

Question #1 Given that May 28, 2012 was Memorial Day and a state holiday, will the State accept questions through May 29, 2012?

DMMA Response: Yes, all questions asked by the close of business on 5/29/2012 are being answered since Monday 5/28/2012 was a state holiday.

General: What was the dollar value and scope of the activities included in the most recent EQRO contract?

DMMA Response: Regular EQRO activities in the latest contract included:

In the period from November 1, 2011 through October 31, 2012, the latest contract year's EQRO activities included: an annual compliance review for both United HealthCare Community Plan and DPCI, technical guidance for the Quality Improvements Initiatives (QII) Task Force, technical assistance for Diamond State Partners, four performance improvement project (PIP) validations and six performance measure (PM) validations for the MCOs. The scope also included informational System Capability Assessment for both MCOs and technical assistance for UnitedHealthcare Community Plan and DPCI and detailed analysis reports. These EQRO activities provide data from the performance measures and past focused quality studies. **The dollar value for these activities was \$ 433,589.**

Additional work was needed for the implementation of DSHP Plus. The contract was amended to include a scope of work and budget for Readiness Review. It was further amended to complete a Pre-Readiness Review with a budget of \$36,000. The dollar value for all activities was \$469,589.

The ISCA review was included in the above total of \$433,589.

Question # 2. General: Please name the incumbent EQRO contractor

DMMA Response: MERCER Health and Benefits, LLC

Question # 3. Page 10, Statement of Work: Can you please provide additional detail regarding what is entailed in the review of the MCO's Integrity Program including specifying the types of items reviewed and the expected deliverable?

DMMA Response: The EQRO will be expected to review the MCO's compliance with the requirements described under 42 CFR 438.608 (a-b) and 438.610, as follows:

438.608 Program integrity requirements.

(a) *General requirement.* The MCO or PIHP must have administrative and management arrangements or procedures, including a mandatory compliance plan, that are designed to guard against fraud and abuse.

(b) *Specific requirements.* The arrangements or procedures must include the following:

- (1) Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable Federal and State standards.
- (2) The designation of a compliance officer and a compliance committee that are accountable to senior management.
- (3) Effective training and education for the compliance officer and the organization's employees.
- (4) Effective lines of communication between the compliance officer and the organization's employees.
- (5) Enforcement of standards through well-publicized disciplinary guidelines.
- (6) Provision for internal monitoring and auditing.
- (7) Provision for prompt response to detected offenses, and for development of corrective action initiatives relating to the MCO's or PIHP's contract.

§ 438.610 Prohibited affiliations with individuals debarred by Federal agencies.

(a) *General requirement.* An MCO, PCCM, PIHP, or PAHP may not knowingly have a relationship of the type described in paragraph (b) of this section with the following:

- (1) An individual who is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in nonprocurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.
- (2) An individual who is an affiliate, as defined in the Federal Acquisition Regulation, of a person described in paragraph (a)(1) of this section.

(b) *Specific requirements.* The relationships described in this paragraph are as follow:

- (1) A director, officer, or partner of the MCO, PCCM, PIHP, or PAHP.
- (2) A person with beneficial ownership of five percent or more of the MCO's, PCCM's, PIHP's, or PAHP's equity.
- (3) A person with an employment, consulting or other arrangement with the MCO, PCCM, PIHP, or PAHP for the provision of items and services that are significant and material to the MCO's, PCCM's, PIHP's, or PAHP's obligations under its contract with the State.

(c) *Effect of Noncompliance.* If a State finds that an MCO, PCCM, PIHP, or PAHP is not in compliance with paragraphs (a) and (b) of this section, the State:

(1) Must notify the Secretary of the noncompliance.

(2) May continue an existing agreement with the MCO, PCCM, PIHP, or PAHP unless the Secretary directs otherwise.

(3) May not renew or otherwise extend the duration of an existing agreement with the MCO, PCCM, PIHP, or PAHP unless the Secretary provides to the State and to Congress a written statement describing compelling reasons that exist for renewing or extending the agreement.

(d) *Consultation with the Inspector General.* Any action by the Secretary described in paragraphs (c)(2) or (c)(3) of this section is taken in consultation with the Inspector General.

DMMA will develop in conjunction with the vendor additional details concerning this requirement.

Question # 4. Page 10, Task Requirements: Can you please provide some indication of whether the state has an expected timeline for the tasks outlined or if it will be left to the bidder to propose a timeline?

DMMA Response: The timeline for all tasks is jointly determined by DMMA and the selected bidder during the final negotiations. All bidders therefore should propose a timeline in the bidding process.

Question # 5. Page 11, Task Requirements: What is the topic, population and expected sample size of the **onsite based quality study**? Should the bidder that this activity would be included in the pricing for Task #6 – Additional Activities? The quality study will be determined by DMMA over the course of the contract.

