

# Request for claims audit services

## I. Background

The Association of Washington Cities Employee Benefit Trust (AWC Trust) is an employee welfare benefit trust fund (IRC 501(c)9 VEBA, exempt from ERISA) that provides medical, dental, vision, life, long-term disability, and an employee assistance program to employees and their dependents of cities and other eligible public entities within the state of Washington. There are approximately 19,000 active employees and retirees covered by the AWC Trust and approximately 289 participating employers.

In 2014, the AWC Trust transitioned from being fully insured to self-insured for medical, dental and vision. Carriers contracted to provide self-insured medical coverage are Regence BlueShield/Asuris Northwest Health and Kaiser Foundation Health Plan of Washington/Kaiser Foundation Health Plan of Washington Options Inc.

The joint self-insured program was created by Interlocal Agreement and is called the AWC Trust Health Care Program (HCP). There are approximately 273 employers and 44,000 employees and family members covered under the Health Care Program currently.

The mission of the AWC Trust is to provide quality benefit programs and insurance services to the cities and towns of Washington in an efficient and cost-effective manner. The AWC Trust's vision is to be innovative and able to anticipate changes in the benefits marketplace, while understanding the evolving needs of our members and providing a sophisticated array of creative and cost-effective services that build health and wellness among our members. The key principles of the AWC Trust are identified in the Mission, Vision, Core Values and Goals document included in the RFP.

The following is an outline of the self-insured Health Care Program medical coverages offered to AWC Trust membership in 2025:

Regence BlueShield/ Asuris Northwest Health	Kaiser Foundation Health Plan of Washington/ Kaiser Foundation Health Plan of Washington Options Inc.
<b>Active coverage</b>	
AWC HealthFirst® 250 Plan (PPO)	Kaiser 200 (HMO)
AWC HealthFirst® 500 Plan (PPO)	Kaiser 500 (HMO)
Accountable Health Network Plan (AHN/PPO)	High Deductible Health Plan, H.S.A. Qualified (HMO)
High Deductible Health Plan, H.S.A. Qualified (PPO)	Access PPO (PPO)
Plan A – LEOFF 1 (PPO)	\$0 Copay Plan – LEOFF 1 (HMO)
<b>Retiree coverage</b>	
Plan A – LEOFF 1 (PPO)	Retiree 1000 Plan (HMO)
AWC HealthFirst® 1000 Retiree Plan (PPO)	Retiree High Deductible Health Plan, H.S.A. Qualified (HMO)
AWC HealthFirst® 2500 Retiree Plan (PPO) Retiree High Deductible Health Plan, H.S.A. Qualified (PPO)	

The AWC Trust is administered by an eight-board member Board of Trustees, which is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors who are from Trust member cities or towns. The AWC Trust has three to four regular Board meetings per year.

The AWC Trust Board of Trustees contracts for operational management of the Employee Benefit Trust with the Association of Washington Cities (AWC). The AWC is a private, non-profit corporation formed to provide legislative, technical and member services to all cities and towns in the state of Washington. Additional information can be found on the Association of Washington Cities website: [wacities.org](http://wacities.org).

Administrative services (billing, eligibility, COBRA administration and accounting) are provided by Vimly Benefit Solutions; claims administration is handled by the carriers; financial auditing services by Baker Tilly; ongoing dependent verification services are provided by Alight with a transition to a new vendor scheduled for August 2026, and legal services by Stoel Rives.

The AWC Trust Health Care Program purchases stop loss insurance. In 2025, the HCP purchased Individual Stop Loss through US Fire in the amount of \$2 million. The aggregate policy is for 200% of expected medical claims.

## II. Scope of work

The AWC Trust is requesting proposals from qualified vendors to provide a claims audit of Regence BlueShield/Asuris Northwest Health (RBS/ANH) and Kaiser Foundation Health Plan of Washington/Kaiser Foundation Health Plan of Washington Options, Inc. (Kaiser) medical plans as outlined in Section I. We anticipate the successful vendor will begin work on this project in July 2026 and will complete and present the audit no later than October 16, 2026.

The AWC Trust has reserved one week with both Regence/Asuris and Kaiser Permanente for the audit. The week reserved with Regence/Asuris is August 10 – 14, 2026. The week reserved with Kaiser Permanente is August 17, 2026, and the claim sample selections must be provided to Kaiser Permanente **30 days prior** to the scheduled audit on August 17.

The selected claims auditing firm is expected to perform the following services:

1. Meet with AWC Trust staff to review timeline and gather/understand data.
2. Meet or have a conference call with AWC Trust staff to discuss and finalize audit points for claims audit components (i.e. eligibility, no duplicate claims, coordination of benefits, claims within the effective date, etc.).
3. Meet or have a conference call with AWC Trust staff to discuss and finalize audit points for operational assessment (i.e. assessment of claims processing system, policies that directly impact claims operations, etc.).
4. Conduct a performance audit of paid claims and evaluate the claims process and administration practices. The performance audit of paid claims should include:
  - a. Testing claims for financial accuracy and procedural compliance.
  - b. A statistical projection of the entire amount of dollars paid and frequency of errors during the entire audit period.
  - c. An evaluation of account rebates as related to the medical plan's prescription program.
  - d. A detailed description of the sampling method and sample of the financial reports.
5. Evaluate the fiscal controls in place at RBS/ANH and Kaiser as they apply to the AWC Employee Benefit Trust Health Care Program medical plans, including compliance with national industry standards.
6. Verify plan provisions affecting claim payments and the correct interpretation (i.e. "lag time" in claim payments affecting individual stop loss).

