



*Delaware Health
And Social Services*

DIVISION OF MANAGEMENT SERVICES

PROCUREMENT

DATE: July 17, 2017

HSS-17-027

Accelerated Payment Reform Project

for

DHSS/Office of the Secretary/Health Care Commission

Date Due: July 28, 2017

By 11:00 AM Local Time

ADDENDUM # 3

Questions and Answers (Q&A)

PLEASE NOTE:

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

Kimberly Jones
Procurement Administrator

Helen Arthur
Director of Planning & Policy

**STATE OF DELAWARE
DELAWARE HEALTH CARE COMMISSION
REQUEST FOR PROPOSALS (RFP)
HSS-17-027
ACCELERATED PAYMENT REFORM PROJECT**

Proposed Schedule

Public Notice: 6/12/2017
RSVP for Pre-Bid Call: 6/21/2017
Pre-Bid Conference Call: 6/22/2017
Deadline for Questions: 7/7/2017
Response to Questions Posted by: 7/14/2017
Deadline for Receipt of Proposals: 7/28/2017
Estimated Notification of Award: 8/11/2017

DE RFP HSS-17-027 – Accelerated Payment Reform Project - QUESTIONS

1. **Question:** I am emailing to clarify the date and time for the Delaware Accelerated Payment Reform Project pre-bid meeting. The document states the meeting will take place on Wednesday, June 22, 2017 at 11:00AM but the 22nd is a Thursday. Could you clarify which day the call will be taking place?

Answer: The actual date of the Mandatory Pre-bid meeting is **Thursday, June 22 at 11:00 AM.**

2. **Question:** I have tried unsuccessfully to register for the Pre-Bid conference call tomorrow. I used the link in the RFP <https://www.surveymonkey.com/r/Pre-Bid> HSS-17-027 and consistently get the message "We can't find the page you're looking for. Can you help? Thank you so much

Answer: I checked the link posted on bids.delaware.gov in the RFP. This link is working and active on page 2 of the RFP. Please visit the link pasted below to complete your registration by 6:00 pm today. Also note a correction in the RFP, the pre-bid conference call will take place **Thursday, June 22, 2017 at 11:00 am.**
http://bids.delaware.gov/bids_detail.asp?i=4504&DOT=N

3. **Question:** We missed the conference call but we are highly interested in this bid. Please advice.

Answer: Thank you for your interest in doing business with the State of Delaware. A mandatory requirement of RFP HSS17027-PMTREF, [Accelerated Payment Reform - Healthcare](#) was attendance at the Pre-Bid Conference Call. If you or a representative of your company did not participate in the call, your company is precluded from submitting a proposal.

4. **Question:** Regarding references: The RFP mentions 3 letters of reference as well as a Reference Form, Attachment 5.

- a. Do bidders need to submit 3 letters of reference from clients, or complete the Reference Form only?

Answer: Attachment 5 is required per the State procurement process. The Health Care Commission requires bidders submit three (3) professional reference letters as indicated on page 8 of the RFP.

- b. Are 3 reference letters needed for each domain of the project?
Answer: No, three (3) reference letters are not required for each domain. Reference letters can be relative to the general project and will be used to verify the quality of a bidder's company/organization. Please review page 8 of the RFP.
- c. Are subcontractors required to have letters of recommendation, as well?
Answer: No, subcontractors are not required to provide letters of recommendation.
- d. Would subcontractor reference letters be counted toward the primary vendor's 3 reference letters?
Answer: As indicated on page 8 of the RFP, the primary bidder should submit at least three (3) professional reference letters. The State of Delaware contract, thus relationship, will be with the primary bidder/selected vendor. Subcontractor letters cannot replace the required professional reference letters.

5. Are the safe harbor requirements applicable to contracted services?

Answer: Yes, the ACA Safe Harbor Requirements are applicable to contracted and sub-contracted services. The state will consider the additional fee when evaluating bidder proposals. Please review page 24 of the RFP for specific requirements of the ACA Safe Harbor.

6. Do bidders need to make a statement in their proposal proclaiming that they do not consider themselves eligible for health insurance coverage from the State of Delaware?

Answer: Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. The Health Care Commission will not be prescriptive how bidders choose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification.

7. For the first period of the project timeline, August through January, is there a schedule or list of deliverables bidders are expected to work from while preparing their response?

Answer: No, there is no schedule or list of deliverables developed at this time. Bidders are expected to develop any such deliverables and schedule based on the component areas outlined in the RFP.