Proposal costs should be included in budget task number 6. DMMA will determine the specifics for a quality focused study over the course of the contract.

Question # 6. Page 16, I- Required Reporting: Can you please clarify the details required in the monthly usage report?

DMMA Response: The vendor reports monthly data to the DMMA contract manager who will complete the usage report to GSS. The completion of the monthly usage report will be handled by the DMMA manager for the EQRO contract. Currently, the State expects to report the expenditures associated with the contract and will work with the contractor if additional information is needed.

Question # 7. Page 22, VI - General Instructions for Submission of Proposals: Can you please confirm the version of MicroSoft Word that the proposals should be submitted in? Does the State accept Word 2007 or should the files be saved down to 2003/96 version of Word?

DMMA Response: We can accept proposals in either Word 2007 or the compatible version..

Question # 8. Section II, Task Requirements, page 10: In regard to the following task requirement, "Provide technical guidance and measurement/reporting of performance measures and performance improvement projects." Since the EQRO is already tasked with validating PIPs and performance measures, can DMMA clarify if the EQRO vendor will also be required to actually calculate the performance measures and conduct performance improvement projects? If yes, would there be separate cost exhibit created to address the budget for this task?

DMMA Response: The EQR vendor is not required by DMMA to calculate performance measures or conduct performance improvement projects.

Question # 9. Section II Scope of Services, Task Requirements, page 11: It is understood that DMMA is interested in conducting an onsite based quality study. Could DMMA provide more detail around what the onsite requirement mentioned in this task would entail?

DMMA Response: This study is priced in task 6. Specifics of the study will be provided and negotiated based on the information provided in pricing task 6.

Question #10. Section II Scope of Services, Task Requirements, page 11: DMMA is requesting EQRO services to evaluate MCO program integrity activities; please clarify if this activity is in addition to the requirements described under 42 CFR 438.608 (a-b). If this is an additional requirement, please describe current or planned activity undertaken to evaluate program integrity.

DMMA Response: DMMA will be following the requirements described under 42 CFR 438.608 (a-b) and 438.610. See response to Question 3.

Question # 11. In comparing the Section II Scope of Services, Task Requirements to the required Cost Proposal Task Forms, there are 10 tasks listed in Section II, but only 5 explicit Cost Proposal Task Forms included in the cost proposal (Task 6 in the cost proposal is non-specific). Some of the Tasks in Section II directly relate to a Cost Proposal Task Form such as "Conduct annual independent compliance reviews of each MCO" and Cost Proposal Task 5. However, some of the other Section II Task Requirements such as conduct an onsite based quality study and validate MCO encounter data do not directly related to one of the specific cost proposal forms. Can DMMA elaborate on the relationship between the Section II Task Requirements and the Cost Proposal Forms and whether it is DMMA's intent to use the flexibility of the Task 6 Cost Proposal Form to facilitate other work not explicitly listed in other Cost Proposal Forms?

DMMA Response: It is DMMA's intent to use the flexibility of the Task 6 Cost Proposal Form to facilitate other work not explicitly listed in the other Cost Proposal Forms. The bidder should individually price out the cost of doing a quality study, validating encounter data, evaluating program integrity, providing assistance with

contractual and regulatory requirements related to the 1115 waiver and completing a review of Behavioral health services under task 6.

Question # 12. Section III, item I Required Reporting, page 16: The Usage Report shown in Attachment 1 does not appear consistent with the nature and type of professional services provided under this RFP scope of work. Can DMMA clarify if this Usage Report will be required as part of this contract and if there will be flexibility in how this report is completed given the nature of work?

DMMA Response: As indicated in the reporting requirements, the selected vendor will provide their monthly report in a format that is agreed to by the Contract Manager. The Contract Manager will complete the attached report and send it to the state's website. The form is included for information only to the bidders. Each month, the selected bidder will bill DMMA for tasks as they are being worked on.

Question # 13. Section IV, item E Qualifications and Experience, page 17: The State requires that the bidders submit "proof" of competency and independence. Is the State looking for something specific in regards to "proof" of competency and independence?

The State requires that the bidders follow the requirements found under CFR 438.354 Qualifications of external quality review organizations.

DMMA Response: Independence: The EQRO and its subcontractors are independent from the State Medicaid agency and from the MCOs that they review. The bidders should follow CFR 438.354 c to qualify as independent.

Competence is measured based on the bidders description of projects that have been completed related to EQRO, references, and history of successful completion of EQRO activities. In addition, the bidders must follow the guidelines for competence under CFR 438.354 (b) Competence.

Question # 14. Section IV, Relevant Experience/Expertise of Contractor, page 19: The wording in the second bullet point on this page appears to be missing some words and there is some redundancy with the first bullet point at the top of this page. Can the State clarify the wording/intent of the bullet points in this section?

