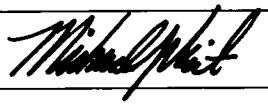
AHCCCS	**SOLICITATION AMENDMENT** Solicitation Number: RFP YH12-0001 Amendment Number 1 (One) Solicitation Due Date: April 1, 2011 3:00 PM (MST)	Arizona Health Care Cost Containment System (AHCCCS) 701 East Jefferson, MD 5700 Phoenix, Arizona 85034 Contract Management Specialist: Jamey Schultz, CMS E-mail: Jamey.Schultz@azahcccs.gov

A signed copy of this amendment shall be included with the proposal, which must be received by AHCCCSA no later than the Solicitation due date and time. This solicitation is amended as follows:

1. The attached Answers to Questions are incorporated as part of this solicitation amendment.

Offeror hereby acknowledges receipt and understanding of this Solicitation Amendment.		This Solicitation Amendment is hereby executed this the 24th day of February, 2011, in Phoenix, Arizona.
Signature	Date	
Typed Name and Title		Michael Veit
		Contracts and Purchasing Administrator
Name of Company		

ALTCS RFP YH12-0001 QUESTIONS AND RESPONSES DATE: February 24, 2011

Question #	Section Name	Paragraph #/Title	Page #	Question	Response
1	Capitation Template – Document F			Please confirm that the case management fee and risk/contingency are separate from the administrative portion of the capitation bid and not included in the 8 percent maximum.	The case management component and the risk/contingency component are not included in the 8 percent administrative maximum.
2				Is inclusion of the questions being addressed required as part of the narrative responses?	The number of pages that may be submitted for submission requirement 7 is four pages of narrative description of the claims adjudication process, five pages of flowcharts and up to four pages for the remittance advice.
3	Data Supplement	Utilization Data	ftp site	Can we assume that the Nursing home cost, and the assisted living cost is presented in the utilization data net of the share of cost? Can AHCCCS provide clearer direction to bidders on the distribution of the share of cost by placement within a county?	Yes, the Offeror can assume that the Nursing home cost and assisted living cost is presented net of share of cost. It is not necessary to know the distribution of share of cost by placement for rate development or the bid submission. AHCCCS estimates that more than 95% of share of cost is for members residing in nursing facilities.
4	Data Supplement Section C TREND AND RATE SETTING ASSUMPTIONS			Please confirm the paid through date for the encounters that are represented within the databook.	The Databook is based on encounter dates of service (DOS). The Databook includes information through the first December encounter cycle. Any encounters that were approved and adjudicated by the first December encounter cycle with DOS between 10/01/07 – 06/30/10 would be included in the databook.

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5	Policies and Manuals 419 ALTCS Network Standards	General Requirements		The requirement states "The standard (either an "X" or a number of facilities/providers required in the tables below) will indicate the number of providers by a specific city, zone, facility location or countywide coverage." Will this requirement be adjusted if the specific location does not currently have the required number of facilities in it?	This requirement will not be adjusted. Offerors should address any gaps or network deviations in the Network Development and Management Plan.
6	Reference Materials – Case Management Training	Bidders Library	N/A	In review of the references materials we noted some discrepancies in the document name and the uploaded file. Could you please review the materials under Case Management Training and confirm that the items posted reflect what we should use during the current procurement?	The links have been changed and this issue has been resolved.
7	ALTCS Bidders Library/ Policies and Manuals	Provider Affiliation Transmission User Manual		The Bidders' Library links to a Provider Affiliation Transmission User Manual dated October 1, 2009, which appears to be the manual used by Acute Care health plans as there are no distinguishing criteria (e.g., Definitions, AHCCCS question/contact person) for ALTCS. To what extent, if any, does AHCCCS expect an ALTCS-only plan to comply with the Provider Affiliation Transmission User Manual dated October 1, 2009 for the CYE2012?	The Provider Affiliation Transmission User Manual is intended for use by Acute Care contractors only, not ALTCS contractors. This link will be removed from the Bidders' Library.
8	Data Supplement Section C TREND AND RATE SETTING ASSUMPTIONS	Overview	1	General Trend and Rate Setting Assumptions states that "For any GSA where the historical encounters varied significantly from financials AHCCCS may use a true-up factor to account for possible missing encounters. Please provide additional support to identify the impact of this true-up factor either separately or within the databook information. For example, what time periods and GSA's were impacted	After further review of the data AHCCCS will not be using a true-up factor for the base data.

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				by this factor? Were only specific services impacted? What is the magnitude of the impact to the base data?	
9	I. Instructions to Offerors	Q1	1	Is an actuarial certification required if Offeror submits a rate within the published rate range?	Yes. An actuarial certification is required for all Offerors.
10	Section A- Data Supplement Instructions and Overview	**None**	1	When will AHCCCS notify proposers when individuals have been approved to access data and reports on the EFT/SFTP?	On average it is taking two days for notification once all paperwork is submitted. All Offerors that have completed and submitted the appropriate paperwork have been approved and notified as of February 25, 2011.
11	Program Requirements	3/Member Identification Cards	18	Beginning October 1, 2011 the Contractor is responsible for paying the costs of producing AHCCCS member identification cards. The Contractor will receive an invoice the month following the issue date of the identification card. What is the anticipated form and format of this invoice? An example will be helpful. How will the Contractor's capitation rate be adjusted to account for this additional expense? What is the anticipated form of payment that will be acceptable to ALTCS?	A process is currently in place for the AHCCCS Acute Care Contractors where the contracted vendor receives a file from AHCCCS and invoices each Contractor for identification cards produced and sent out to enrolled members. Contractors will pay the vendor directly, using a form of payment acceptable to the vendor. This is the same process that would be utilized during CYE12. The cost of cards is estimated to be immaterial thus capitation rates will not be adjusted.
12	Program Requirements	3/Member Identification Cards	18	During CYE 2012 AHCCCS will meet with Contractors to develop a process for Contractors to also produce and issue member identification cards. Contractors will have complete responsibility for the production, distribution and cost of member identification cards by no later than October 1, 2012. Please define the testing process regarding the transfer of the data necessary to produce ID cards? Please describe the minimum requirements regarding the material used for ID cards? Will ALTCS have minimum specifications for the placement of critical telephone numbers and web site addresses? Will the process mentioned above give the Contractor adequate time for design and testing? How will the Contractor's	A workgroup will be formed comprised of Contractors receiving awards for CYE12 and AHCCCS staff to implement this requirement. Policies and procedures as well as specifications for testing and data transfers will be developed by the group. The cost of cards is estimated to be immaterial thus capitation rates will not be adjusted.