Bidders should appropriately plan for the following project/budget periods for this project:
Year 1: August 7, 2017 through January 31, 2018
Year 2: February 1, 2018 through January 31, 2019

8. The RFP states that products would be presented to select groups in the state. Any sense on how many meetings there will be, and how long they would be?

Answer: There will be many meetings associated with the accelerated payment reform project. The Health Care Commission cannot provide a quantifiable number of hours for

implementing the project. Bidders should know that there is a broad set of stakeholders engaged in this work which includes the State of Delaware, our private and public partners as well as our federal partners at the Centers for Medicare and Medicaid (CMMI).

a. Are bidders expected to submit a proposal that goes beyond January 2018, or just for the August to January 2018 timeframe?

Answer: Bidders should appropriately plan for the following project/budget periods for the Accelerated Payment Reform Project:

RFP Year 1: August 7, 2017 through January 31, 2018
RFP Year 2: February 1, 2018 through January 31, 2019

b. If we submit a proposal for work on all 4 domains, should we design a budget plan for just the initial project period with a proposed budget of \$1.5M, and assume that there will be additional funds for January 2018 to 2019 time frame?

Answer: As referenced on page 7 of the RFP, a \$1.5M budget has been allocated for all 4 domains, *collectively*, for the project period of August 7, 2017 through January 31, 2018 to ensure an accelerated approach to payment reform initiatives in the state.

Bidders should also submit their strategic services for the next project/budget period which is February 1, 2018 through January 31, 2019; however, a budget has not been allocated for this project/budget period. For purposes of developing bidder proposals and budget narrative/justifications, please assume a maximum budget of \$1.5 Million for the project/budget period of February 1, 2018 through January 31, 2019.

IMPORTANT: The State of Delaware anticipates, but cannot guarantee funding will be available from February 1, 2018 through January 31, 2019 for this project as funding is subject to the continued availability of federal funding via the State Innovation Model (SIM) Testing Cooperative Agreement Grant from the Center for Medicare and Medicaid Innovation (CMMI). In the event that CMMI does not appropriate or otherwise withdraws funds for this Program, the State of Delaware's obligations to all selected vendors under this RFP will cease and contractual agreements will be terminated.

9. Page 8 of the RFP implies that the budget proposal should reflect a time frame of August 2017 to January 31, 2019. Should the budget proposal reflect just the initial period to 2018, or to 2019?

Answer: As referenced on page 7 of the RFP, a \$1.5M budget has been allocated for all 4 domains, *collectively*, for the project period of August 7 2017 through January 31, 2018 to ensure an accelerated approach to payment reform initiatives in the state.

Bidders should also submit their strategic services for the next project/budget period which is February 1, 2018 through January 31, 2019; however, a budget has not been formerly allocated for this project/budget period. For purposes of developing bidder proposals and budget narrative/justifications, please assume a maximum budget of \$1.5 Million for the project/budget period of February 1, 2018 through January 31, 2019. Please provide budgets for both project periods as outlined below:

RFP Year 1: August 7, 2017 through January 31, 2018

RFP Year 2: February 1, 2018 through January 31, 2019

10. Page 12 of the RFP indicates that the electronic pricing file must be submitted separately from the rest of the RFP. So is the electronic pricing file in fact Section 7 – Budget and Budget justification, and does Section 7 get included with the rest of the proposal, in the same hard copy, but with separate electronic file?

Answer: For purposes of this RFP, the electronic pricing file is, in fact, the Budget and Budget Justification. This document can be submitted with the entire proposal together or separately. Either way is acceptable.

11. On page 20 of the RFP, where do the responses to 3 questions need to go?

Answer: There is no specific area defined for this information. A separate attachment can be added to proposals to respond to these questions.

12. Is there an estimate or max budget for work that will continue from January 2018 to January 2019?

Answer: No, a budget has not been formerly allocated for this project/budget period. For purposes of developing bidder proposals and budget narrative/justifications, please assume a maximum budget of \$1.5 Million for the project/budget period of February 1, 2018 through January 31, 2019. Please provide budgets for both project periods as outlined below:

RFP Year 1: August 7, 2017 through January 31, 2018

RFP Year 2: February 1, 2018 through January 31, 2019

IMPORTANT: The State of Delaware anticipates, but cannot guarantee funding will be available from February 1, 2018 through January 31, 2019 for this project as funding is subject to the continued availability of federal funding via the State Innovation Model (SIM) Testing Cooperative Agreement Grant from the Center for Medicare and Medicaid Innovation (CMMI). In the event that CMMI does not appropriate or otherwise withdraws funds for this Program, the State of Delaware's obligations to all selected vendors under this RFP will cease and contractual agreements will be terminated.

