above, takes into account the experiences, both positive and negative, of the biggest health insurance providers for the informal sector in Pakistan. It is explicitly designed to be affordable so as to achieve high population coverage. After the first year of implementation an assessment regarding the penetration rate should inform actions to improve the uptake of the product, if any. These may include reducing the premium, enhancing the benefit package, extending the range of providers, and/or developing other insurance products targeted at specific client groups.

B. Provider Selection and Management

Proposals will include description of the criteria upon which service provider will be eligible for inclusion in the panel of service providers. However, public hospitals up to DHQ Hospitals level must be included in the panel (but will be expected to meet the same quality criteria) to ensure that this programme boosts reform of public health facilities. For the scheme, hospitals and maternity home etc., as a prerequisite, have to be duly registered with the Health Care Commission. If the licensing is not possible due to issues with the HCC process, written prior exemption should be obtained from the Health Department Government of Khyber Pakhtunkhwa.

The government will ensure that public hospitals are able to participate in the scheme and have appropriate incentives to do so.

C. Provider Payment Mechanism

Proposals will be for a “cashless” system with pre-established prices described in a contract. The amount of reimbursement will be the lesser of the cost of treatment in the non-contracted and contracted provider. The advantage of the cash-less system is that the client receives services without having a financial barrier. The risk to manage is provider induced demand. Proposals will demonstrate understanding of the infrastructure requirements for cash less system, and how the risk of provider induced utilisation will be managed. Proposals should also contain detailed methodology to ensure timely reimbursements to the providers.

D. Target Population, Enrolment Mechanism and Coverage

3. Targeting Population

Beneficiaries will be targeted on the basis of Poverty Score Card (PMT Score) of Benazir Income Support Programme (BISP). The cut off PMT Score will be 32.49. The approximate number of families would be around 2700,000 whose list will be provided by the Government. The DoH will pay the premium for this segment of the population based on certification of enrolment provided by the organization.

4. Enrolment Mechanism and Coverage

While the lists of beneficiaries of this scheme will be provided by the DoH, the Organization will be required to collect necessary data and provide the beneficiaries with necessary documents i.e. insurance policy document, cards and awareness material etc certifying that they have been insured and the services they should expect to receive as insured. The Organization shall propose and be responsible for implementing a mechanism for registering and identification of the beneficiaries under the scheme. This process should be completed as soon as possible but not later than three months of the contract being signed between the client and the Organization, unless otherwise agreed

between the two parties. The insurance policy should cover one full year effective from the date they receive their insurance certification.

3.3 Utilization and Gate Keeping

In order to ensure both sustainability and appropriate use of the schemes, the organization would require strong “gate keeping”. Proposals will describe mechanisms for pre-authorisation of hospitalisation for planned admissions and disallowing of reimbursement for inappropriate emergency admissions. The insurance companies will also make arrangements involving very close monitoring and intense population education aimed at limiting the demand for hospital services.

These arrangements should not be a barrier to emergency admissions. However, all emergency admissions should be subject to audit with the risk to the provider of not receiving reimbursement or the level of reimbursement being reduced. Tenders should describe how these aspects will be managed with providers with appropriate penalties for inappropriate admissions.

Proposals should also indicate the approaches that will be adopted to deal with under-utilisation of the scheme.

3.4 Education and Awareness Raising on use of the Scheme

The Organization may enter into partnership with one or more Civil Society Organizations (CSOs) for the purpose of ensuring effective outreach to beneficiaries and to facilitate usage by beneficiaries. These CSOs would educate the population and beneficiaries on the advantages of insurance as well as on health education and health promotion. Participating Organizations will demonstrate that they have undertaken discussions with such organizations including their naming on a non-exclusive basis. The costs of such participation will be included in financial proposals as an aspect of total costs included in the premium.

In addition, the responsibility for marketing the insurance product to all parts of the districts lies with the Organization. Moreover, Organization in consultation with Government shall prepare and implement a communication strategy for launching/ implementing the Micro Health Insurance Scheme. The objective of these interventions shall be to inform the beneficiaries regarding enrolment and benefits of the scheme for optimum utilization of the services by the insured population.

