

SOLICITATION AMENDMENT #3		
YH18-0001 ALTCS E/PD RFP	Solicitation Due Date: January 23, 2017 3:00 pm Arizona Time	Chief Procurement Officer: Meggan Harley Email: <u>EPDYH18_QuestionstoRFP@azahcccs.gov</u>

A signed copy of this amendment must be submitted with your solicitation response.

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 ON THIS DAY, IN PHOENIX, AZ.
SIGNATURE OF AUTHORIZED INDIVIDUAL:	SIGNATURE: SIGNATURE ON FILE
TYPED NAME:	TYPED NAME: Meggan Harley, CPPO, MSW
TITLE:	TITLE: Chief Procurement Officer
DATE:	DATE: 01/06/2017

ALTCS E/PD RFP YH18-0001 QUESTIONS AND RESPONSES AMENDMENT NO. 3 TO RFP YH18-0001

	DATE SUBMITTED	RFP SECTION	PARAGRAPH No.	PAGE No.	OFFEROR'S QUESTION	AHCCCS RESPONSE
1	12/02/2016	N/A Located in the Bidders' Library	N/A	N/A	AMPM Policy 1250-D has an effective date of 11-01-2017 is this accurate?	No this is not correct the effective date should be 10-1-17. The draft policy will be corrected to October 1, 2017.
2	12/09/2016	Section D	16	69	<p>This language seems to conflict with the caseload ratio language later in the paragraph. Can you please provide a clarification?</p> <p>'The Contractor shall submit to AHCCCS for approval, case manager ratio plans based on national standards that will take into account member acuity, legal, and environmental needs.'</p> <p>'The Contractor shall comply with established caseload ratios for case managers assigned to serve children identified as having high/complex needs.'</p>	<p>The RFP is amended as follows:</p> <p><u>The Contractor shall submit to AHCCCS for approval, case manager ratio plans based on national standards that will take into account member acuity, legal, and environmental needs.</u></p> <p><u>The Contractor shall comply with established caseload ratios for case managers assigned to serve children identified as having high/complex needs.</u></p> <p>The Contractor shall ensure adequate staffing to meet case management requirements. Each case manager's caseload may not exceed a weighted value of 96. The Contractor may assign a weighted value lower than those outlined below however, the Contractor must obtain authorization from the Division of Health Care Management prior to implementing caseloads whose values exceed these AHCCCS standards.</p>
3	12/7/2016	H. Instructions to Offerors	1	240	Please clarify the requirements for attachments for narrative submission questions. Is it permissible to include as an appendix to our response, for example, a sample of an assessment tool to supplement the reviewers' understanding of our narrative submission?	<p>No, attachments are not allowed for the Narrative Submission Requirements unless specified in the RFP.</p> <p>The only narrative submission requirement which allows attachments is Narrative Submission Requirement #11.</p> <p>As stated in RFP Section H: Instructions to Offerors, AHCCCS will only consider the information provided within the allotted page limit and permitted attachments, if any, in response to a specific submission requirement when evaluating the Offeror's Proposal. <i>At no time will AHCCCS consider information outside the allotted page limit and permitted attachments, or any other information provided elsewhere in the Proposal when reviewing a specific response to an individual submission requirement.</i></p>
4	12/7/2016	Oral Presentation	1	244	We understand the Oral presentation schedule will take place during the weeks of January 30 and February 6, 2017. One of our key personnel had scheduled to travel out of state from January 21-28, 2017 prior to the bid submission deadline update. Our staff will be out of state to serve as caregiver for their elderly and ailing mother while their sibling is away. We respectfully request our Oral Presentation to be scheduled for the week of February 6, 2017 to allow our staff member to participate in the Oral Presentation.	<p>AHCCCS will not accommodate individual requests for scheduling of Oral Presentations.</p> <p>As stated in RFP Section H: Instructions to Offerors: <i>All presentations will be scheduled to occur during the weeks of January 30 and February 6, 2017.</i></p> <p>However, should an unforeseen circumstance arise the Offeror must contact the AHCCCS Chief Procurement Officer in order to request participation of an alternate representative.</p>
5	12/7/2016	Staff Requirements	5	90	At what point will AHCCCS review and approve staff positions that support more than two lines of business or who occupy more than two positions within one line of business? Are we permitted to submit for review and approval prior to our proposal submission on January 23, 2017.	<p>No, AHCCCS will not accept requests prior to an award as it is unknown which Offerors will be awarded a Contract.</p> <p>All requests for prior approval regarding staffing are to be submitted no earlier than March 27th, 2017.</p>
6	12/07/2016	Section G	g	3	We have a variety of "Management Information Systems, software or hardware systems" ranging from claims adjudication systems to desktop MS Office software. Can you clarify what is meant by "Management Information Systems, software or hardware?" What types of vendor applications are you interested in us providing background information on, e.g. claims systems, medical management systems, reporting software, etc.?	42 CFR 438.242 requires that the State must ensure, through its contracts that each MCO, PIHP, and PAHP maintains a health information system that collects, analyzes, integrates, and reports data and can achieve the objectives of this part. The systems must provide information on areas including, but not limited to, utilization, claims, grievances and appeals, and disenrollments for other than loss of Medicaid eligibility.