13. When reviewing the proposals, will the state be evaluating both budgets; the budget for the initial August 2017 to January 2018 period, and for February 2018 to January 2019? Or, will we just be evaluating the budget proposal for the initial project period?

Answer: The evaluation proposal team will be instructed to review and evaluate the entire proposal which will include strategic services and budgets for each project domain and budget period:

RFP Year 1: August 7, 2017 through January 31, 2018

RFP Year 2: February 1, 2018 through January 31, 2019

See RFP pages 9 through 10 for General Evaluation Requirements. See RFP page 20 for Criteria Weight for each domain.

14. Should bidders describe the scope of work and have a budget proposal for the initial time period, as well as for the continued work going in to 2019?

Answer: Yes. As referenced on page 7 of the RFP, a \$1.5M budget has been allocated for all 4 domains, *collectively*, for the project period of August 7, 2017 through January 31, 2018 to ensure an accelerated approach to payment reform initiatives in the state.

As indicated on page 9 of the RFP, bidders should also submit their strategic scope of work for the next project/budget period which is February 1, 2018 through January 31, 2019. For purposes of developing bidder proposals and budget narrative/justifications, please assume a maximum budget of \$1.5 Million for the project/budget period of February 1, 2018 through January 31, 2019. Please provide budgets for both project periods as outlined below:

RFP Year 1: August 7, 2017 through January 31, 2018

RFP Year 2: February 1, 2018 through January 31, 2019

15. What is Delaware's expectation around vendor invoices?

a. Will invoices be monthly, or based solely on project deliverables?

Answer: Invoices may be monthly, bi-monthly or quarterly. The frequency of invoices will be considered at the time of contract negotiations with the winning vendor(s).

b. Do we anticipate level of reporting that will include hours and hourly rates by employees?

Answer: Yes, please prepare to report in a manner reflective of hours and hourly rates for all deliverables. However, the state understands that each vendor is unique and will work with the selected vendor(s) to identify the appropriate level/formatting for reporting.

IMPORTANT: All funding for this project is restricted until approved by the federal funding agency for the State Innovation Model (SIM) Testing Cooperative Agreement Grant, Center for Medicare and Medicaid Innovation (CMMI). To obtain this approval, the Health Care Commission must provide a detailed breakdown inclusive of a combination of the following: hours, hourly rates, pricing rates, milestone dates and other federal guidelines (e.g. GSA rates).

c. The RFP cost proposal requires a lot of detail in terms of salary and financial breakdown. Will that level of detail be required for monthly invoices?

Answer: Yes, please prepare to report in a manner reflective of hours and hourly rates for all deliverables. However, the state understands that each vendor is unique and will work with the selected vendor(s) to identify the appropriate level/formatting for reporting.

IMPORTANT: All funding for this project is restricted until approved by the federal funding agency for the State Innovation Model (SIM) Testing Cooperative Agreement Grant, Center for Medicare and Medicaid Innovation (CMMI). To obtain this approval, the Health Care Commission must provide a detailed breakdown inclusive of a combination of the following: hours, hourly rates, pricing rates, milestone dates and other federal guidelines (e.g. GSA rates).

16. Will subcontractors need to submit Attachment 5, the Reference Form?

Answer: No, Attachment 5 is a required state form for the primary organization that is bidding—not subcontractors. However, if subcontractors are identified to work on the project, Attachment 10 is a required CMMI federal form.

17. Do the businesses listed on Attachment 5 need to match with the letters of reference?

Answer: No, the businesses listed on attachment 5 do not need to match with the professional reference letters discussed on page 8 of the RFP.

18. Are bidders allowed to submit attachments outside of what is required in sections 1 through 7?

Answer: Yes. Bidders may submit attachments outside of required sections. Please be sure to include the titles within the required Table of Contents.

19. Is there a prescribed format for the required Reference Letters? Is there specific information that is to be included?

Answer: No. The Health Care Commission will not be prescriptive on format.

20. Do we need a reference form for each domain of the program, or is a single Reference form needed for the entire project?

Answer: Three (3) reference letters are not required for each domain. Reference letters can be relative to the general project and will be used to verify the quality of a bidder's company/organization. Please review page 8 of the RFP.

21. What vendors have been used for initial work in developing this project?

Answer: There are no contractors previously or currently involved in the activities under RFP HSS-17-027. This is a *new* scope of services.