DMMA Response: Some organizations have external groups of advisors that do not work directly on projects. If that is the case, inclusion of that group and their relevant experience allows the evaluators to better review the Bidder's experience/expertise in context. The Bidder should describe all relevant experience working with MCOs and governmental agencies. It is the combination of these experiences that will be instructive in determining if the experience is consistent with this EQRO RFP.

Question # 15. Section IV, item G Proposed Methodology and Work Plan, page 20: Does the information contained in the first bullet point regarding number and description of staff

needed to be included in the work plan or only in the narrative discussion? It also seems to require this information in the separate Cost documents.

DMMA Response: Yes, you should include this information as appropriate in the work plan, narrative and cost documents.

Question # 16. General: How long has the incumbent been a contractor with the state?

DMMA Response: The incumbent EQRO contract/vendor has held the contract since 2006.

Question # 17. Pages 10 and 34: How many PIPs will MCOs submit to the EQRO for validation each year?

DMMA Response: DMMA has mandated that each MCO conduct five PIPs.

Question # 18. Page 10: Please describe the EQRO's reporting requirements related to PIPs. Is the EQRO required to deliver a validation report for each PIP? Or, is it permissible for the EQRO to produce a MCO-specific PIP report that details the findings of the validation for all PIPs submitted by the MCO for validation?

DMMA Response: Each PIP must be validated individually, and must be MCO specific.

Question # 19. Pages 10 and 37: Please describe the requirements for compliance reviews. That is, is the EQRO required to conduct a comprehensive full review of all standards on an annual basis? Or, does the EQRO review a portion of the standards each year? A portion of each CR is reviewed annually.

DMMA Response: A portion of the standards are reviewed each year. The specific standards are approved by DMMA, annually.

Question # 20. Page 11: Do MCOs participate in HEDIS audits with certified HEDIS compliance auditors?

DMMA Response: Our MCOs are required to provide DMMA with certification of HEDIS measures.

Question # 21. Page 11: Do MCOs use certified HEDIS software to calculate performance measure rates?

DMMA Response: MCOs must provide the division with HEDIS performance measure rates on an annual basis.

Question # 22. Page 35: In the last year, approximately how many on-site meetings did the EQRO attend with State staff?

DMMA Response: Approximately 6 onsite visits.

Question # 23. Page 38: Approximately how many on-site visits did the EQRO make to each MCO in the last year?

DMMA Response: Approximately 2 visits were made to each MCO.

Question # 24. Page 10, II. Scope of Services, Statement of Work: Please clarify whether Diamond State Partners is included in any of the required activities. If yes, which activities?

DMMA Response: This RFP will not be supporting the DSP population.

Question # 25. Page 10, II. Scope of Services, Statement of Work: Are the Diamond Health Plan Plus members enrolled in the same two MCOs as the Medicaid and CHIP members?

DMMA Response: Yes

Question # 26. Page 49, Appendix E: Can a non-MBE/WBE prime receive evaluation credit for having a MBE/WBE sub? If so, how much credit (how many points) can be achieved for doing so in relation to the 100 point evaluation criteria?

DMMA Response: There will be no credit for sub-contractors. All sub-contractors are subject to approval by DMMA.

Question # 27. Page 10 of 68, 2nd bullet – Conduct annual independent compliance reviews of each MCO: In addition to the EQR standards and MCO contracts, does DMMA require use of any specific standards for evaluating the MCOs' compliance in regards to the DSHP Plus and DHCP populations?

DMMA Response: DMMA follows the CMS standards.

Question # 28. Are full compliance reviews to be conducted each year or would years 2 and 3 be modified compliance reviews that address areas of previous non-compliance only?

DMMA Response: DMMA determines the Review parameters each year.

Question # 29. Is there a specific time of year in which the compliance reviews must be conducted?

DMMA Response: Summer.

Question # 30. Page 10 of 68, 3rd bullet – Provide detailed reporting/technical guidance regarding regulatory and contractual requirements for compliance with the 1115

Demonstration waiver and amendment, related to DSHP, DSHP Plus, and DHCP (CHIP) MCOs:

Does DMMA require separate reports for each MCO for each population or is this detailed reporting a component of each overall MCO report?

DMMA Response: This detailed reporting is a component of each overall MCO report.

When are reports due to DMMA?

DMMA Response: DMMA requires Draft report 14 days after MCO review. The final report is due to DMMA 45 days after MCO review.

Question # 31. Page 10 of 68, 5th bullet – Validate Performance Improvement Projects (PIPs) of the commercial managed care organizations. DMMA has mandated that each MCO conduct five PIPs. The state may select any of the topics, to include both clinical and service-oriented issues. Currently, the State requires two mandated clinical topics:

Prenatal/Postpartum Care and Inappropriate Emergency Department Utilization.