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				capitation rate be adjusted to account for this additional expense (including design and testing)?	
13	Program Requirements	4/Open/Annual Enrollment - Open Enrollment Subsection	18	Should AHCCCS add choice of Contractors to a Geographic Service Area (GSA) other than Maricopa County, all existing members in that GSA will be given the opportunity to choose the Contractor with whom they will be enrolled [42 CFR 438.56(c)(2)(ii)]. Please clarify the intent of this requirement since the maximum number of contracts ALTCS intends to award is limited to "1" in all other GSAs?	The language allows AHCCCS flexibility; however, at this time AHCCCS does not intend to add choice of Contractors to any GSA other than Maricopa County.
14	Program Requirements	3/Enrollment and Disenrollment	18	What is the process Contractors will need to use to report members' acute care health plan choice to AHCCCS?	We believe you are referring to when a member becomes ineligible for ALTCS but remains eligible for the acute care program. This is a very rare occurrence, however, in the event it does occur, the Contractor shall obtain the member's health plan choice and submit that choice to the Communication Center in the Division of Member Services (DMS).
15	Program Requirements	3/Enrollment and Disenrollment	18	Can AHCCCS confirm that the Contractor is only responsible for Member Identification Cards for the ALTCS members in each contracted GSA?	Contractors will only be responsible for Member Identification cards for their own assigned members in each GSA.
16	Program Requirements	3/Enrollment and Disenrollment	18	Will AHCCCS send selected vendors 5010 formatted files for testing and operations? If not, can AHCCCS provide the date it intends to begin transmitting 5010 file formats?	Yes. All testing with selected vendors (outbound and inbound) will be conducted in applicable HIPAA 5010 file formats. All 5010 formats will be in place for October 1, 2011.
17	Program Requirements	3/Enrollment and Disenrollment	18	Where on the 834 or other file will AHCCCS communicate the member's selected PCP to Contractors?	PCP data is assigned and maintained by the Contractor. At this time AHCCCS does not receive or maintain this information.
18	Program Requirements	4/Open/Annual Enrollment - Annual Enrollment Choice Subsection	19	For counties with more than one Contractor, AHCCCS may require a monthly submission of network information (PCPs, nursing facilities, Assisted Living Facilities etc.) to support initial enrollment, annual enrollment choice and open enrollment. Details will be provided at a later date.	If AHCCCS decides to require this information, details and formatting requirements will be provided with adequate time for design and testing. If AHCCCS deems the expense to be material, capitation may be adjusted.

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				Will the process mentioned above give the Contractor adequate time for design and testing? How will the Contractor's capitation rate be adjusted to account for this additional expense (including design and testing)?	
19	Program Requirements	5/Enrollment Hierarchy - Auto-Assignment Algorithm	19	The algorithm is a mathematical formula used to distribute members to the various Contractors in a manner that is predictable and consistent with AHCCCS goals. So the Offeror may determine the impact of this subsection on its enrollment projections and process for establishing competitive capitation rates please define "AHCCCS goals" as used in this context. Will a timeframe be established and shared with Offerors?	Based on historical data, an estimated 5% of new members in Maricopa County are auto-assigned. In order to ensure that new Contractors reach an enrollment level that allows for efficiencies and improved viability, AHCCCS may auto-assign a higher percentage of new members to the new Contractor for a period of time. Decisions will be made based on the outcome of the awards and member assignment and will be shared with all Contractors prior to October 1, 2011.
20	Program Requirements	5/Enrollment Hierarchy - Auto-Assignment Algorithm	19	AHCCCS may change the algorithm at any time during the term of this contract. AHCCCS is not obligated to adjust the algorithm for any financial impact this may have on a Contractor. Will ALTCS give the Contractor at least 90 days notice prior to any adjustment? It will be helpful if ALTCS provides all impacted Contractors with a timeframe and projected impact the algorithm change will have on the Contractors to allow for personnel and network adjustments. Will ALTCS analyze personnel and network adequacy of the Contractors to make sure there will be adequate supports and network to serve the members? Please also provide an example or rationale as to under what circumstances and when AHCCCS may make changes to this algorithm.	Given that on average approximately 5% of new enrollment is auto-assigned in Maricopa county, AHCCCS does not anticipate that algorithm changes will result in significant personnel or network adjustments. Contractors will be given adequate notice of planned algorithm changes. Any pertinent data will be shared at that time. No example will be given.
21	Program Requirements	5/Enrollment Hierarchy	19	What is the mathematical formula AHCCCS will use to auto-assign members?	AHCCCS will assign a percentage to each Contractor for auto-assignment based on estimated final Contractor enrollment in Maricopa county. AHCCCS may initially favor Contractors new to a GSA in determining the algorithm. The auto-assignment

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					percentages will be shared prior to October 1, 2011. The mathematical formula programmed into the system allows assignment to the Contractor that is farthest away from their assigned target percentage.
22	Program Requirements	5/Enrollment Hierarchy	19	Based on AHCCCS' experience, what is the expected percentage of members who will choose vs. those who will be auto-assigned for each GSA?	Information regarding historical auto-assignment and choice is provided in the Data Supplement section of the Bidders' Library.
23	D- Program Requirements	8 - Contract Termination, first paragraph	21	The RFP states: "…AHCCCS reserves the right to extend the term of the contract on a month-to-month basis to assist in any transition of members." Please add language to the effect that rates will remain actuarially sound, assignment algorithm will remain the same, and the program will remain stable.	AHCCCS will not add this language.
24	D- Program Requirements	8 - Contract Termination, subsection a	22	The RFP states that Contractor shall be responsible for "Payment of all outstanding obligations for medical care rendered to members, until AHCCCS is satisfied that the Contractor has paid all such obligations." Please revise as follows: "Payment of all outstanding obligations for covered medical care rendered to members, until Contractor reasonably demonstrates that Contractor has paid all such obligations, or until AHCCCS is otherwise satisfied that the Contractor has paid all such obligations."	Change will be considered for possible future amendment.
25	D- Program Requirements	8 - Contract Termination, subsections c, d, e and f	22	Please insert the phrase "which release shall not be unreasonably withheld or delayed" at the end of subsections c, d, e and f.	Change will be considered for possible future amendment.
26	Program Requirements	10/Covered Services	22	Please provide a list of DME codes for reimbursement on provider fee schedules when providers bill with the following modifiers: LL, NR, RA and RB. Please provide the provider reimbursement amounts when the previously mentioned modifiers are indicated.	Current AHCCCS Fee Schedules are available on the AHCCCS Website.
27	Program Requirements	17/ Member Handbook and	41	When there are program changes, notification shall be provided to the affected members at least 30 days	AHCCCS will provide direction in the event notification to members of a program change is

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		Member Communications		before implementation. Under what circumstances does a "program change" require 30 day prior notification? We understand the importance of keeping our member's informed regarding program changes that have an impact on the member. In our experience there are multiple program changes each year that may not impact the member, the member's access to care or member's covered services. It would be helpful if ALTCS could provide direction.	necessary.
28	Program Requirements	17/ Member Handbook and Member Communications	41	The Contractor shall produce and provide the following printed information to each member or family within 12 business days of receipt of notification of the enrollment date [42 CFR 438.10(f)(3)] Can the Contractor reasonably expect that we will also be allowed 12 business days after receipt of enrollment notification to produce the member's ID card as specified in Section D 3, Member Identification Cards?	A process is currently in place for the AHCCCS Acute Care Contractors where the contracted vendor receives a file from AHCCCS and invoices each Contractor for identification cards produced and sent out to enrolled members. A workgroup will be formed comprised of Contractors receiving awards for CYE12 and AHCCCS staff to implement this requirement. Policies and procedures (which will address timing) as well as specifications for testing and data transfers will be developed by the group.
29	Program Requirements	17/ Member Handbook and Member Communications, Subsection I.	41	The handbook must be submitted to AHCCCS, Division of Health Care Management for approval within four weeks of receiving the annual renewal amendment and upon any changes prior to distribution. In the event that AHCCCS, Division of Health Care Management hasn't provided comment on a Contractor's submitted handbook, can the Contractor then assume that it is approved?	No. Member handbooks must be approved by AHCCCS prior to distribution.
30	Program Requirements	20. Quality Management	43	Participation in community initiatives including applicable activities of the Medicare Quality Improvement Organization (QIO). Please describe any anticipated, expected or planned community initiatives that ALTCS and the QIO may	AHCCCS does not have any information related to any specific community initiatives at this time that the ALTCS Contractor would be required to participate in. AHCCCS can not estimate anticipated personnel needs or costs, without a project being specified.