22. On Attachment 11, the RFP budget summary, can bidders add/include a line for profit in budget details?

Answer: Yes, Attachment 11 is a modifiable template. However, according to the federal Notice of Grant Award, profit is not permitted under the Centers for Medicare & Medicaid Services Standard Grant/Cooperative Agreement Terms and Conditions.

23. **Background Section II.B, pages 2-3.**

a. Does the State of Delaware have any experience with implementing statewide payment reform such as, all payer models, state-wide ACOs, global payments, or any other value-based payment model? Are there any publicly-available reference materials that can be cited?

Answer: In 2013, Delaware received a Center for Medicare and Medicaid Innovation (CMMI) "design" grant to fund the development of the [State Health Care Innovation Plan](#) (SHIP). Since then, the HCC has been collaborating with a broad set of stakeholders across Delaware – including consumers, providers, payers, community organizations and state agencies – to achieve these goals. Resources (e.g.

Operational plans, Consensus Papers) regarding this work can be found on the HCC's website at <http://dhss.delaware.gov/dhcc/sim.html>.

- b. Are there any established bodies that have considered the state's capacity and existing infrastructure to adopt an alternative payment reform approach?

Answer: The Delaware Health Care Commission, in collaboration with the Delaware Center for Health Innovation have been the established bodies guiding SIM work in the state.

- c. Does the State have a preference for what type of payment reform it would prefer to pursue? If yes, is that preference based on past experience?

Answer: Through stakeholder engagement and the SIM design and implementation process, Delaware has reviewed multiple examples of payment reform and is open to pursuing the option or options that work with the landscape of our state and can best achieve the Triple Aim, a key goal of our SIM work. The HCC would be interested in understanding bidder perspectives on how various reform options would best meet the state's goals under this Scope of Services.

- d. With regards to the stakeholders, what is the level of engagement expected between the vendor(s) and the stakeholders and how would the State foresee that engagement occurring?

Answer: The state expects an appropriate level of engagement to achieve the goals of the project. The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed relative to the appropriate level of stakeholder engagement.

25. Timeline Section III, paragraph 1, page 5

- a. The contract period enumerated in the RFP is from August 7, 2017 through January 31, 2018. Given this initial five month contract period, is it envisioned that the work would include all four domains?

Answer: Yes; however, the HCC would be interested in understanding bidder perspectives on what can be achieved in this timeframe under this Scope of Services. Bidders should appropriately plan for the following project/budget periods for the Accelerated Payment Reform Project:

RFP Year 1: August 7, 2017 through January 31, 2018

RFP Year 2: February 1, 2018 through January 31, 2019

26. Section III, Scope of Work, Project Summary section on page 5

- a. Domain 1 lists several different models that the State of Delaware could pursue. What would be a deliverable under this domain? Is it more of a description of the models and how they could potentially be implemented in DE

Answer: The state is seeking a firm to assist in overall project management support to the State and to provide specialized expertise in the necessary planning and the design, development and implementation of activities to accelerate payment reform

for the state. The HCC is interested in understanding bidder perspectives on what elements and activities will be undertaken relative to this domain.

- b. What decision process does the State envision in determining which model(s) to implement?

Answer: The decision process will be determined through the planning process in collaboration with the selected vendor.

27. Data Section II.B, paragraph 3, page 3

- a. Are there existing state officials with whom the contractor would work during the data gathering, analysis, and eventually implementation phase of the project?

Answer: As indicated on page 5, the contractor will work with the leadership of the State of Delaware Department of Health and Social Services Office of the Secretary and the Delaware Health Care Commission and any appropriate agencies and/or stakeholders required to accomplish that phase of project.

- b. What data sources currently exist that would be analyzed to perform domain 3 (Economic Modeling and Analysis)?

Answer: The HCC is interested in understanding bidder perspectives on what data sources would be helpful or needed for this domain.

- c. Would this data be shared with the contractor? Are there any steps the contractor should be aware of with respect to procuring the data?

Answer: Until the data source and needs are identified, the HCC is unable to answer this question.

28. Oral Presentations, Section C, 5

- a. This section reads: "After initial scoring and a determination that the vendor(s) are qualified to perform required services, selected vendors may be invited to make oral presentations to the Evaluation Team." Question: After qualified vendor(s) are informed, should they assume that they will be awarded the contract and the oral presentations are part of a kick off meeting? Or are the oral presentations part of the assessment for winning the contract, but it is not reflected on the scoring on page 20?

