



Eric Garcetti
Mayor of the City of Los Angeles

LACERS BOARD OF ADMINISTRATION

Cynthia M. Ruiz, President
Annie Chao
Elizabeth Lee
Sandra Lee
Nilza R. Serrano
Sung Won Sohn
Michael R. Wilkinson

LACERS EXECUTIVE STAFF

Neil M. Guglielmo, General Manager
Lita Payne, Executive Officer
Todd Bouey, Assistant General Manager
Rodney June, Chief Investment Officer

LACERS Investigative Services RFP Q&A

Question: Is the incumbent a bidder?

Answer: Information concerning the identity of bidders cannot be released until the submission window closes.

Question: What is the annual budget for these services?

Answer: Between \$25,000 to \$100,000.

Question: What was the 2019 and 2020 annual spent for the Scope of work?

Answer: In 2019, roughly \$25,000. In 2020, due to the pandemic, less than \$4,000.

Question: Which firms are you currently using for these services?

Answer: Frasco, Inc. and TruView LLC.

Question: Is the current contract available for review?

Answer: Click on the firm names to view their corresponding contracts: [Frasco, Inc.](#) and [TruView LLC.](#)

Question: Who are the incumbents and what was their hourly rate?

Answer: See prior question on incumbents. Rates are determined by the service provided.

- Flat rates range from \$145 to \$350.
- Hourly rates range from \$59 to \$175.

Question: How many firms do you plan on awarding for this contract?

Answer: To be determined based on proposer qualifications and services.

Question: What is the average case load per year for these types of services?

Question: What was the 2019 and 2020 volume for the Scope of work?

Answer: Varies from year to year based on need. Fifty or less cases per year.

Question: Can we offer International Virtual Investigations for your Alive and Well Checks?

Answer: In some cases this may not be an option. Remember, these are older members who may not have or use a computer. They may have physical limitations that make using a computer or smart phone difficult. Also in some cases we've lost contact with the member, so a site visit is required.

Question: Can we do Sub Rosa Surveillance inside the United States only?

Answer: While most members reside within the United States, some do not. We are looking for service providers with the capability to perform the scope of work detailed in the RFP both domestically and abroad.

Question: Can we do Fraud Investigations in the United States only?

Answer: While most members reside within the United States, some do not. We are looking for service providers with the capability to perform the scope of work detailed in the RFP both domestically and abroad.

Question: How many Alive and Well checks are performed in California per year, on average?

Answer: Depends on whether it is a biennial year; less than 30.

Question: How many out-of-state Alive and Well checks are performed per year, on average?

Answer: Less than five.

Question: How many out-of-country Alive and Well checks are performed per year, on average?

Question: Approximately how many Alive and Well Checks were assigned outside the United States?

Answer: Depends on whether it is a biennial Alive and Well check year. It would probably be less than 10.

Question: How many "Alive and well" cases do you have today / expected in 3 years?

- a. By age group
- b. By country
- c. Historic experience / percentage of:
 - i. Simple
 - ii. Requiring light investigation
 - iii. Requiring complex investigations US
 - iv. Overseas investigations

Answer: How many "Alive and well" cases do you have today / expected in 3 years? **Less than 20 as of today / unknown at this time due to the impact of the pandemic and possible lingering issues.**

- a. By age group – **Age range is 60 to over 80 years of age**
- b. By country – **United States only, as of today**
- c. Historic experience / percentage of:
 - i. Simple – **N/A, Simple matters are handled in-house.**
 - ii. Requiring light investigation – **20% or less**
 - iii. Requiring complex investigations – **less than 5% per biennial Alive & Well**
 - iv. Overseas investigations – **historically less than .3% per biennial Alive & Well**

Question: Approximately how many Alive and Well Checks are assigned per year?

Answer: **The number performed depends on whether it is a biennial review year and the initial response rate. Non-biennial years average less than 30. In a biennial year it could be 30 or more. It depends the response rate.**

Question: What are LACERS's objective criteria for establishing that a beneficiary is "Alive and Well"?

Answer: **Responding to the Alive & Well notification, completing of Alive and Well paperwork, and a providing a recent copy of an unexpired government-issued photo identification.**

Question: Please outline the fraud "use cases" LACERS has experienced over the past three years.

- a. Types of use cases, e.g. benefits fraud, overpayment, post retiree health care fraud
- b. By numbers of use cases for each category

Answer:

- a. **Overpayments are not necessarily considered fraud. LACERS' fraud experience has been limited to relatives with the same name assuming the identity of a deceased member.**
- b. **Due to the implementation of a variety of prevention methods there have been no fraud cases in the last five years.**

Question: Please outline LACERS's current level of "fraud" prevention / risk exposure to provide an indication of expected fraud cases / exposure and likelihood. Does "employer" under / overpayment fall into this area?

Answer: **LACERS has a variety of technical services to prevent fraud and reduce the risk of fraud. These include (but are not limited to): using a death audit service, MFA, and biennial Alive and Well checks.**

Question: Please provide an outline of LACERS's "online" interactions for members / beneficiaries and employers including Cyber to gauge fraud exposure.

Answer: **Members are engaged through email and a member portal. See also answers to prior question.**

Question: How are investigative service accounts "lost" defined?

Answer: **"Lost" refers to the number of clients the vendor has lost in terms of terminated contracts.**

Question: How are "key professional personnel" defined relating to turnover?

Answer: Individuals responsible for company and customer general oversight. The decision makers who determine the company's direction, services provided, and goals.

Question: Approximately how many surveillance cases were assigned?

Answer: Three in two years.

Question: Approximately how many surveillances were assigned outside of the United States?

Answer: None to date.