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				implement during the contract period that will require mandatory Contractor participation. Please describe the expected personnel needs or other cost of these anticipated, expected or planned community initiatives. Please describe how much advanced notice the Contractor will receive prior to a mandatory participation. Is the QIO aware of these anticipated, expected or planned community initiatives?	Contractors would be made aware of an activity/initiative when AHCCCS is made aware. This requirement was added to a previous ALTCS contract at the request of the QIO and other community agencies.
31	Prog. Reqs	D.20	43	States "The Contractor must ensure that the Quality Management/Quality Improvement Unit within the organization is separate and distinct from any other units or departments such as Medical Management or Case Management.? Does this require separate and distinct staff?	Section D, Paragraph 25 (Staff Requirements and Support Services) states that an individual staff member is limited to occupying a maximum of two of the Key Staff positions. The Contractor must be able to demonstrate, however, how it will maintain a separate and distinct Quality Management/Quality Improvement Unit and the steps that it will take to ensure that the Unit is able to successfully carry out the functions of a Quality Management Program, as outlined in Section D, Paragraph 20(A).
32	Program Requirements	20. Quality Management, Subsection B.I	44	The current AHCCCS established performance measures may be subject to change when these core measures are finalized and implemented. The Contractor must have a process in place for internal monitoring of performance measures rates, using the standard methodology established or adopted by AHCCCS, for each required performance measure. Will the Contractor receive advanced notification of at least 90 days prior to implementation of these changes? Will the Contractor have at least 90 days to implement any changes? Will ALTCS adjust capitation rates if these changes result in additional program or administrative costs?	If the core measures are mandated by the Centers for Medicare and Medicaid Services (CMS), AHCCCS will add the specific requirements to the Contractors contract. As AHCCCS is made aware of performance measure requirements, it will communicate the changes to Contractors in a timely manner and costs will be analyzed to determine if a capitation rate adjustment is necessary. It is anticipated that there would be at least 90 days notice prior to any mandated changes to performance measures.
33	Section D, Program	25. STAFF REQUIREMENTS	48	When should a proposer notify AHCCCS of a possible request for an exception to the contract requirement -	While AHCCCS does not encourage exceptions to Key Staff Position requirements, as part of the

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	Requirements, a subsection of A. General	and SUPPORT SERVICES		"An individual staff member is limited to occupying a maximum of two of the Key Staff positions listed below unless prior approval is obtained by AHCCCS, Division of Health Care Management"? As part of the proposal? Upon contract award?	proposal, the Offeror should indicate if an individual will be occupying more than two of the Key Staff positions and that the Offeror will be requesting an exception if awarded a contract.
34	D. Program Requirements	25/Staff Requirements and Support Services	51	The CYE2012 requirement for Case Management Supervisor requires "3 years of management/ supervisory experience in the healthcare field". How does an organization factor in an individual's promotion from within their organization? Example: Case Manager with experience who has shown leadership skills and would be promoted from within.	In a future amendment for October 1, 2011, AHCCCS will modify Paragraph 25, Staff Requirements and Support Services, subsection Additional Required Staff, bullet y - Case Management Supervisor(s) to read: "To oversee case management staff who shall have the qualifications of a case manager as defined in Section D, Paragraph 16 and a minimum of three years of management/supervisory experience in the health care field or a minimum of three years of case management experience."
35	Program Requirements	28/Network Development	54	The Contractor shall design their provider networks to maximize the availability of community based primary care and specialty care access and that reduces utilization of emergency services, one day hospital admissions, hospital based outpatient surgeries when lower cost surgery centers are available, and hospitalization for preventable medical problems. Please define "community based primary care and specialty care" as used in this section. Please be specific as to "AHCCCS Provider Types".	This term refers to primary and specialty care providers who, whenever possible, practice in the community in which the member resides. A list of AHCCCS provider types for primary care and specialty care is available in the Bidders' Library.
36	Program Requirements	28/Network Development	54	The Contractor is expected to design a network that provides a geographically convenient flow of patients among network providers. Please provide a definition of "geographically convenient flow" as used in this section. Especially in consideration of the requirement in this section: The Contractor shall develop and maintain a provider	Contractors are expected to develop a network that affords providers with a reasonable opportunity for sufficient members who may utilize their services. The Contractor is expected to establish and maintain a network that is responsive to the needs of each individual as well as the membership in general. As such, providers must be geographically positioned to

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				Network Development and Management Plan which ensures that the provision of covered services will occur as stated above [42 CFR 438.207(b)]. Would ALTCS consider there to be a difference in "geographically convenient flow" in urban or rural GSAs? Would ALTCS consider there to be a difference in "geographically convenient flow" for specific "zones" within Maricopa and Pima GSAs based on availability of providers and concentration of members? If yes, please define. How would the Offeror demonstrate a "geographically convenient flow" in its Network Development Plan?	ensure that members are able to fully access needed services in a timely manner. This requirement applies to rural and urban areas or zones. It is up to the Offeror to determine how to demonstrate that its network will meet this requirement.
37	Program Requirements	28/Network Development	54	Please define "community norms"	Community norms refer to services and settings generally available to the general public.
38	Program Requirements	28/Network Development	57	What are the numbers of members who are dual eligible versus non-dual eligible?	Information regarding dual and non-dual placement and member months by county is available in the Data Supplement portion of the Bidders' Library.
	Program Requirements	28/Network Development	57	Does the January 1, 2013 deadline imposed for Maricopa and Pima Counties also apply to all other counties where AHCCCS requires Contractors to be a MA Plan and/or MA SNP or attempt to develop a formal relationship with a MA Plan and/or MA SNP? If the expectation is that a Contractor in a rural county establish a MA/SNP plan or relationship with such earlier than January 1, 2013, is this expected to be in place by October 1, 2011; January 1, 2012; or at the time of bid submission?	The January 1, 2013 deadline does apply to other non-Maricopa/Pima counties. The RFP / Contract will be amended to include this deadline.
39	Program Requirements	28/Network Development	57	Can AHCCCS elaborate on the goals and objectives, and expected collaboration with Contractors to develop E-prescribing during the contract period?	AHCCCS expects to develop goals and objectives in the future. Contractors will be informed at that time.
40	Program Requirements	28/Network Development	57	In relation to dual eligibles, what are the acceptable qualifications for attempting to develop a formal relationship with a MA Plan and/or MA SNP? What constitutes a formal relationship, e.g., LOI, contract? Can multiple Contractors have a formal relationship	A formal relationship includes a contractual arrangement between the Contractor and the MA/MA SNP to work together and share information for the purpose of coordinating care for the member. Multiple Contractors can have a formal relationship