3.5 Service Delivery Period

The period of Contract shall be three (03) years from the effective date subject to the performance evaluation on yearly basis which shall be carried out by the Government. The Parties shall agree, annually, the charges for medical/ surgical procedures/ interventions under the services. The same can be amended by mutual consent for the

next year. As part of their regular review process within the Steering Committee (Constituted by the Government for the Social Health Protection Programme), the Parties shall review information on common unlisted procedures and seek to introduce them into the listed package with appropriate package charges.

3.6 Premium Payments

The premium for the beneficiaries of the programme shall be paid by the Government to the Organization through PMU.

3.7 Provision of Information

Tender will describe the formats for monthly, quarterly, and annual monitoring information. The organisation will be expected to cooperate with evaluative and research activities approved by the government.

PROPOSAL EVALUATION CRITERIA

4.1 Scoring Criteria for Evaluation of Technical Proposal

Criteria, sub-criteria, and point system for the evaluation of Full Technical Proposals is as follows:

Criteria	Scoring Criteria	Points
Experience (15)	Implementing Health Insurance Schemes including enrolment of large groups and working with Hospitals as part of health insurance	(15)
Organizational Strength (15)	Governance arrangements, management structure, and staffing description <ul style="list-style-type: none"> ○ Financial and operational systems to support activity in the Programme area ○ Capability in actuarial assessments, costing and pricing of health services ○ ICT systems appropriate to the Programme i.e. ability to gather data, as regards medical treatment & financial information of insured and current availability of electronic MIS Networking to run the Programme at multiple hubs supporting a cashless service provision to patients or plans for such development ○ Rating as per PACRA &/or JCR VIS 	(15)
Proposed Methodology and Strategies (70)	➤ Governance and Management <ul style="list-style-type: none"> ○ Proposed Human Resource Structure with staffing plan and Job description <ul style="list-style-type: none"> ○ Provincial ○ District ○ Hospital ○ Plan for training and capacity building of staff ○ Proposed governance and management structure roles and functions to enable maximum decentralization of decision making for timely implementation of the scheme ○ Proposed monitoring and supervisory mechanism 	(15)
	➤ Enrolment <ul style="list-style-type: none"> ○ Enrolment of new beneficiaries ○ Periodic renewal of beneficiaries ○ Transfer of existing data of beneficiaries to the proposed MIS/Database of organization 	(05)
	➤ Healthcare Providers - Empanelment and Contracting Arrangements	(15)

	<ul style="list-style-type: none"> ○ Proposed empanelment procedure for healthcare provider ○ Mechanism for costed packages and treatment protocols ○ Mechanism to ensure quality of health care services in the empanelled hospitals ○ Process for de – empanelment of hospitals for issues in quality of services or inappropriate practices ○ Payment to public and private hospital and claims management ○ Ancillary payments (Transportation cost, wage loss and burial benefit etc.) ○ Arbitration mechanism for disputes between hospitals and insurance organization 	
	<ul style="list-style-type: none"> ➤ Gate Keeping <ul style="list-style-type: none"> ○ Mechanism for pre hospital screening of beneficiaries ○ Measures to prevent unnecessary admission to hospital ○ Measures to ensure appropriate treatment/management of deserving beneficiaries ○ Referral pathways 	(10)
	<ul style="list-style-type: none"> ➤ Grievance Redressal: <ul style="list-style-type: none"> ○ Complaint Management through third party arrangement ○ Complaint resolution and Grievance redressal Mechanism 	(05)
	<ul style="list-style-type: none"> ➤ Communication Strategy: <ul style="list-style-type: none"> ○ Awareness raising regarding features and benefits of the scheme ○ Awareness regarding proper utilization of health card including inter personal communication (IPC) ○ Better health seeking behaviours etc 	(10)
	<ul style="list-style-type: none"> ➤ Data management and MIS <ul style="list-style-type: none"> ○ MIS appropriate to the Programme <ul style="list-style-type: none"> ○ Ability to gather data, as regards medical treatment & financial information of insured ○ Plans for development of Networking to run the Programme at multiple hubs supporting a cashless service provision to patients 	(05)

	<ul style="list-style-type: none"> ○ Arrangements for frequent periodic data analysis to inform progress of the scheme 	
Supplementary Proposals (05)	<ul style="list-style-type: none"> ○ Proposal for additional voluntary private health insurance for population not covered under social health protection programme. ○ Proposal for Outpatient services as part of benefits package in the insurance scheme. 	05

Total Technical Score: 100

The minimum Technical Score (TS) required to qualify is 70.