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7	12/07/2016	Section G	g	3	We have a number of Management Information Systems in place to support the population within ALTCS. While we will continue to have the needed Management Information Systems in place during the term of the contract, we expect that new or updated contracts may be needed to acquire new or additional technologies such as servers, applications, etc. as well as updates to services and pricing. Additionally, our contracts typically do not extend for seven years. Is the expectation that we can "arrange for" Management Information Systems, software or hardware during the "term of the contract" as necessary by adding, renewing, or replacing vendor contracts?	Yes, the expectation is that Management Information Systems software or hardware can be arranged for (i.e. renewed, replaced, added) during the term of the contract in accordance with the subcontractor Contract provisions and approval requirements.
8	12/07/2016	Section D	27 ND	98	Please validate the correctness of the sentence underlined below: Alternative HCBS Settings: To ensure members are residing in the most appropriate, least- restrictive setting the Contractor shall develop and implement proactive strategies directed at reducing the percentage, <u>not to exceed 20% of members residing in their own homes</u> and in Alternative HCBS Settings.	The RFP is amended as follows: Alternative HCBS Settings: To ensure members are residing in the most appropriate, least- restrictive non- institutional setting, the Contractor shall, on an ongoing basis, monitor and evaluate member placement data. The Contractor shall develop and implement proactive strategies <u>to increase the percentage</u> directed at reducing the percentage, not to exceed 20% of members residing in their own homes and in Alternative HCBS Settings. The strategies that are developed and/or implemented shall not lead to or incentivize an increase in the percentage of members residing in nursing facilities and shall not infringe upon member's choices and preference. Upon identification that 20% or more of the Contractor's membership are residing in Alternative HCBS Settings, in any GSA, the Contractor will be required to reevaluate and provide evidence of interventions utilized to reduce the percentage. The strategies that are developed and/or implemented shall not lead to or incentivize an increase in the percentage of members residing in nursing facilities and shall not infringe upon member's choices and preference.
9	12/07/2016	Section I / Exhibit C	3	248	Narrative submission 3. For this narrative , it states (excluding CMS mandates and the provision of supplemental benefits). Does this exclusion of CMS mandates include HEDIS, STARS and CAHPS?	HEDIS and STARS are CMS mandates that are excluded. Offerors are allowed to refer to CAHPS.
10	12/07/2016	Section H	15	239-240	Can the offerors logo be positioned on the page outside of the 1/2" margin or must it be included within the 1/2" margin. Is the offeror's logo submit to the same font type and font size restrictions?	Yes, the Offeror's logo can be included outside the margins. The logo is not subject to font type size restrictions.
11	12/07/2016	Section H	15	239-240	Can the page numbering fall outside the 1/2" margin or must it be included within the 1/2" margin?	The Offeror's page numbering can be included outside the border but must be legible.
12	12/07/2016	Section H	15	239-240	Is a footnote citation required to be outside of the 1/2" margin or must it be included within the 1/2" margin?	Footnotes must be included within the 1/2" border.
13	12/07/2016	Section H	15	239-240	If tables, charts or other graphics are incorporated into responses, are these graphics subject to the font size limitations (11 point font) or can the font size be smaller?	Tables, charts and graphics are subject to the font type and size limitations specified in the RFP.