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				with the same MA/MA SNP vendor?	with the same MA/MA SNP vendor.
41	Program Requirements	31/Provider Registration	59	The National Provider Identifier (NPI) is required on all claim submissions and subsequent encounters (from providers that are eligible for a NPI). Please provide detailed instructions for submitting claims and encounters for providers that are ineligible for obtaining an NPI.	AHCCCS policies and processes define and recognize types of providers who are Atypical (not eligible) for National Provider Identifier purposes. Detailed instructions for the submission of claims and encounters are included in the AHCCCS Fee For Service Provider Manual and the AHCCCS 837 Companion Documents available in the Bidders' Library.
42	Program Requirements	32/Network Summary	59	In addition to the above, for counties with more than one Contractor AHCCCS may require a monthly submission of network information (PCPs, nursing facilities, Assisted Living Facilities etc.) to support initial enrollment, annual enrollment choice and open enrollment. If needed, details will be provided at a later date. Please provide additional information about this requirement. Under what circumstances will AHCCCS need this network information? Will there be specific file formatting requirements? Depending on the specifications the Contractor will need adequate time to program and test to meet these specifications.	The Division of Member Services may require additional information to assist members when they are choosing Contractors. If AHCCCS decides to require this information, details and formatting requirements will be provided with adequate time for design and testing.
43	Program Requirements	31/Provider Registration	59	Will AHCCCS provide a database or other resource to look up provider AHCCCS ID numbers? If so, when can Contractors expect to receive this information?	Contractors receive a weekly provider extract file with identification numbers which details additions, terminations and changes to AHCCCS registered providers.
44	D- Program Requirements	33 - Subcontracts	60	The RFP states: "A merger, reorganization, or change in ownership of an Administrative Services subcontractor of the Contractor shall require a contract amendment and prior approval of AHCCCS." To confirm, is this intended to require AHCCCS approval of assigning a subcontract to a new owner or effecting the amendment, rather than approval of the subcontract merger, reorganization or change in	If a Contractor has an approved subcontract with a third party for Administrative Services, and the entity providing the Administrative Services merges, reorganizes, or changes ownership, then the Contractor is obligated to provide notice to AHCCCS of the change, and AHCCCS reserves the right to withdraw its approval of the subcontract for Administrative Services upon any such change. If the

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				ownership itself? (Similar to the requirement on page 75, Section 49, which states: "If there is a change in ownership of the entity with which the Contractor has contracted for management services, AHCCCS must review and provide prior approval of the assignment of the subcontract to the new owner.")	approval is withdrawn, the Contractor must resume direct performance of the administrative services. The Contractor may request continued approval of the subcontractor for Administrative Service in advance of any merger, reorganization, or change of ownership by the Administrative Services subcontractor.
45	Program Requirements	44/Claims Payment/Health Information System	70	In the General Claims Processing Requirements subsection there is a paragraph that reads: "Standardized claims for services must be submitted pre R9-22-719, therefore: • Roster billing is not permitted for nursing facilities for dates of service on or after October 1, 2011; • Contracts shall work with all other providers to eliminate roster billing and submit standardized claims with dates of service on or after October 1, 2012." To make sure the Offeror is clear please define "roster billing". A representative example would be very helpful for the Offeror and a useful communication tool with providers. To be clear, is it the intent of this provision that the nursing home (for October 1, 2011) and other providers (after October 1, 2012) must prepare and submit a valid and accurate claim in the appropriate format? Would AHCCCS consider it to be acceptable if the Offeror/Contractor prepared the claim for the nursing home/provider and then adjudicated the claim to identify under/over billing or fraud? What is the penalty for failure to perform relative to these requirements? Will the Contractor be subject to sanctions in accordance with Section D, Paragraph 80, Sanctions?	Any claim that does not meet the standardized claim requirements of R9-22-719 is considered roster billing. Effective October 1, 2011 all nursing facilities must prepare and submit a claim in the standardized format – UB04 or 837 Institutional. Effective October 1, 2012 all other providers must prepare and submit a claim in the appropriate standardized format. It would not be appropriate for the Contractor to prepare the claim for the nursing facility/provider and then adjudicate the claim as this does not meet R9-22-719. Failure to comply with Contract requirements may result in sanctions in accordance with Section D, Paragraph 80, Sanctions.

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46	D. Program Requirements	44. Claims Payment/ Health Information System	70	As this is a significant change in contract language as addressed by AHCCCS at the Bidders' Conference, please provide AHCCCS's definition of "Roster Billing" and examples of what methodologies may and may not be used by the health plans for CY2012.	Any claim that does not meet the standardized claim requirements of R9-22-719 is considered roster billing.
47	D. Program Requirements	44. Claims Payment/ Health Information System	70	Is "Roster Billing" also disallowed for adult immunization billing?	Currently roster billing for adult immunization is not allowed. Additionally, Contractors must work with all other providers (other than nursing facilities) to eliminate roster billing and submit standardized claims with date dates of service on or after October 1, 2012. Nursing facilities shall be in compliance by October 1, 2011.
48	D. Program Requirements	44. Claims Payment/ Health Information System	70	Please provide a sample or cross-reference for the "standardized claim" form (if other than the UB-04), or otherwise describe the process, AHCCCS expects all nursing facilities to use when submitting claims to ALTCS Contractors on or after October 1, 2011.	AHCCCS expects nursing facilities to use a UB-04 standardized claim form or an 837 Institutional electronic format.
49	Program Requirements	45/Minimum Capitalization Requirements	73	In this section (Minimum Capitalization Requirements) the New Offerors subsection includes the following sentence: "The capitalization requirement is subject to a $5,000,000 ceiling regardless of the number of GSAs awarded." However, in the Continuing Offerors subsection includes the following sentence: "Continuing Offerors that are bidding a new GSA must provide the additional capitalization for the new GSA they are bidding." Please reconcile the differences between these statements – is the capitalization requirement of a continuing offeror capped at a ceiling of $5,000,000 or does the continuing offeror have a competitive disadvantage of providing the additional capitalization of any new GSA they way want to bid? Is the intent to reduce competitive proposals for new GSAs?	The sentence following the one you quoted in the Continuing Offeror's section states "Continuing Offerors will not be required to provide additional capitalization if they currently meet the equity per member standard with their existing membership and their excess equity is sufficient to cover the proposed additional members, or they have at least $5,000,000 in equity." Thus, there is a level playing field for both new and continuing Offerors and no intent to reduce competitive proposals for new GSAs.
50	Program Requirements	52/Financial Viability Standards	75	If, in the course of fulfilling the administrative requirements set forth by the contract, a Contractor	AHCCCS will consider new Contractor start-up costs and lower membership when monitoring compliance