Answer: Oral presentation are an optional process. If requested by the Evaluation Team, oral presentations occur after the initial scoring and will encompass a separate scoring process. (See page 21).

- 29. Section I, paragraph 2, page 1, "each proposal must be accompanied by a transmittal letter..." **Question:** Are subcontractors also required to submit a transmittal letter?

Answer: No.

30. Section I, Mandatory Prebid Meeting, paragraph 2, page 2: “Your bid will not be accepted if your organization does not register and participate in the conference call”. **Question:** Can HCC please confirm that the requirement to register and participate in the prebid conference does not apply to subcontractors that the vendor will include in their proposal?

Answer: This requirement does not apply to subcontractors.

31. Section II, paragraph D, page 4, “...the state may opt to select more than one vendor under this RFP.” **Question:** Will HCC potentially award more than one vendor for a single Domain (i.e., have more than one vendor awarded the same Domain)?

Answer: The HCC does not anticipate having more than one vendor for the same Domain.

32. Section III, Project Summary, paragraph 1, page 5: “These services will include...project management support for the federal grant to meet both federal and state requirements...” **Question:** Can HCC please confirm that project management support will be limited to the areas under the vendor’s scope of work (i.e., the vendor’s project management support will not extend to other areas of health system transformation under SIM)?

Answer: The scope of services under this RFP (HSS-17-027) is a segment of the broader State of Delaware SIM initiative. As indicated on page 4 of the RFP, the selected firm may be asked to assist the State with tasks associated with ensuring alignment among all health system transformation efforts, but project management support will be limited to the activities under the scope of services for this RFP.

33. Section III, Project Summary, paragraph 1, page 5: “These services will include...project management support for the federal grant to meet both federal and state requirements...” **Question:** Can HCC please clarify expectations for project management support services to be provided by the vendor? Additionally, can HCC please provide additional information regarding your overall current or anticipated project management structure (i.e. state agencies and other vendors) for the federal grant as well as the state requirements mentioned in the Project Summary?

Answer: Please refer to the Scope of Work on page 5-7 of the RFP to understand expectations for project management support services to be provided by the vendor. Additionally, the HCC will be interested in understanding bidder perspectives on what could be helpful/ needed relative to project management support. There are no other state agencies and/or vendors currently contracted to provide project management for the scope of services under this RFP.

There is an active RFP ([HSS-17-026](#)) to procure SIM Project Management, Analytics and Grant Facilitation which will close July 31, 2017 at 11:00 AM.

34. Section III, paragraph 2, page 6: “...provide a legal analysis of the development of parameters and framework...”. **Question:** Will the winning vendor be required to render legal opinions and/or offer legal advice as part of services provided under Domain #2?

Answer: Yes, as appropriate and/or requested by State of Delaware leadership.

35. Section III, paragraph 2, page 6, "...provide a legal analysis of the development of parameters and framework...": **Question:** Can HCC please elaborate on whether the winning vendor is required to be licensed as a legal attorney/registered health law firm to be selected for Domain #2? If yes, does HCC require a law firm/attorney to be registered in the State of Delaware?

Answer: The requirement was not definitive; however, such licensure would be an asset under this domain.

36. Section III, paragraph 3, page 6, "...economic analysis of current payer data, attribution, and estimate of global payments." **Question:** Will HCC be able to provide the winning vendor with complete, accurate and reliable person-level data specific to Delaware's populations and providers to support the requested economic modeling, attribution, and related analyses?

Answer: To the extent that complete, accurate and reliable data is available to the HCC for use in accordance with federal and state law, the HCC will be able to provide appropriate data.

37. Section III, paragraph 3, page 6, "...economic analysis of current payer data, attribution, and estimate of global payments." **Question:** Can HCC please specify the sources (e.g., Medicare, Commercial, Medicaid, other) of complete data and the years of data available to support the requested analyses?

Answer: Bidders must propose an analysis for this domain. As such, that information cannot be provided at this point. The HCC will need to understand the scope of services proposed to answer this question.

38. Section III, paragraph 4, page 6, "...common, shared metrics measuring health care quality and access to appropriate care." **Question:** Can HCC please elaborate on whether the selected vendor will be tasked with developing new metrics or leverage the existing metrics already developed under the SIM via the Common Scorecard?

Answer: The HCC anticipates the use of existing metrics already developed under the SIM project. However, the HCC would be interested in understanding bidder perspectives on any new metrics that could be helpful in implementing the project.

