

March 5, 2013

Michael Veit
Contracts and Purchasing Administrator
Division of Business and Finance
Arizona Health Care Cost Containment System
701 East Jefferson Street
Phoenix, Arizona 85034

Dear Mr. Veit:

The purpose of this letter is to summarize the assistance provided to AHCCCS by The Pacific Health Policy Group (PHPG) during the 2012-2103 AHCCCS Acute Care-CRS contractor procurement, and to offer our assessment of the process itself.

Firm Qualifications

PHPG specializes in assisting state and county Medicaid agencies to develop, implement and evaluate managed care programs for acute, long-term care and other special needs populations. As part of these activities, we have provided technical assistance in nearly forty Medicaid competitive procurements across the country. Within Arizona, we have assisted in the past nine AHCCCS managed care procurements, including this one (five AHCCCS acute health plan and four ALTCS program contractor).

Scope of Work

We were asked to apply our experience to the 2012-2013 procurement by performing four tasks:

1. Reviewing the Agency's draft evaluation tools for clarity and consistency with RFP standards and proposal submission requirements;
2. Examining the Agency's overall proposal evaluation process, to determine whether it was fair and objective;
3. Facilitating evaluator deliberations and consensus ranking of written responses to RFP submission requirements and offeror oral presentations; and

4. Documenting major observations of evaluators during consensus ranking deliberations.

Our findings in each of these areas are presented below. It should be noted that our work did not encompass serving as technical proposal evaluators, nor did we participate in the capitation portion of the procurement.

Evaluation instruments

We received draft copies of the evaluation instruments prior to release of the RFP. Upon receipt of the draft instruments, we examined the broad categories to be used by evaluators in preparing for consensus ranking and communicated in writing a small number of suggested revisions. The final versions reflected our recommendations.

Overall Process

To render an opinion on the process as a whole, we reviewed the final evaluation tools and instructions developed by the Agency for ranking technical proposals. We also participated in the training session held for persons serving as technical proposal evaluators.

In our opinion, the final evaluation tools served as appropriate instruments for comparing and ranking proposals on an objective basis. The broad categories included within each of the tools were appropriately aligned with the written submission requirements and oral presentation case studies.

The evaluators selected to serve on the evaluation teams had appropriate backgrounds and relevant experience. They were properly prepared for the evaluation during the training session. (Many had previously served as evaluators on other AHCCCS and ALTCS procurements.)

Facilitating Written Proposal and Oral Presentation Evaluations

PHPG consultants facilitated evaluator deliberations, using the evaluation instruments to organize the discussion. Consultants documented the major observations made by evaluators in reaching their consensus ranking decisions. In our opinion, evaluator deliberations were thoughtful and adhered to the content of the evaluation instruments.

Documentation of Evaluator Deliberations

PHPG consultants documented the major observations made by evaluators and reviewed these observations and consensus ranking decisions with evaluators after conclusion of the deliberations. The consensus rationale documents accurately reflect the criteria applied by evaluators in making their final consensus ranking decisions.

Conclusion

Overall, we believe the evaluation was well designed and carefully executed. The final rankings therefore can serve as an appropriate guide for the Agency in making contract award decisions.

It was a pleasure working with you and your colleagues on this project. Please call me at 949/494-5420 or email me at acohen@phpg.com if you have any questions.

Very truly yours,

The Pacific Health Policy Group

A handwritten signature in black ink, appearing to read 'ACohen', with a stylized, cursive flourish extending to the right.

Andrew Cohen, Director