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14	12/07/2016	Section H	16	244	In the Executive Summary, the offeror must describe how it will meet the requirements specified in RFP section I, Exhibit E, Medicare Requirements, Section 2. Must the offeror describe how it will meet each specific requirement in this Section 2, or can the offeror describe, overall and/or more generally, how it will meet the requirements outlined?	The Offeror shall respond as it deems appropriate. The RFP is amended as follows: Executive Summary The Offeror must provide an Executive Summary that includes an overview of the organization and its relevant experience, a high-level description of its proposed approach to meeting Contract requirements and a discussion of how it will bring added value to the program. In the final portion of the Executive Summary, the Offeror must describe how it will meet the requirements specified in RFP Section I, Exhibit E, Medicare Requirements, Section 2 . The Executive Summary will not be scored, but may be used in whole or part by AHCCCS in public communications, following Contract awards. (3 page limit)
15	12/07/2016	Section I / Exhibit C	11		Narrative submission 11. Are the attachments for response 11 subject to the same font type, font size, and margin restrictions?	No, the attachments for response to Narrative Submission Requirements #11 are not subject to the font type, font size, and margin restrictions.
16	12/07/2016	Section H	15	240	Is the offeror able to include logos and/or images and/or mission, vision, value statements on the dividers which separate each section? If yes, is the font on these dividers subject to the same font type, font size and margin restrictions?	No, the dividers must be blank.
17	12/07/2016	IT Demo Calendar	n/a	1	The IT Demo documentation indicates both paper and electronic claims will be provided by AHCCCS. What received date should the Offeror use on the claims?	A single scenario will be provided in the form of either paper claims or electronic claims but not both. Dates of Receipt for all claims will be the date the Offeror receives the claim from AHCCCS.
18	12/07/2016	IT Demo Calendar	n/a	2	If the Offeror has the capability of producing 837 encounter files, would this be allowed?	No, AHCCCS cannot support processing of inbound 837 Encounter files as part of the IT Demo.
19	12/07/2016	IT Demo Calendar	n/a	1	The IT Demo documentation indicates both paper and electronic claims will be provided by AHCCCS. Will the electronic claims be delivered in a HIPAA compliant 837 format?	Yes, it is AHCCCS' intent to provide compliant claims.
20	12/07/2016	IT Demo Calendar	n/a	1	The IT Demo documentation indicates 834 and 820 files will be provided, will they be in a HIPAA compliant format?	Yes, it is AHCCCS' intent to provide 834 and 820 compliant files.
21	12/07/2016	IT Demo Calendar	n/a	1	The IT Demo documentation indicates both paper and electronic claims will be provided by AHCCCS. Will each claim be available in paper or electronic formats? Or will there be some claims in paper and some in electronic format?	A single scenario will be provided in the form of either paper claims or electronic claims but not both. The IT Demo Calendar is amended as follows: Data Provided FROM AHCCCS TO OFFEROR // Data and Reports Available Via SFTP Claims (Professional, Institutional and Dental) (Paper and or 837) and Layout for Expected Summary Response
22	12/07/2016	IT Demo Calendar	n/a	1	Will the 834 files include members with primary insurance? If yes, will all needed primary insurance information be included on the 834 in the appropriate segments?	Specifics as to the mock data will not be provided prior to the IT Demo. As noted above it is AHCCCS intent to provide compliant 834 files.
23	12/07/2016	IT Demo Calendar	n/a	1	If the 834 files include member primary insurance information, should the Offeror expect that the paper and electronic claims will include the primary insurance payment information to coordinate benefits?	Specifics as to the mock data will not be provided prior to the IT Demo. It is AHCCCS intent to provide all data necessary to complete mock scenarios.
24	12/07/2016	IT Demo Calendar	n/a	1	Will copy levels be included in the 834 files? If yes, will the expectation be that the Offeror will apply the appropriate copy to a claim?	Specifics as to the mock data will not be provided prior to the IT Demo. It is AHCCCS intent to require all data necessary to respond to mock scenarios.

