



*Delaware Health
And Social Services*

DIVISION OF MANAGEMENT SERVICES

PROCUREMENT

DATE: December 6, 2010

HSS-11-014

Health Care Reform and Benefit Exchange Planning Consultant Services

for

Division of Medicaid and Medical Assistance

Date Due: January 7, 2011
11:00 A.m. ET

ADDENDUM # 2A Workplan & Timeline

PLEASE NOTE:

THE ATTACHED SHEETS HEREBY BECOME A PART OF THE
ABOVE MENTIONED RFP.

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Workplan and Timeline

Approach

Under the direction of the Health Care Reform Steering Committee, the Health Benefit Exchange Planning project will utilize state resources, consultant support, and stakeholder participation to inform decision-making related to the establishment of an Exchange in the State of Delaware.

The Steering Committee intends to solicit the widest-possible involvement from public and private stakeholders through the development of targeted working groups as appropriate. Consultant services will be engaged to assist in overall project management and to provide specialized expertise in areas identified by the project team. Public meetings will provide a vehicle for both dissemination of information and citizen feedback.

Prior to the grant award, work groups focusing on Governance and Policy, Technology, and Business Operations will be established in preparation for an official kick-off in October. Research and planning activities will be organized around the key areas identified in the funding announcement and assigned to the appropriate work groups. This phase of the project will focus on high-level issues and defining the business case of whether or not to proceed with implementation. Analyses will include updated estimates of demographics and insurance status of the Delaware population, characteristics of the insurance market, technological readiness, activity in other states, and financial requirements.

At the end of the one-year project period, the State of Delaware will have completed its assessment as to whether to establish an Exchange in the State, and if so, how to implement, finance and govern the Exchange. The Project Timeline reflects the fast pace at which activities

must take place for the state to be positioned, at critical points in the process, to maintain forward movement toward this objective. Examples of critical points include coordination with the General Assembly's legislative session and the anticipated announcement of implementation funding opportunities in Spring 2011. At the same time, there is recognition that specific activities are dependent on the decisions made as planning proceeds. As a consequence, the workplan and project timeline should be considered living documents that will be updated throughout the project period.

Key Activities

1. Project Staffing: Two positions are requested from the grant to provide overall project oversight and support. Upon notice of the grant award, recruitment will begin. It is anticipated that these positions will be filled by the second month of the project.
2. Consultant Procurement: State of Delaware procurement laws will require that these services be bid competitively. Upon notice of grant award an RFP will be published for project management services. This process, even when expedited, is unlikely to be completed in less than eight weeks. Therefore, consultant contract execution is projected for the third month of the project. Additional consultant services may be needed and the Committee will work to identify these needs and issue additional RFP's as appropriate during the first month of the project.
3. Current State - Environment Scan: The Health Care Reform Steering Committee has already begun this task and will continue these efforts. At project start up, the Committee will begin

work immediately to complete its analysis of the Delaware insurance coverage, market drivers, and possible impacts to Medicaid services. If time allows (prior to the engagement of consultants to drive the project), the Steering Committee will work to establish a potential legislative agenda outline that will be refined as the project moves forward. Draft 1 of the Environmental Scan will be completed within approximately 10 weeks of project start so as to be available to staff and consultants upon hiring.

Deliverable 1 – (November 2010) Delaware Health Insurance Environment Scan

Deliverable 2 – (November 2010) Legislative Agenda Outline

4. Documenting Exchange Options: After the Environmental Scan is complete, the Health Care Reform Steering Committee will begin to debate and document Exchange options, focusing on deriving a succinct set of weighted criteria that will assist in quantifying the recommendations being made later by the work groups and in guiding their decision-making process. The Preliminary Exchange Option Report will be available approximately 12 weeks from project inception.

Deliverable 3 – (December 2010) Preliminary Exchange Options Report

5. Work Group Activities - Phase 1: The State envisions three primary work groups: Governance and Policy, Technology, and Business Operations. Upon engagement of a qualified consulting services provider, the work groups will move forward as follows:
 - a. Governance and Policy – The Governance and Policy work group will focus on detailed analysis of legislative mandates and future policies that will need to be enforced to properly govern the activities of the Exchange and ensure the public trust.

Led by the consulting services provider, in Phase 1 this work group will embark on a series of collaborative activities to provide the Steering Committee with recommendations for a final Legislative Agenda as well as a Governance and Policy framework that will become part of the final Health Benefits Exchange Plan. In order to meet the project timeline, the consulting services provider will guide the efforts of the Governance and Policy work group to build upon the initial findings of the Steering Committee to conduct investigation into the legislative changes required to implement an Exchange in Delaware. A final draft of the Legislative Agenda will be delivered in time for consideration during the 2011 Delaware Legislative session.

Deliverable 4 – (February 2011) – Legislative Agenda Final Draft

- b. Business Operations – The Business Operations work group will focus on defining the viable Exchange options for the state of Delaware as well as a framework to effectively manage the Exchange once it is online. Responsibilities of this group will include defining the required interactions with other agencies for determination of eligibility, plan procurement, and other critical business workflows. This work group will build upon the guidance within the Preliminary Exchange Options Report and research the impact of each viable option, providing a final recommendation for review by the other work groups and the steering committee.