- After the technical evaluation is completed, the Client shall inform the Organizations which have submitted proposals if their Technical Proposals have obtained the minimum qualifying marks, and shall notify those Organizations whose Proposals did not obtain the minimum qualifying marks or were considered non responsive to the RFP and TOR, that their Financial Proposals will be returned unopened after completing the selection process. The Client shall simultaneously notify, in writing, Organizations that have secured the minimum qualifying marks, the date, time and location for opening the Financial Proposals. Organizations attendance at the opening of Financial Proposals is optional.
- Financial Proposals shall be opened publicly in the presence of the Organizations representatives who choose to attend. The name of the Organisations which have achieved the minimum qualifying technical scores shall be read aloud to ensure transparency. The Financial Proposal of the Organisations who met the minimum qualifying marks will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded but these documents shall remain confidential and shall only be open to inspection of the client’s representatives.
- The Client will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount, or between word and figures the formers will prevail. In addition to the above corrections, activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, no corrections shall be applied to the Financial Proposal in this respect.

4.2 Scoring Criteria for Evaluation of Financial Proposal

The Financial Proposal will be evaluated according to the Financial Score (FS) of 100 points as follows:

Premium Cost (Rs. Per family)	Score
Lowest premium (Rs. Per family) quoted	70
Second lowest premium (Rs. Per family) quoted	60
Third lowest premium (Rs. Per family) quoted	50
Fourth lowest premium (Rs. Per family) quoted	40
Fifth lowest premium (Rs. Per family) quoted	30
Sixth lowest premium (Rs. Per family) quoted	20
Seventh lowest premium (Rs. Per family) quoted	10
Eighth lowest premium (Rs. Per family) quoted and onwards	00

Government of KP has launched the Scheme as a means for Social Health Protection and not as a pure commercial venture. The organisations are required to refund a portion of the underwriting profit of the premium over the course of the programme. Thirty **(30)** points will be allocated to this. The organisation offering highest percentage of refund of profit to the government will be allotted highest marks and the other organisations will be allotted proportionate marks according to the following table:

Percentage of refund of unutilized Premium	Score
Highest % of refund	30
Second Highest % of refund	25
Third Highest % of refund	20
Fourth Highest % of refund	15
Fifth Highest % of refund	10
Sixth Highest % of refund	05
Seventh Highest % of refund	02
Eighth Highest % of refund and onwards	00

Proposals will be ranked according to their combined Technical Score (TS) and Financial Score (FS) using the weights (T = the weight given to the Technical Proposal; F = the weight given to the Financial Proposal; T + F = 1) which are given as:

T = 70%, and F = 30 %. CS = TS x T% + FS x F%.

The minimum combined Technical & Financial score for award of contract shall be **Seventy-Five (75)**.

The organisation achieving the highest combined Technical and Financial score will be invited for negotiations.

PROPOSAL FORMS

5.1. FORM TECH-1

EXPERIENCE OF PARTICIPATING ORGANIZATION

Using the format below, provide information on each assignment for which your organization, solely or with its associates under the same parent organization, was legally contracted as a corporate entity or as one of the major companies within an association, for carrying out Services similar to the ones requested under this Assignment. Please provide Client's certification and/or evidence of the contract agreement. Keep in mind the experience must cover the requirements stated in RFP:

Assignment name:
Value of the agreement (in Pak. Rs.):