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				incurs administrative costs that result in a ratio of greater than 8%, will AHCCCS consider alternatives to enforcement of the administrative ratio until such time that the Contractor's membership grows to a level supporting the stated ratio?	with the administrative cost ratio.
51	Program Requirements	52/Financial Viability Standards	75	How is the medical expense ratio calculated, e.g., on a cash or accrual basis? In accordance with NAIC requirements?	Contractors are required to prepare and present financial statements on the accrual basis of accounting in accordance with GAAP. The calculation for medical expense ratio is provided in this section of the RFP, Section D, Paragraph 52, Financial Viability Standards.
52	D- Program Requirements	53 – Separate Incorporation	76	The RFP states: "Within 60 days of contract award, a non-governmental Contractor shall have established a separate corporation for the purposes of this contract, whose sole activity is the performance of the requirements of this contract." The Contractor understands that using a separate "doing business as" entity name, for use solely for the performance of the requirements of this or another AHCCCS contract, will meet this requirement. Under what circumstances would this scenario not be acceptable?	It is incorrect to assume that use of a d/b/a meets the requirement. The RFP requires the establishment of a corporate entity whose only authorized business is to provide services and coverage under the contract with AHCCCS. It is acceptable to have a single corporate entity that is authorized to provide services under multiple contracts with AHCCCS (e.g., one corporate entity that holds separate contracts with AHCCCS for both the acute and long term care programs).
53	Program Requirements	56 Compensation	77	The RFP lists 7 data sources (a – g) utilized by its actuaries as their basis for rate setting. What assumptions did AHCCCS make in regards to the completeness of the encounter data utilized in the databook, by county?	See Section C - ALTCS General Trend and Rate Setting Assumption for completion factors by GSA.
54	Program Requirements	56/Compensation	77	How will Medicare risk adjustment payments impact capitation payments?	Medicare risk adjustment payments have no impact on AHCCCS' capitation payments to the Contractor.
55	Program Requirements	56/Compensation	77	Which data elements in which files will be used to indicate Prior Period Coverage (PPC) capitation, prospective capitation, reinsurance and payments from liable first and third parties?	Please clarify the question. What files are being referenced?
56	SECTION D. PROGRAM REQUIREMENT	56. COMPENSATION	78	Section states that "AHCCCS adjusts its rates to best match payment to risk" and in renewal years AHCCCS may look at reinsurance, Medicare	The mix of dual and non-duals are reflected in the data used for capitation rate setting, and rarely is there a significant shift that affects the rates. AHCCCS

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	S			enrollment, HCBS member mix and member share of cost values to determine if adjustment are necessary. The RFP also identifies how AHCCCS analyzes or reconciles differences in reinsurance experience, HCBS member mix experience and member share of cost experience. Please provide additional information related to how AHCCCS reviews, analyzes or reconciles deviations in the rate development driven by Medicare enrollment.	monitors dual enrollment for consistency from year to year to determine if changes to capitation rates are necessary. AHCCCS will pay particular attention to Contractors in Maricopa county that may differ from the county average mix of dual and non/dual members to determine if a capitation rate adjustment is necessary.
57	Program Requirements	58. Reinsurance	79	A change in the reinsurance program is the requirement that an inpatient stay occur before a 'regular reinsurance case' can be created. AHCCCS has provided an overall estimate of the impact of this change, but what is AHCCCS's actuarial estimate (percentage) of the reduction in reinsurance which will result from this change by county?	AHCCCS will provide this information by GSA with the reinsurance offset information in the Bidders' Library prior to 3/1/11.
58	Program Requirements	58/Reinsurance	79	Can AHCCCS describe how the reinsurance recoveries are reconciled and flow through the capitation calculation?	Reinsurance is a per member per month offset, by GSA, to the Acute component of the capitation rates. Reinsurance recoveries are not reconciled.
59	Program Requirements	58/Reinsurance-Regular Reinsurance subsection	80	Regular reinsurance coverage applies to prospective enrollment periods and is only available for members who have had an inpatient stay during the contract year. Once an inpatient stay has occurred, all reinsurance covered services for the entire contract year may be applied to meet the deductible. Please define an "inpatient stay"? Is there a limit on the length of stay (must the member have a minimum length of stay)? Will ALTCS accept notice of prior authorization? What protection does the Contractor have if the inpatient claim is not received until 11 months after the end of the contract year?	There is no minimum or maximum limit to the length of stay. Once the inpatient encounter is adjudicated and approved through both the encounter and reinsurance edits, the system will automatically assign to the reinsurance case all reinsurable encounters for that member. Encounters are reviewed individually for timeliness and reinsurance edits. The reinsurance time limit is 15 months from end date of service. AHCCCS will not accept notice of prior authorization.
60	D- Program Requirements	59 – Capitation Adjustments	83	The RFP states: "In these instances the adjustment and assumptions will be discussed with the Contractor prior to modifying capitation rates." Please insert the	Regarding: (i) Contractor is always given the contract amendment for signature. Contractor

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				following sentence at the end of this section: Notwithstanding any other provision of this Agreement: (i) any modification materially, adversely affecting Contractor's compensation, reimbursement, or scope of services provided hereunder shall not be effective without Contractor's prior written consent; and (ii) if the Contractor and AHCCCS cannot reach agreement on the terms of such written modification within sixty (60) days after Contractor delivers a notice of termination to the AHCCCS, the Contractor may terminate this Agreement without penalty upon the expiration of such sixty (60) day period.	has the option not to sign. (ii) Contract language already stipulates the terms for notification to AHCCCS of intent not to renew or continue as an AHCCCS Contractor. See Section E, Paragraph 25, Term of Contract and Option to Renew for further information.
61	Program Requirements	60/Member Share of Cost	84	How is the Share of Cost calculated, and how does it apply to the capitation calculation?	The AHCCCS Division of Member Services (DMS) calculates a member's SOC based on many factors such as a member's income and spousal deductions. Members are notified by letter of their SOC. For more specifics see the ALTCS Eligibility Policy Manual on the AHCCCS Website. For capitation rate development, Share of Cost is calculated using most recent historical actual share of cost information for ALTCS members by GSA. Share of Cost is an offset to the capitation rate. See the Capitation Bid Template in the Bidders' Library for further information regarding how SOC applies to the capitation calculation.
62	Program Requirements	60/Member Share of Cost	84	How is the Share of Cost information shared with Contractors? Is it located within the 834 enrollment files?	SOC information is transmitted on the 834 roster files to the Contractor. In addition, Contractors may log on to the AHCCCS Online website and/or PMMIS to obtain individual member's SOC information.
63	Program Requirements	73/Data Exchange Requirements	93	Where can Contractors find Companion Guides or instructions for proprietary file formats and reports?	All data exchange related documentation including HIPAA Companion Guides, and technical guidelines for proprietary file formats are available in the Bidders' Library.

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64	Program Requirements	78/Operational and Financial Readiness Reviews	96	Please describe the Operational and Financial Readiness Review process, including specific milestones for system testing, on-site visits, AHCCCS departments that will be involved and their roles, and subcontracted entities with whom Contractors will interact. Please provide an explicit list of all file formats and reports that will be required to test during Readiness Review.	Readiness Reviews typically begin in mid-summer and assess a new Contractor's ability to implement the contract October 1st. In general, areas assessed are: the hiring of staff, physical plant operations, claims processing, case management, quality management, medical management, encounter reporting, grievance system; development of policies and procedures etc. Explicit information regarding milestones, participants, file formats and reports is not available at this time.
65	Program Requirements	78/Operational and Financial Readiness Reviews	96	Will AHCCCS provide additional information or guidance for new MCOs to begin implementation procedures prior to contract award?	Information will not be provided prior to contract award. Prior to contract implementation AHCCCS will schedule a series of meetings with new Contractors to provide guidance and assistance. Meetings will be scheduled as soon as feasibly possible (late May or early June).
66	D- Program Requirements	80 – Sanctions; Care Notice Process	98	The RFP provides that AHCCCS may provide a notice and opportunity to cure. Please change the word "may" to "shall."	Contract language will not be changed.
67	Program Requirements	85/Enrollment and Capitation Transaction Updates	101	Will AHCCCS provide a list of Rate Codes, a description of their values and their impact on the capitation received by the Contractor?	EPD capitation rates are paid by contract type, not rate code. Contract types J and 2 are tied to full EPD capitation rates. Contract types L and 4 are tied to Acute Care Only capitation rates. Contract types M and O are tied to PPC rates. A list of rate codes is located in the Bidders' Library in the Rates section, bullet point Enrollment Rate Codes and Eligibility Categories. Rate code descriptions are located at: http://www.azahcccs.gov/commercial/ContractorResources/manuals/TIG/HealthPlan/codes/RF401rate.aspx. Contract type descriptions are located at: http://www.azahcccs.gov/commercial/ContractorResources/manuals/TIG/HealthPlan/codes/ContractTypes.aspx.