39. Section III, paragraph 4, page 6, "...common, shared metrics measuring health care quality and access to appropriate care.....require working collaboratively with the Delaware Health Information Network." **Question:** Can HCC please elaborate on whether the selected vendor be required to actually compute the metric values or will the computation function be supported by the DHIN/other vendors?

Answer: The HCC cannot answer the question until there is a clear understanding of the scope of services selected under this RFP.

40. Section III, paragraph 5, page 6, "...program management support...". **Question:** Is the winning vendor expected to have a significant and regularly occurring on-site presence in Delaware or can the program management support be provided through a

combination of remote (e.g., conference call, video call, email) and some on-site presence?

Answer: Yes, regularly occurring on-site presence in Delaware is expected. HCC expects that regular on-site presence will ensure achievement of stated goals within stated timelines and that vendors will demonstrate familiarity with Delaware. As approved by State of Delaware leadership, use of a combination of remote presence will be acceptable.

41. Section III, paragraph 5, page 6, "...program management support...". **Question:** Will proposals that include a large amount of on-site staff presence in Delaware be given preference in scoring/award?

Answer: Proposals will be scored against listed Evaluation Criteria, with no preferences. Please review the General Evaluation Requirements on page 9-10 and Page 20 for the proposal criteria weight to be used by the Evaluation Team.

42. Section V, paragraph A.1 and A.2, page 7, "provide Delaware license(s) and/or certification(s) necessary to perform services as identified in the scope of work. Prior to the execution of an award document, the successful Vendor shall either furnish the Agency with proof of State of Delaware Business Licensure..." **Question:** Are subcontractors also required to obtain these licenses?

Answer: No, only the primary vendor must provide all required documentation listed in the RFP. The sub-contractor works for the prime, and has no relationship with the State other than signing of Attachment 6 (State form) and Attachment 10 (Federal form).

43. Section V.B. Format and Content of Response, Paragraph 4, page 8 "If bidder is bidding on more than one focus area, please provide a separate methodology/work plan for each area. However, these methodology/work plans are to be submitted in one (1) RFP proposal submission." **Question:** Can HCC please clarify how, if the vendor is responding to more than one domain, the vendor's overall approach to the project methodology and work plan (applicable across domains) should be presented in the response? Should the overall approach be presented once and incorporated via reference in each domain's methodology/work plan, or should this information be repeated in the methodology/work plan for each domain?

Answer: The HCC will not be prescriptive on how bidder's format and present their proposals. The HCC recommends that the bidders approach is clearly defined for the Evaluation Team. As noted on page 5, bidders must separate each domain into an independent section within the proposal. Each domain will be independently reviewed and rated against criteria weighting to facilitate the state's selection process.

44. Section V, paragraph B.5, page 8, "...The specific individuals and subcontractors proposed to work on this project must be identified, along with the nature and extent of their involvement." **Question:** Are responders required to list by name and provide resumes on all levels of staff including administrative assistants, analysts, consultants, Project Leaders, and so on? Or for conciseness, does HCC only want names and resumes of key/senior team/project leaders?

Answer: The HCC will need resumes of key/senior team/project leaders- both primary vendors and subcontractors.

45. Section V, paragraph B.5, page 8, "...The specific individuals and subcontractors proposed to work on this project must be identified, along with the nature and extent of their involvement." **Question:** Due to the variety of work that may result from this RFP, we may be required to bring in different team resources at different phases of the project. Will HCC award more points or give preference to proposals that include a large volume of staff names and resumes?

Answer: Proposals will be scored against listed Evaluation Criteria, with no preferences. Please review the General Evaluation Requirements on page 9-10 and Page 20 for the proposal criteria weight to be used by the Evaluation Team.

46. Section V, paragraph B.6, page 8, "Letters from at least three (3) organizations/agencies....." **Question:** Please confirm as stated during the pre-bid that actual letters of reference are required to be included in the proposer's submission. **Question:** Does HCC have any requirements for the content of the letters of reference? **Question:** Please confirm that letters of reference do not need to be in sealed/unopened envelopes. **Question:** Please confirm that the letters of reference are not required for subcontractors. **Question:** If the prime vendor opts to include letters of reference for a subcontractor, will this information be considered by HCC in the evaluation, scoring, and/or award?

Answer: a) Yes, actual letters of reference are required (See Page 8 of the RFP); **b)** Please review page 8 and 9 of the RFP for requirements for the content of the letters of reference. The HCC does not require any special format for the letters of reference; **c)** Letters of reference do not need to be in sealed/unopened envelopes; **d)** Letters of reference are not required for subcontractors; **e)** Please review the General Evaluation Requirements on page 9-10 and Page 20 for the proposal criteria weight to be used by the Evaluation Team when scoring.