Additionally, one of the five PIPs must be specific to the pediatric population, and two PIPs should be related to the DSHP Plus population and encompass both clinical and service topics.

On page 35 of 68, Task #2 – Validation of PIPs of the commercial managed care organizations. At a minimum, there will be one PIP assigned by DMMA. In addition, each MCO will present at a minimum one additional PIP related to the DSHP Plus population for validation.

Please clarify the number of PIPs for each MCO that the EQRO will be required to validate, 2 or 5?

DMMA Response: 5

What are the current 5 PIPs that the MCOs are working on?

DMMA Response: The current PIPS are:

DMMA has required two mandated clinical topics for the PIPs: Prenatal/Postpartum Care and Inappropriate Emergency Department Utilization. For the non-Plus population, one MCO has selected a PIP on Asthma and the other MCO has selected a PIP on Lead Screening in Children. Two more PIPs (one clinical and one service) is required for our PLUS population: DMMA will choose the clinical topic and the MCOs will choose the topic for the service-related PIP.

When are MCOs required to submit PIPs for validation?

DMMA Response: PIPs will be validated during the EQR process and DMMA will determine the required reporting cycle.

Question # 32 Page 11 of 68, 1st Bullet – Validate performance measures of the commercial managed care plans, and at a minimum, four measures will be validated annually from a list supplied by the health plans. Measures selected must include ones related to the new DSHP Plus population. This will require a combination of onsite and conference call activity.

Are health plans required to collect and report HEDIS measures?

DMMA Response: Yes

If MCOs are required to report HEDIS measures, does DMMA require validation of all measures or only the 4 selected measures?

DMMA Response: DMMA determines the Performance Measures to be validated during the EQR process.

Does DMMA require that a licensed HEDIS audit firm be used to conduct performance measures validation?

DMMA Response: No. DMMA requires each MCO to certify their validated performance measures.

Question # 33. Page 11 of 68, 2nd bullet – Conduct an onsite based quality study in respect to a specific population within the Managed Care program: Please define DMMA’s meaning of “onsite study.” Is this onsite at the MCOs or at provider sites?

DMMA Response: Onsite entails going to wherever the study takes the vendor, whether that is to the two MCO’s Providers, beneficiaries’ homes or state office buildings.

Question # 34. Page 11 of 68, 4th bullet – Evaluate MCO program integrity activities: Is pricing for this component of the task requirements to be incorporated into the costs for task #3 on page 35 of 68?

DMMA Response: Yes.

Question # 35. Page 11 of 68, 5th bullet – Validate MCO encounter data.

Is pricing for this component of the task requirements to be incorporated into the costs for task #6 on page 38 of 68?

DMMA Response: Yes

Question # 36. Page 22 of 68, V. Budget/Cost/Business Proposal, 2nd paragraph: “Bidders shall also provide a budget narrative...and suggest a payment schedule contingent upon completion of various tasks.” Does Delaware Health have a suggest payment plan?

DMMA Response The specific payment schedule will be negotiated between the selected bidder and the DMMA Contract manager. The bidder should propose a schedule as a starting point for this negotiation. The proposed schedule should be tied to deliverables as well as include monthly progress reports.

Question # 37. Appendix A: Project Cost Proposal/Budget Forms, Pages 31-39 of 68. Our agency maintains a provisional cost rates with Centers for Medicare & Medicaid Services (CMS).

Should the cost elements in this Budget Form, such as labor rates and miscellaneous costs, be all inclusive of provisional rates and fee?

DMMA Response: Yes.

Please define the cost element Operating & Administrative?

DMMA Response:

What are the costs of operations and the administrative costs?

Operating costs are those items required to carry out the tasks associated with the contract. Administrative costs are those costs associated with administration and overhead required.

Please define the cost element Other Costs?

DMMA Response: What are the non-administrative and operational costs associated with provided the request set of services. Other costs include overhead if any, profit requirements, and any other costs not captured anywhere else in the contract.

The cost element *Sub-Contracted Costs** has an asterisk; however, there is no footnote for this reference. Is there additional information associated with this cost element?

Indicate the costs associated with all subcontracted tasks in sufficient detail to allow the state to evaluate the reasonableness of the costs.

Proposed Timetable

The Department’s proposed schedule related to this RFP is outlined as follows:

Activity

Date

RFP Advertisement	May 14, 2012
Questions Due	May 28, 2012
Answers to Questions posted	June 18, 2012
Bid Opening	July 16, 2012 @ 11AM
Selection Evaluation Process Begins	July 17, 2012
Contractor Selection (tentative)	July 30, 2012
Contract Negotiations Begin (tentative)	August 06, 2012
Contract Begins	November 01, 2012