Country:
Location within country:
Duration of assignment (months):
Name of Client:
Start date (month/year):
Completion date (month/year):
Name of associated Organisation(s) if any:
Value of services provided by your organization under the agreement (in Pak. Rs.):
Name of senior professional staff of the organization involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):
Narrative description of Project:
Description of actual services provided within the assignment:

5.2. FORM TECH - 2

ORGANIZATIONAL STRENGTH

(For Parent as well as other Organizations of the Consortium/JV)

1. Governance arrangements, management structure, and staffing description
2. Financial and operational systems to support activity in the programme area
3. Capability in actuarial assessments, costing and pricing of health services
4. ICT systems appropriate to the programme i.e. ability to gather data, as regards medical treatment & financial information of insured and current availability of electronic MIS Networking to run the Programme at multiple hubs supporting a cashless service provision to patients or plans for such development

5. Rating as per PACRA &/or JCR VIS

5.3. FORM TECH - 3

PROPOSED METHODOLOGY AND STRATEGIES

Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (detailed, inclusive of charts and diagrams) divided into the following sections:

1. Technical Approach and Methodology

In this section you should explain your understanding of the objectives of the assignment, approach to the services required to be rendered, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their

importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach. The approach should include strategy to insure general population of the district beyond the beneficiaries for whom premium is to be paid by the government. Your proposal in this regard should be presented in the following format:

- i. Governance and Management
- ii. Enrolment
- iii. Healthcare Providers - Empanelment and Contracting Arrangements
- iv. Gate Keeping
- v. Grievance Redressal
- vi. Communication Strategy
- vii. Data management and MIS
- viii. Supplementary Proposals

2. Work Plan

In this section you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and proposals for monitoring. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. The work plan should be consistent with the Work Schedule of **Form TECH - 4**.

5.4. FORM TECH - 4

WORK PLAN

YEAR: _____

No	Activity	Months											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

Note:

1. Indicate all main activities of the assignment. For phased assignments indicate activities, delivery of related services, and benchmarks separately for each phase, from inception to action and results.
2. Duration of activities shall be indicated in the form of a bar chart.

5.5. FORM TECH - 5

COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE

Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities).

Such suggestions should be concise, to the point and incorporated in your Proposal.

5.6. FORM FIN - 1

SUMMARY OF COSTS

Item	Costs
Total Cost of Financial Proposal per year	Rs. _____
Taxes	Rs. _____
Total Cost (Incl. Taxes) of Financial Proposal for per year	Rs. _____

5.6. FORM FIN - 2

PREMIUM COST AND PROFIT SHARE

Number of family covered (A)	2,768,571
Annual Premium per family (B)	_____ (Pak Rs.)
Per year Cost of Premium (A X B)	_____ (Pak Rs.)
Percentage of the unutilized premium to be refunded (share of underwrite profit of the premium)	_____ %

5.7. FORM FIN - 3

PREMIUM CALCULATION BASED ON ACTUARIAL ANALYSIS

Feature	Assumptions		
	Annual Incidence per Family	Assumed Average cost	Net Premium
Maternity – Normal birth			
Maternity – C-section			
Total Net Premium Per Family			

Feature	Assumptions		
	Annual Incidence per Family	Assumed Average cost	Net Premium
Non-maternity secondary care hospitalization			
Post-hospitalization assistance		(medicines and other for continued treatment as necessary. The present scheme has this for 5 days)	
Selected Tertiary care hospitalisation			
Transportation assistance		(Paid if referred to a higher level of treatment by gatekeeper)	
Administrative costs – including but not limited to – Human Resources, operations, communications/public awareness			
Total Net Premium Per Family			

Cost of Enrolment of beneficiaries			

Note:

- 1) Estimated premium should also include costs for additional benefits including:
 - Wage Loss Rs. 250 per day for three days (excluding first day)

- Tertiary transportation allowance Rs. 2,000
 - Funeral charges Rs. 10,000
 - Maternity Allowance Rs. 1,000
 - One free OPD Voucher
- 2) The organisation may adjust their Financial Formats pursuant to their Technical Proposals so as to include further details, as appropriate, however, the structure so defined in the provided Standard Forms, must be complied with and the information required in this format, must be provided).