47. Section V, paragraph B.7, page 9, "...for each contract year (through January 31, 2019)." **Question:** Can HCC please confirm or correct as needed that the only two, separate and distinct budget/work periods that must have unique budgets are the periods of August 2017 to January 2018 and then February 2018 to January 2019?

Answer: Bidders should appropriately plan for the following project, with respective budget periods for this project as follows:

Year 1: August 7, 2017 through January 31, 2018

Year 2: February 1, 2018 through January 31, 2019

48. Section V, paragraph B.7, page 9, "...more than one focus area, please provide a detailed line item budget and budget justification for each area." **Question:** Can HCC please confirm that any use of the words "focus area" or "area" is to be interpreted as a reference to one of the four Domains listed on pages 5-6?

Answer: Yes, *focus area* refers to one of the four domains.

49. Section V, paragraph B.7, page 9, "...for each contract year (through January 31, 2019)." **Question:** Since no specific deliverables were listed, can HCC please confirm that vendors are allowed to submit a budget that is based on hourly rates for professional services with perhaps a not-to-exceed limit for each distinct budget period for each Domain that vendor chooses to submit a proposal on?

Answer: Yes, vendors are allowed to submit a budget that is based on hourly rates for professional services.

50. Section V, paragraph B.7, page 9, "...for each contract year (through January 31, 2019)." **Question:** Given the past years of work on the State's SIM initiative, can HCC please elaborate more on what work-specific activities are expected to be completed in the first period between award and January 2018 as opposed to the second period ending January 2019?

Answer: The HCC is interested in understanding bidder perspectives on what could be achieved within each project period as stated relative to specific outcomes desired for the project.

51. Section VI, paragraph B.2, page 12, "... a separate electronic price file from the rest of the RFP proposal responses." **Question:** Can HCC please confirm that the "electronic price file" is the budget and budget justification materials?

Answer: Yes, the electronic pricing file is, in fact, the Budget and Budget Justification.

52. Section VI, paragraph B.2, page 12, "... a separate electronic price file from the rest of the RFP proposal responses." **Question:** Can HCC please confirm that only one (1) electronic version of the budget and budget justification materials is required (i.e., no paper versions of the price file required)? If this is not correct, please specify the number and format of the budget/price file required.

Answer: For purposes of this RFP, the electronic pricing file is, in fact, the Budget and Budget Justification. This document can be submitted with the entire proposal together or separately. Either way is acceptable and should follow the same requirements for the number of proposal submissions as outlined on page 3 of the RFP.

53. Section VI, paragraph B.14, page 16, "This contract allows subcontracting...." **Question:** Can HCC please confirm that the only information required on subcontractors is the completion of Attachment 6 and Attachment 10?

Answer: Attachment 6 and 10 are required for subcontractors. It is also suggested that bidders discuss the role of specific subcontractors throughout the proposal.

54. Section VI, paragraph B.24, page 18, "Notice in writing to a vendor of the acceptance of its proposal by the State of Delaware and the subsequent full execution of a written contract will constitute a contract..." **Question:** How will the State notify vendors of award, e.g. email notification, posting on procurement website, etc.? If the State will notify vendors directly, will all vendors be notified or only the selected vendor?

Answer: After a final selection is made, the selected vendor will be invited to negotiate a contract with the State of Delaware; remaining vendors will be notified in writing of their selection status. Please review page 17 and 18 of the RFP regarding RFP Award Notifications. Additionally, selected vendor(s) will be posted on bids.delaware.gov.

55. Section VI, paragraph D.8.c, page 24-25, "ACA Safe Harbor." **Question:** Can HCC please elaborate on what HCC is requiring from the vendor via the Safe Harbor provision? How will the five points be judged in regards to this element?

Answer: Please review page 24 of the RFP for specific requirements of the ACA Safe Harbor. Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification.

56. Section VI, paragraph D.8.c, page 24-25, "ACA Safe Harbor." **Question:** Can HCC please confirm that vendors are only required to say that the vendor is not an employee of the State and that the vendor agrees that it is not covered by the State for health care?

Answer: Please review page 24 of the RFP for specific requirements of the ACA Safe Harbor. Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification.

57. Section VI, paragraph D.8.c, page 24-25, "ACA Safe Harbor." **Question:** Is the selected vendor expected to offer health insurance coverage to HCC staff or other personnel? If this is correct, are more or less of the five points awarded based on the amount, type, and/or cost of health insurance offered to HCC/other staff?