Deliverable 5 – (February 2011) – Exchange Options Report Final Draft

- c. Technology – The Technology work group will focus its initial efforts on collaborations with the Governance and Business Operations groups to define the

technical requirements for security, privacy, and integration with other systems. These efforts will be at a sufficiently high level as to not depend on the physical implementation of the Exchange, but detailed enough to drive the Phase 2 efforts for defining the physical infrastructure should the decision be made to move forward with a Delaware Exchange.

Deliverable 6 – (February 2011) – Technology Requirements Report

6. Preliminary Requirements Report: The Steering Committee and the project work groups will collate the deliverables produced to date and construct a report of the requirements for implementing the recommended decision.

Deliverable 7 – (March 2011) – Delaware Health Benefit Exchange Requirements

7. Decision on Exchange Implementation - Recommendation: The Steering Committee and the project work groups will make a recommendation in March of 2011. This recommendation is considered a milestone and not a deliverable, although it will be documented with references to prior deliverables that provided supporting information for the recommendation.
8. Work Group Activities - Phase 2: Assuming a decision is made to proceed with implementation, more in-depth research will be conducted to explore policy, operational, technological, and financial requirements. These activities will be coordinated with the second funding announcement for implementation grants. During this phase of the project specific focus will be placed on defining options available to the state with regard to the

detailed design and function of the Exchange and its interaction with government-administered programs such as Medicaid and CHIP. In producing the final deliverables, the following activities will be completed: analysis of financial models in other states (Massachusetts, Utah), identification and cost estimates of technological infrastructure needs, review of eligibility requirements and recommendations for streamlining and co-aligning program eligibility requirements, and development of a regulatory agenda.

The work groups will continue their activities from April through August of 2011 documenting their findings in detail, culminating in a Final Report and Implementation Plan for the recommended decision and any additional guidance necessary for successful operation of the Exchange.

- a. Governance and Policy – In Phase 2, this work group will analyze the advantages and disadvantages of specific Exchange features. Recommendations will focus on administrative oversight of the Exchange, financial sustainability, accessibility to consumers, and accountability. Additionally, this group will consider the scope of Exchange coverage, interaction with other insurance market sectors, and integration with government-administered programs such as Medicaid and CHIP.

Deliverable 8 – (July 2011) - Governance and Policy Recommendations

- b. Technology – The Technology work group will focus on defining the physical infrastructure and technology services to meet the requirements defined in Phase 1. The Technology group will actively collaborate with Business Operations on technology-specific portions of the Implementation Plan as well as the financial impacts of hardware, licenses, and technology consulting on the Business Plan. This

group will produce a Technology Infrastructure Report detailing its findings and recommendations will be part of the Implementation Plan.

Deliverable 9 – (July 2011) – Technology Infrastructure Report

- c. Business Operations – The Business Operations work group will focus its Phase 2 efforts on defining the programmatic structure to maintain the Exchange. The group will also focus on defining two or more viable financial models, including resource and technology expenditures, for presentation to the Steering Committee. Lastly, the Business Operations group will be expected to drive the effort and consolidate the findings and content of the other groups into draft implementation plan for Exchange, which will be finalized after the Final Report is delivered.

Deliverable 10 – (July 2011) – Health Exchange Business Plan

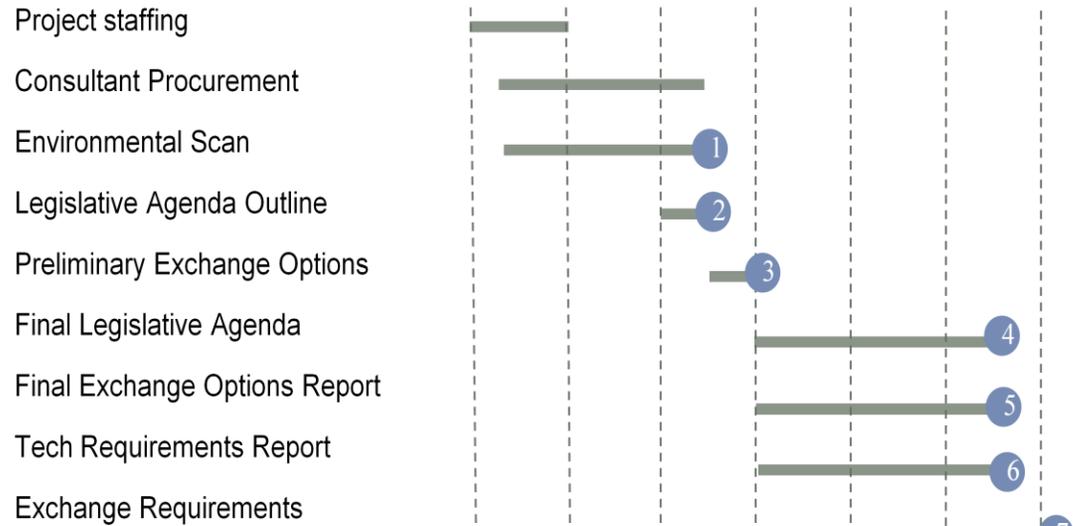
9. Project Conclusion:

- a. Final Report: The Steering Committee and the project work groups will use the deliverables produced to make a final report to the public in August 2011 for review and commentary, with a final report to the State in September.

Deliverable 11 – (September 2011) – Final Health Benefit Exchange Report

Activities

Phase 1



Phase 2