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68	E – Contract Terms and Conditions	4 – Contract Interpretation and Amendment; Written Contract Amendments	103	The RFP states: "The contract shall be modified only through a written contract amendment within the scope of the contract signed by the procurement officer on behalf of the State." Please add to the end of this sentence the phrase "and signed by a duly authorized representative of Contractor."	Change will be considered for possible future amendment
69	E – Contract Terms and Conditions	4 – Indemnification	104	The RFP states: "The Contractor agrees to indemnify, defend, and hold harmless the State from and against any and all claims, losses, liability, costs, and expenses, including attorney's fees and costs, arising out of litigation against AHCCCS including, but not limited to, class action lawsuits challenging actions by the Contractor." Would it be accurate to revise this sentence to clarify it only refers to actions arising out of litigation against AHCCCS "as a result of Contractor's performance or nonperformance of this Agreement"?	Change will be considered for possible future amendment.
70	E – Contract Terms and Conditions	19 – Temporary Management / Operation of a Contractor and Termination	107	The RFP states: "AHCCCS reserves the right to terminate this contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the contract…." Please insert the word "material" before "term or condition."	Change will be considered for possible future amendment.
71	E – Contract Terms and Conditions	19 – Temporary Management / Operation of a Contractor and Termination	107	The RFP states: "The Contractor shall be liable for any excess costs incurred by AHCCCS in re-procuring the materials or services." Please insert the word "commercially reasonable" before "excess."	Change will be considered for possible future amendment.
72	E – Contract Terms and Conditions	25 – Term of Contract and Option to Renew	108	The RFP states: "If the Contractor chooses not to renew this contract, the Contractor may be liable for certain costs associated with the transition of its members to a different Contractor." What does the phrase "certain costs" refer to?	Certain costs include any costs incurred related to transitioning members due to the Contractor's choice to not renew during a five year contract cycle.
73	E – Contract Terms and Conditions	29 -- Contract	110	The RFP states: "In the event of a conflict in language between the two documents referenced, the provisions and requirements set forth and/or	If there is a conflict between the AHCCCS RFP and the Offeror's proposal, what is in the AHCCCS RFP will govern. This language will be clarified in a

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				referenced in the RFP shall govern." Which two documents are referenced here? If this refers to all documents identified in this paragraph, what is the order of precedence?	future amendment to Section E.
74	E – Contract Terms and Conditions	29 -- Contract	110	The RFP states: "AHCCCS reserves the right to clarify any contractual relationship in writing, and such written clarification shall govern in case of conflict with the applicable requirements stated in the RFP or the Contractor's proposal." Would such written clarification require a contract amendment to be effective?	Not all clarifications will require an amendment to the contract.
75	E – Contract Terms and Conditions	38 – Cooperation with Other Contractors	111	The RFP states: "AHCCCS may award other contracts for additional work related to this contract and Contractor shall fully cooperate with such other contractors and AHCCCS employees or designated agents, and carefully fit its own work to such other contractors' work. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by AHCCCS employees." What does the phrase "and carefully fit its own work to such other contractors' work" mean? Also, is it accurate to change the phrase "shall not commit" to "shall not knowingly commit"?	AHCCCS will consider clarification and change in a future amendment.
76	G. Representations I. Instructions to Offerors	Section G. I. General Matters	137-141 151	The editable form for General Matters that is posted on the web is in 10.5 font and so our response is automatically formatted as 10.5 font. Will AHCCCS accept this section in a 10.5 font?	Yes
77	G. Representations I. Instructions to Offerors	Section G. I. General Matters	137-141 151	The editable form for General Matters that is posted on the web is already paginated and has a footer. Will AHCCCS post a revised template? If not, please provide direction regarding how to comply with pagination requirements.	Offerors can save the word document as their own file and then change the footer to exclude the AHCCCS pagination.

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78	G Representations I. Instructions to Offerors	Section G, I. General Matters	137-141, 151	Does AHCCCS plan to release an editable form for General Matters? The form currently on the website cannot be edited and loses its formatting when converted from Adobe.	Yes. This is now available in the Bidders' Library.
79	G. Representations	#7 and #8	139-141	As to information required in Section G and, under Contract No. YH07-0001, reportable within 120 days after year end, does AHCCCS want incumbent contractors to complete this information for the bid submission, within 120 days of year end, and/or both?	Both. Offerors should complete Section G as part of the bid process; Contractors should complete within 120 days of year end.
80	Section G-General Matters	8. Related Party Transactions (b)	140-141	The RFP asks offerors to "List property, goods, services and facilities in detail noting the dollar amounts or other consideration for each transaction and the date thereof. Include a justification as to (1) the reasonableness of the transaction, (2) its potential adverse impact on the fiscal soundness of the disclosing entity, and (3) that the transaction is without conflict of interest:" Should the offeror place the list before or after subsections (i) and ii)?	The Offeror can place the list before subsections (i) and (ii).
81	G Representations I. Instructions to Offerors	Section G, I. General Matters	137-141, 151	Does AHCCCS plan to release an editable form for General Matters? The form currently on the website cannot be edited and loses its formatting when converted from Adobe.	Yes. This is now available in the Bidders' Library.
82	H	Introduction	142	Please provide the specific weighting by factor (A – D).	AHCCCS is not providing weighting.
83	Section H. Evaluation Factors and Selection Process	A. Capitation	143	AHCCCS has provided three years (one partial) of data as part of the databook. How much weight did AHCCCS give to each year (if any) in the development of it's published rate ranges? Will AHCCCS give direction on how mush weight was given to unaudited financial data, relative to accepted encounters?	For all GSAs except GSA 42, the base period is 100% CYE10 encounters from the databook with completion factors. The base for GSA 42 was set using 50% CYE09 and 50% CYE10. See Section C - ALTCS General Trend and Rate Setting Assumptions for additional information on trends. Unaudited financial data was used as a check on trends, base and final ranges
84	Section H. Evaluation Factors and	A. Capitation	143	Will AHCCCS aggregate or group specific counties base data to develop the capitation rate ranges? For example, will high cost counties be identified and	AHCCCS is not setting rates by county, but by GSA. No GSAs will be grouped for the base. Trends will be smoothed and depending on the credibility (by