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25	12/07/2016	Section D	10	58	<p>The ALTCS RFP indicates the following: Case Management: All case management services are provided by the Contractor. See Section D, Paragraph 16, Case Management.”</p> <p>The RFP does not indicate that Case Management for Behavioral Health services (T1016 -HO/T1016-HN) is a billable and allowable service/code.</p> <p>In the Arizona Administrative Code Title 9, Chapter 21, which addresses the rights of individuals with Serious Mental Illness (SMI), specifically R9-21-101 indicates the individual service planning requirements for persons with Serious Mental Illness, including the reference to case management services and a case manager.</p> <p>Please confirm that ALTCS members with an SMI designation receiving behavioral health services may/ may not receive case management services which are billable to the health plan.</p>	Case management services provided for ALTCS E/PD members, including members with an SMI designation, are administrative services and not services which are billable to the health plan.
26	12/07/2016	Solicitation Amendment # 2	Question and Responss # 7	5	<p>AHCCCS has clarified the language in the RFP to state: “...a staff member is prohibited from occupying more than two positions, regardless of whether the staff member occupies...one position across two lines of business unless prior approval is obtained by AHCCCS, DHCM.” Given that AHCCCS Acute Care and Medicare Advantage D-SNP are considered as two separate lines of business, would AHCCCS ALTCS E/PD be a third (or greater) line of business and result in the need to obtain prior approval from AHCCCS for all Prior Authorization Reps, Provider Relations Reps, Member Service Reps, Claims Examiners, etc. if the intention is that these staff members will work across all lines of business?</p>	<p>Yes, AHCCCS approval is required.</p> <p>A position for which it is reasonable that a staff member would assist a provider for example, across all lines of business, or members from all lines of business, would likely be granted an approval by AHCCCS. The Offeror’s D-SNP is also considered a line of business.</p>
27	Dec. 7, 2016	Section G, Representations and Certifications of Offeror and Section G, Disclosure Information	5 a., b., c., and f.	4	<p>In Section G, Representations and Certifications of Offeror, there is a requirement for Social Security numbers and dates of birth. The RFP states, “Information regarding Social Security Numbers and Dates of Birth will be maintained in a secure location and will only be used for the purposes as required by 42 CFR Part 455.” Given the rise of identity theft, we are concerned about disclosing sensitive information. Will providing the last four digits of the Social Security numbers suffice for this requirement?</p>	<p>Submission of the last four digits of the Social Security numbers will not suffice. Submission of the entire Social Security is required.</p>

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28	12/07/2016	Section D	6	38	The RFP states "Member may submit Contractor change requests to the Contractor or AHCCCS." Please confirm that the member must submit a request for a contract change (disenrollment for cause) first to the Contractor through the grievance process prior to submitting a request to AHCCCS, as documented on p. 35, Section 3, Enrollment and Disenrollment (4th paragraph).	<p>Yes, disenrollment requests for cause as described in 42 CFR 438.56 must be submitted first to the Contractor through its grievance process which must comply with the provisions in this regulation.</p> <p>The RFP is amended as follows:</p> <p>In Geographic Service Areas where the member has a choice of Contractors, <u>the member may submit a request to change Contractor, when outside of a member's Annual Enrollment Choice, change Contractors</u> in accordance with ACOM Policy 403 for the following reasons:</p> <ol style="list-style-type: none"> 1. Medical Continuity of Care Requests 2. Erroneous network information or agency error 3. Lack of initial enrollment choice 4. Lack of annual enrollment choice 5. Family continuity of care 6. Continuity of institutional or residential setting 7. Failure to correctly apply the 90-day reenrollment policy <p>Members may submit Contractor change requests to the Contractor or AHCCCS. A denial of any Contractor change request shall include the Contractor's reason for not approving the change and options for resolution. The notice shall advise the member of the AHCCCS and Contractor's grievance policies and timeframes for filing a grievance. The notice shall also advise the member of his/her right to request a hearing, including how to request a hearing and the timeframe for making the request.</p>
29	12/07/2016	Section H	7	230	The RFP states that four components will be evaluated and weighted in the order listed: Program, Capitation, Access to Care/Network, Administrative. Will each of the components be weighted evenly at 25% each? If not, please provide the weighting for each component.	AHCCCS is not providing the actual weighting of the four components.
30	12/07/2016	Section H	16	243	The RFP states "The lowest dollar bid within each GSA for dual and non-dual risk groups will receive the maximum allowable points." Please confirm that the lowest dollar bid is calculated based on the sum of the medical + case management + administrative components.	AHCCCS will not disclose any additional information related to scoring.
31	12/07/2016	Section H	16	243	Will the total bids (i.e., the sum of medical, case management, and administrative components) for duals and non-duals within a GSA be weighted prior to determining the lowest dollar bid? If yes, please provide further information on the weights.	AHCCCS will not disclose any additional information related to scoring.
32	12/07/2016	Section H	16	243	It is stated that the Pima County-only Contractor's capitation rates will be determined factoring in the medical and the case management components of the Contractor's South GSA bid <u>adjusted by RFP "Section D, Paragraph 54, Capitation Adjustments specific to Pima Count-only."</u> Please explain in greater detail how the Contractor's South GSA bid components will be adjusted to ensure that the rates for that Contractor are actuarially sound.	Adjustments will be driven by the differences in medical costs and HCBS mix between Pima County and the whole South GSA.
33	12/07/2016	Section H	16	243	It is stated that "after award, AHCCCS will adjust the medical and case management components of the Awarded capitation rates for Contractor-specific capitation factors and reserves the right to adjust awarded capitation rates for reasons including, but not limited to, the following:" changes in trend, population risk, updated encounter experience, and other actuarial assumptions. Please explain this process in greater detail. In particular, what process will AHCCCS use to ensure that these changes were not already reflected in a Contractor's bid?	The Offeror should not consider their specific population risk, acuity, or Contractor specific factors and trends outside the data provided by AHCCCS as the Offeror should bid capitation rates based on the data provided by AHCCCS. In the Instructions to Offerors it states that it is recommended that the Offerors bid rates utilizing the average pmpm costs provided in the Databook.
34	12/07/2016	Section H	16	244	Will AHCCCS provide membership projections by county, rate cell, and HCBS/institutional status for contract year 2018?	AHCCCS will not provide projections for CYE18.