7. Review the claims system capabilities, controls, and procedures used to adjudicate claims according to benefit plan specifications.
8. Evaluate subrogation procedures.
9. Evaluate coordination of benefits with Medicare.
10. Recommend any policies and/or procedures that could be implemented to improve the claims process. Provide final summary audit report for each of AWC Trust's medical plan TPAs (currently RBS/ANH and Kaiser) that comply with WAC-200-110-120 subsection (5) requirements, which includes but is not limited to:
  - e. Provide a statement that the vendor is not affiliated with the program being audited, its brokers, and third-party administrators.
  - f. Provide background information, goals, and the purpose of audit.
  - g. Document the scope of the audit that was conducted (i.e. claims date range, sampling criteria, etc.).
  - h. Document the findings of the audit.
  - i. Document the strengths.
  - j. Document areas of improvement, if applicable.
  - k. Document conclusions and recommendations as a result of the audit.
11. Present the results of the claims audit with AWC Trust staff.
12. Present in person the results of the claims audit to the Board of Trustees at their December 2, 2026 meeting.
13. Respond to questions, either in writing or in person, to AWC Trust staff, Board of Trustees, and/or external auditors in follow-up to final documents.

### III. Vendor qualifications

- License to do business in the state of Washington.
- Professional Liability or Errors & Omissions insurance in effect and current.
- Experience providing medical/pharmacy claims audits in support of public sector agencies.
- Thorough knowledge and expertise in applicable state rules and laws related to self-insured medical plan claims audits.
- A representative as the primary contact and a "backup" representative.

### IV. Timeline

Activity	Date
RFP released	March 30
Vendor questions/clarifications due	April 17
Answers to questions/clarification sent	April 24
Proposal due	May 4
Vendors notified for interviews	May 15
Finalist interviews	June 8-June 11
Finalist selected and contract awarded	June 12
Contract effective and services begin	June 15

### V. Questions

The AWC Trust is requesting that all vendor questions regarding this RFP be submitted no later than April 17, 2026 to:

**Via email:**

Bobbi Fox at [bobbif@awcnet.org](mailto:bobbif@awcnet.org)

Responses to questions will be provided no later than April 24, 2026 as referenced in the above RFP timeline.

## VI. Bidding instructions

All proposals must meet each of the requirements of this RFP as detailed. The AWC Trust reserves the right to make a written request for additional information from any vendor to assist in understanding or clarifying a proposal response. Your proposals should include the following:

- A completed questionnaire outlined in Section VI.
- Your firm's fee proposal, and a description of how the fee proposal would be structured, including:
  - Hourly rate by audit team member (if applicable), bundled fee for claims audit by TPA (RBS/ANH and Kaiser claims, and RBS/ANH and Kaiser Prescription), or other.
  - Identify fee by medical and prescription claim sample size (i.e. fee for 100 claims, fee for 200 claims, etc.).
  - Travel expenses (if applicable).
  - Specify other expenses included in the medical and prescription claims audit fees (i.e. report productions, postage, etc.).
  - Identify the markup for outside services (if applicable).

**All proposals must be received by the AWC Trust no later than 5 pm on Friday, May 4, 2026.**

Proposals received after that time **will not be considered**. All offers, including rates, shall remain fixed and valid from the proposal due date, until the contract effective date. Proposals may be submitted either electronically or by mail using the contact information below:

**Via email:**

Bobbi Fox at [bobbif@awcnet.org](mailto:bobbif@awcnet.org)

**By U.S. mail:**

AWC Employee Benefit Trust

Attn: Bobbi Fox

1076 Franklin Street SE, Olympia, WA 98501

If you need additional information regarding the AWC Trust or the claims auditing services requested, contact Bobbi Fox at 1-800-562-8981 or by email at [bobbif@awcnet.org](mailto:bobbif@awcnet.org). Responses to your questions will be provided no later than April 24, 2026, in alignment with the timeline described in Section IV.

## VII. Questionnaire

As part of your proposal, each vendor should provide answers to the questions listed below. When answering these questions, please number your responses to correspond with the numbers listed in this questionnaire.

- Give a brief history of your organization, including size, services, and resources available.
- Describe your qualifications to provide the services outlined in this RFP. Include the following:
  - Date of your firm's first claims audit
  - Total number of claims audits administered since 2023
  - Number of claims audits you administered in 2025
  - Your experience working with health care clients or other similar organizations.
- Provide a sample report.
- Provide a list of data requirements you typically require from your client to complete medical/prescription claims audit.
- Provide a list of other services your firm provides.
- Include a list of those team members who will be on the team servicing the AWC Trust's account and a summary of their related experience.
- Identify the location/office that will service the AWC Trust's account.

- Provide a list of three clients whom we may contact for references, and who you have worked for in the past three years. Include company name, contact name, and telephone number.
- Indicate whether or not your organization would be willing to enter into a HIPAA Business Associates Agreement (BAA) with the AWC Trust. Attached is the AWC Trust's BAA for reference.