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	Selection Process			aggregated to form the basis of the rate range development. If so, please provide the groupings methodology.	membership) will be a blend of the GSA trends and the statewide trends.
85	Instructions to Offerors	2. Prospective Offerors' Conferences and Technical Interface Meeting	145	The text in this paragraph indicates that the Offeror's Conference will be held on February 9, 2011, from 8:30a.m. until 4:30p.m. Are you able to provide any clarification as to what hours the general portion of the conference will take place versus the PMMIS System portion of the conference? This information is being requested so that we may make necessary arrangements to have the appropriate staff in attendance at the correct times.	Please see the Bidders' Library for further information on the Offerors' Conference.
86	I	9	146	"If an Offeror had an ALTCS contract in a GSA that was terminated by AHCCCS, and that same GSA is in the Offeror's proposal, AHCCCS ***may reject*** the proposal with respect to that GSA." Under what conditions would an award be made to a terminated bidder?	It is unknown at this time what circumstances may exist that would cause AHCCCS to award a contract to a previously terminated Contractor.
87	Instructions to Offerors	9/Award of Contract	147	Does AHCCCS intend to equalize membership among all Contractors in GSA 52?	Enrollment after contract award is addressed in Section I, Instructions to Offerors, Paragraph 9, Award of Contract.
88	Instructions to Offerors	9/Award of Contract	147	If AHCCCS chooses to expand the number of Contractors in a GSA, what mechanism will AHCCCS use to determine the maximum number of health plans awarded contracts for each region, particularly in GSA 52?	The mechanism will be based upon the circumstances that would lead AHCCCS to make such a decision. Those circumstances are unknown at this time.
89	Instructions to Offerors	9/Award of Contract	148	Based on information released at the Bidder's Conference, it is our understanding that selective assignments will be performed by AHCCCS for Unsuccessful Incumbents in GSAs in which multiple contracts are awarded. For members who did not exercise choice, AHCCCS will selectively assign the Unsuccessful Incumbent's membership to the Contractor with the lowest capitation rate. Before selective assignment occurs, AHCCCS will contact	The description in the question posed is not accurate. Please see Section I, Instructions to Offerors for information regarding the assignment of members in the event that there is an Unsuccessful Incumbent. The methodology described is only intended for use with this RFP process. New members that do not exercise choice in Maricopa County after contract award will be assigned as described in Section D, Paragraph 5, Enrollment Hierarchy.

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				Contractors with higher capitation rates and allow them to lower their capitation rate to a value equal to the lowest capitation rate. If multiple Contractors have equally low capitation rates, then selective assignments will be made to the Contractor with the lowest membership. Will the hierarchy described above survive the initial reassignment and become the methodology used on an ongoing basis?	
90	14. Contents of Offeror's Proposal	Parag. 2 (no title)	150	The RFP requires that responses be in 11 point font or larger. Is it acceptable to use 9 or 10 point font in tables, charts, and diagrams – for example, 11 point font in organizational charts and various types of flowcharts and diagrams is fairly uncommon. In addition, tables that include numbers or that are structured to compare or group certain types of information in text are often more readable in 9 or 10 point font.	For tables, charts and diagrams the font may be no less than 9 point font. All other responses must be 11 point font or larger.
91	Offeror's Check List & I	14	150	What defines permitted attachments?	See each submission requirement for applicable attachments.
92	I. Instructions to Offerors	14. Contents of Offeror's Proposal	150	Does a hard copy of the Network Summary Template need to be included in the scanned PDF version of the proposal?	No. The hard copy does not need to be included in the PDF version of the proposal.
93	Instructions to Offerors	14/Capitation & Capitation Bid Submission Subsection	151	In Section B. Capitation, the following sentence is included: "AHCCCS will only evaluate the Offeror's full long term capitation rates." However, in Capitation Bid Submission there is the following: 1. All GSAs in which an Offeror bids will require a capitation rate bid submission. Each bid will encompass three components: a medical component, a case management component, and an administrative component. **Each component will be scored separately.**"	Each component of the capitation bid submission will be scored separately for the full long term capitation rate only. The sentence was meant to clarify that bidders would only be submitting a bid for full long-term capitation rates and AHCCCS would only be scoring the full long term care rate. The Acute Care Only and Prior Period Coverage rates will be set by AHCCCS.

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				Please clarify these two statements – will AHCCCS only evaluate the Offeror's full long term capitation rates or will each component of the capitation bid submission be scored separately?	
94	Section I. Instruction to Offerors	14. CONTENTS OF OFFEROR'S PROPOSAL SECTION B.	151	Capitation states that "AHCCCS will publish actuarially sound rate ranges by GSA for the medical component of the capitation rates prior to March 1, 2011." Please clarify if only the lower bound and midpoint PMPM's for each GSA will be provided, or if additional detail will be shared as it relates to the development of these rate ranges. For example, will the specific assumptions for trend or adjustments for programmatic changes be provided which are utilized in the development of the GSA specific rate ranges?	Information regarding rate setting assumptions and trend are currently available in the Data Supplement section of the Bidders'Library.
95	Section I Instructions to Offerors	Paragraph 14, Contents of Offeror's Proposal, B, Capitation	152	Regarding subsequent capitation rate amendments, for the administrative component specifically, will AHCCCS apply the bid Administration percentage to the adjusted rates or will AHCCCS leave the pmpm amount calculated in the original bid?	For awarded rates and any subsequent capitation rate amendments, AHCCCS will use the bid Administration percentage to calculate the dollar amount of the administration component of the capitation rate.
96	Instructions to Offerors	14/Capitation & Capitation Bid Submission Subsection	152	"AHCCCS is also providing Offerors with a case management model. This model is designed to assist Offerors in establishing the case management component of the capitation rates." Please clarify this statement and provide instructions to locate the referenced case management model.	The Case Management Model is one tool the Offeror might use to assist in the development of the case management component of the capitation rate. The Case Management Model is available in the Data Supplement section of the Bidders' Library.
97	Instructions to Offerors	14/Capitation & Capitation Bid Submission Subsection	152	"AHCCCS will adjust the awarded capitation rates via contract amendment prior to October 1, 2011 for Contractor specific capitation factors (e.g., Nursing Facility/HCBS mix adjustments) and reserves the right to adjust awarded capitation rates for program changes, legislative requirements, Contractor experience, and/or actuarial assumptions that were not previously included in the RFP capitation rate ranges	1. Yes, the Contractor may choose not to sign the amendment and provide notice of termination. 2. Any rate changes must be actuarially sound and subject to CMS approval. 3. Sufficient explanation will be provided regarding the basis for any rate changes.

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				published or the awarded capitation rates." There are several questions regarding this statement: 1. Will the Contractor have the right to reject this contract amendment and terminate the contract? 2. Will AHCCCS provide the Contractor with detailed information to determine if the rates offered meet the requirements of the Social Security Act § 1903(m)(2)(A); 42 CFR §438.6(c)(1)(i)(2009); Pub. L. No 111-3, 123 Stat.8, 103; and the American Academy of Actuaries practice note on guidance for certifying Medicaid managed care rates? 3. Will AHCCCS fully disclose its actuarial assumptions, including justification for why these assumptions were not included in the RFP capitation rate ranges published?	
98	I	B.1	152	Will AHCCCS provide Offeror the opportunity to submit test documents to the SFTP to assure accessibility?	Yes, the Offeror may submit test files. Upon submission, notify Celia Rodriguez via e-mail at Celia.Rodriguez@azahcccs.gov for confirmation of receipt.
99	Section I. Instruction to Offerors	14. CONTENTS OF OFFEROR'S PROPOSAL SECTION B.	152	AHCCCS is requesting an actuarial certification to accompany the proposals. Is there a standard template or specific language that AHCCCS is requesting offerors to include in the actuarial certification? Is there a specific level of detail required as a part of the certification?	AHCCCS is not requiring a specific level of detail and no template will be provided for the actuarial certification.
100	Section I	C. Organization, Question 5	153	In regards to the functional organizational chart of the key program areas and responsibilities requested for question 5, is there a page limit restriction associated with this requirement?	Yes, the standard three page limit applies.
101	C. Organization	6, Sanctions	153	This question requires (1) a description of and specific reason for a sanction, and timeline for resolving any deficiencies, (2) for the bidder and any legally related entities, (3) imposed by a Medicaid program, Medicare, or state insurance regulator, (4) over three	The three page limit requirement stands.