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35	12/07/2016	Section H	16	243 - 244	How does AHCCCS intend to incorporate non-system claims expenses (e.g. claims settlements, manual payments, etc.) and other differences between MCO financial statements and encounter data into the development of the rate ranges for procurement and subsequent rate development?	Encounters are compared to financial statements for validation. Non-Encountered costs are not considered in the capitation rate development.
36	12/07/2016	Section H	16	245	The RFP limits the number of individuals in the Oral Presentation to 6 participants. The RFP states that "The Offeror shall submit with its Proposal a list of names and titles along with resumes of the participating individuals" for the Oral Presentation. Is the Offeror permitted to submit 1-2 alternate representatives and accompanying resumes in the event of unforeseen circumstances preventing any identified individual from participating?	AHCCCS is not accepting submittal of alternate representatives at the time of the Proposal Submission. Should an unforeseen circumstance arise the Offeror must contact the AHCCCS Chief Procurement Officer in order to request participation of an alternate representative.
37	12/07/2016	Data Book, Sect C	1	1	How are Acute Care Only members and their costs identified in the data book?	Acute Care Only members cannot be uniquely identified in the databook. They are considered part of the "Other" placement category, which also includes members who are not placed. The Capitation Rate Range and Rate Setting Information document which was released 12-19-16 explains this and also provides Acute Care Only member months.
38	12/07/2016	Data Book, Sect C	1	1	Please confirm that Prior Period Coverage (PPC) members are not reflected in the membership files. Please explain if/how costs attributable to PPC members is reflected.	Confirmed. The PPC members are not reflected in the membership files. The PPC cost and utilization are not reflected in the utilization and cost text files.
39	12/07/2016	Data Book, Sect C	2	4	Please explain what would be represented by the Placement type "Other."	"Other" includes both acute care only members and members who are not placed.
40	12/07/2016	Data Book, Sect G	Exhibits	2012 - 2015	The ALTCS Enrollment reports for 2012 - 2015 provide enrollment information for Native Americans who are not enrolled in managed care. Can you please provide the number of Native American enrollees by county for each year?	The ALTCS Enrollment reports for 2012-2015 included in section G of the Data Supplement exclude American Indians who are not enrolled in managed care from the ALTCS E/PD contractor totals. Information regarding American Indians enrolled in ALTCS FFS are included in the bottom of the report for information purposes only. The Offeror does not need the number of American Indian enrollees by county by each year thus data will not be provided.