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				years, (5) within the three-page limit in 11 point font size. To permit a comparable level of specificity in responses from both regional, single-plan bidders and multi-state, multi-plan bidders, please consider removing or raising the page limit on this question. We believe that even well run and largely compliant multi-plan entities may need additional space to provide the level of detail and scope of information required. Although a three-page limit can be followed, a likely result is that AHCCCS may receive more summarized or aggregated responses from multi-state, multi-plan bidders, compared to smaller bidders.	
102	I	C.7	153	The instructions state: "Include an actual sample of the remittance advice (front and back)." Are the related page(s) included in the page limitation of the narrative or flow charts?	No. Remittance advice sample (front and back) or a written narrative of the remittance advice may be up to an additional four pages.
103	I. Instructions to Offerors	14.C. Organization	153	Please clarify. Question 7 directs the Offeror to include an actual sample of the remittance advice used. Will AHCCCS count the 2-page (front and back) sample as part of the page limitation for this submission requirement and, if so, within in which (narrative or flowcharts) should the Offeror account for the sample?	The number of pages that may be submitted for submission requirement 7 is four pages of narrative description of the claims adjudication process, five pages of flowcharts and up to four pages for the remittance advice.
104	I. Instructions to Offerors	Sanctions C6	153	Should encounter sanctions that were suspended by AHCCCS be included?	Yes. All sanctions received by an Offeror should be listed. The status of the sanction “suspended” should also be listed.
105	I. Instructions to Offerors	Q5	153	Can you define” Information Systems” as it is a required component of the organizational chart?	The component of the Offeror’s organization which supports the Information Systems, whether the systems themselves are internal to the organization (full spectrum of systems staffing), or externally contracted (internal oversight and support).
106	I. Instructions to Offerors	Q5	153	Can the organizational chart have separate pages/charts for each functional area? Should it include job functions or staff names?	The submission response is limited to three pages and should include job functions.

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107	Organization	Information Systems/Question 14	154	Question 14 reads as follows: Describe the Offeror's plans and ability to support current and future IT Federal mandates. Please specify which future IT Federal mandates are being referenced in the above question.	Future IT Federal mandates may include, but are not limited to, areas such as, compliance with HIPAA version migrations, implementation of additional HIPAA format requirements, Legislative related requirements; etc...
108	I. Instructions to Offerors	14.D. Program, Case Management Submissions	155	Question 21 The question asks about "HCBS Member needs and service authorizations". Does HCBS refer specifically to members in their own home or to all members in HCB settings including ALFs?	HCBS in this context refers to members in both their own home and community residential settings.
109	Section I	D. Program/Quality Management Submissions, 31 (A)	158	In regard to Scenario A, please specify which type of facility the immediate jeopardy is taking place in.	Licensing requirements specify the number of residents that can reside in each type of facility. In Scenario A, it states that there are six Medicaid members in the facility. This indicates the facility is likely an Assisted Living Facility.
110	I. Instructions to Offerors	14.D. Program, Quality Management Submissions	158	Please clarify. Question 31 provides two quality of care scenarios which inherently include some unknowns that would be discovered during the investigation and handling of the issues. For purposes of describing the process and timeframes it will utilize within the page limit specifications of the bid submission requirement, what parameters (one or more alternative sets of facts/data) does AHCCCS expect the Offeror to use in completing the scenario? That is, does AHCCCS expect, as an outcome of describing each of their processes, to have each Offeror design a single set, albeit different, of complete facts/data for the case and, for the particular case scenario the Offeror describes, how the Offeror will handle the situation?	Please refer back to the first paragraph in Submission #31 for information regarding what should be included in the submission response.
111	I. Instructions to Offerors	Q 34	158	Can you define "service sites of members that reside in their own home"? Does this refer to in-home services only?	The service site for members that reside in their own home would include their home and any community based service sites that a member residing in their

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					own home may access for services.
112	I	D.35	159	The actual Oral Presentations are to last approximately two hours. Is that one hour per scenario? New information is provided for the selected scenario (D.24, A – D) and an entirely new scenario is provided. "Offerors will be allotted time to privately discuss each scenario and to prepare a timed oral presentation." 1. Is the new information for scenario A – D given to offeror separately from the totally new scenario? 2. If yes, home much "…time to privately discuss and prepare…" is available prior to presentation? 3. If yes to #1, is the new scenario then provided immediately following the first presentation? How much time is allocated to preparing that presentation? 4. If both sets of new information are handed to Offeror at the same time: How much private discussion and preparation time is allotted? Does AHCCCS expect both scenarios to be presented consecutively after one private discussion and preparation period? 5. What equipment is permissible? What equipment does AHCCCS provide for the preparation - flip charts, white boards, overheads, etc.? 6. Will there be an opportunity to provide Offeror date/time requirements to assure availability of participating presenters? 7. Is it permissible to have a different team of 5 presenters for each of the 4 Member Scenarios?	Amount of time will be specified during the Oral Presentation. 1. Yes. New information will be provided for the selected Case Management scenario. A new Quality Management scenario will be provided. 2. Amount of time will be specified during the Oral Presentation. Both scenarios will be completed within the two hour time allotment. 3. See response to #2. 4. See response to #2. 5. A white board will be provided. Offerors should bring whatever tools that they may need to conduct an oral presentation. 6. Please see submission #35 for details of dates the oral presentations will be scheduled and when Offerers will be notified of their specific date and time. 7. Offerors are limited to a five team members total as specified in submission #35.
113	I	E.36	159	Does the Network Management plan (unlimited	No.

Question #	Section Name	Paragraph #/Title	Page #	Question	Response
				pages) have to follow the format prescribed in the AHCCCS Policy for development of a "Network Management and Development Plan"?	
114	I	E.45	160	Is it true that ALL network LOI and Contract information ***must only*** be provided electronically by 3 PM on April 1, 2011 (Due date and time)? Can AHCCCS guarantee availability to the EFT/SFTP for all bidders on that day? Will EFT/SFTP be available prior to April 1 for uploading?	The information must only be submitted electronically. The EFT/SFTP server is available prior to April 1 for testing and /or early submission. AHCCCS cannot guarantee that unforeseen circumstances (power outage, fire) may not adversely affect server availability. The Offeror may submit test files. Upon submission, notify Celia Rodriguez via e-mail at Celia.Rodriguez@azahcccs.gov for confirmation of receipt. AHCCCS will notify Offerors in the event of EFT/SFTP unavailability.
115	I	E.45	160	How does AHCCCS evaluate and score the adequacy and accessibility of the Network Summary Report?	AHCCCS does not reveal its scoring methodologies.
116	I. Instructions to Offerors	14.E.Provider Network Submissions	160	Question 45 directs the Offeror to use the Network Summary template described in ACOM 420 *Network Summary Policy*. The Bidders' Library provides a Network Summary Template under the subsection "Forms". Should the Offeror use the template provided in the current policy, the Draft Policy for CYE2012 or the Network Summary Template provided in the Bidders' Library?	Offerors should use the Network Summary Template provided in the Bidders' Library (updated on 2/16/2011).