Answer: The selected vendor is not expected to offer health insurance coverage to HCC staff or other state personnel.

See RFP pages 9 through 10 for General Evaluation Requirements. See RFP page 20 for Criteria Weight for each domain.

Please review page 24 of the RFP for specific requirements of the ACA Safe Harbor. Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification.

58. Section VI, paragraph F, page 38, "...Attachment 6 and 10 must be included in your proposal if subcontractors will be involved." **Question:** Are subcontractors also required to complete Attachments 2 and 4 on pages 40 and 42, respectively, or are only the main vendors required to complete those forms?

Answer: Only the main/prime vendor is required to complete Attachments 2 and 4.

59. Attachment 3, Exception Form, page 41. **Question:** Does the inclusion of exception have any impact on the scoring/evaluation of proposals?

Answer: The inclusion of exceptions has no impact on the scoring/evaluation of proposals. See RFP pages 9 through 10 for General Evaluation Requirements. See RFP page 20 for Criteria Weight for each domain. Please note the Pass/Fail requirement.

60. On page 5 of the RFP, under section "1. Health care payment reform implementation models", is the selected vendor required to actually develop and design the specifics of each of the various payment models? For example, for episode payments, is the selected vendor required to develop the definitions of specific episodes, the start and stop intervals, the accountable provider, specific risk adjusted cost benchmarks and quality measures for each episode? Alternatively, is the selected vendor only required to develop recommendations on which value-based payment models should be implemented for the various service delivery system models and not required to develop the specific design details for each payment model?

Section number: III

Paragraph number: 1

Page number: 5

Text of passage being questioned: "1. Health care payment reform implementation models: Under this proposal, we are seeking a vendor solution for assessing and implementing any combination of value-based alternative payment models. Such models could include, but not be limited to:

- Pay for Performance
- Global targets or benchmarks
- Episode payments
- Bundled payments
- All-inclusive population based payments
- All-payer models
- Any other value based payment model that may be appropriate

These payment reforms should be in the context of delivery system reform such as relationships with ACOs MCOs, PCMHs, health homes, etc. This modeling should include limited, shared and full risk arrangements."

Answer: The selected vendor will be expected to develop recommendations for which value-based payment models should be implemented for the various service delivery system models as well as develop and design the specifics of each of the various payment models. This would include developing the components and definitions of each reimbursement and payment model and the evaluation of risks to the State of selecting one model over another. The HCC would be interested in understanding bidder perspectives on what could be achieved under the Scope of Services outlined in this RFP, including recommendations for timelines and elements of work to achieve the objectives desired. For more information bidders can also

review the HCC's Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>

61. Is it required that bidders provide resumes for all staff or can we simply provide resumes for key personnel only, along with a comprehensive organizational chart listing all project team members and their roles?

Section number: V

Paragraph number: B.5

Page number: 8

Text of passage being questioned: "The specific individuals and subcontractors proposed to work on this project must be identified, along with the nature and extent of their involvement. The qualifications of these individuals shall be presented (in resumes or other formats). If conducting this project will require hiring of one or more individuals who are not currently employed by the bidding organization, applications shall provide detailed job descriptions, including required qualifications and experience. If subcontractors are to be used, the proposal shall also contain similar information regarding each subcontractor."

Answer: The HCC will need resumes of key/senior team/project leaders- both primary vendors and subcontractors.

62. Can a subcontractor provide one of the three required references?

Section number: V

Paragraph number: B.6

Page number: 8

Text of passage being questioned: "Bidder's Professional Reference Letters- Letters from at least three (3) organizations/agencies for which the vendor carried out a similar project must be included. If no similar project has been conducted, other projects requiring comparable skills can be used."

Answer: As indicated on page 8 of the RFP, the primary bidder should submit at least three (3) professional reference letters. The State of Delaware contract, thus relationship, will be with the primary bidder/selected vendor. Subcontractor letters cannot replace the required professional reference letters.

63. Does the State anticipate a deadline extension for any reason? [Overview, Page 1, Paragraph 1]

Answer: No

64. Page 1 lists the Notification of Award as August 11, while Section III at the top of page 5 suggests that the period of service begins August 7. What date should bidders use as the assumed start of the contract? [Overview, Page 1, Paragraph 1]

Answer: Dates listed are tentative. The start of the contract is dependent upon when a contract is executed with prospective bidder. Services cannot begin before this occurs.

65. Should the bidder's transmittal letter be bound within the proposal package, or should the transmittal letter be separate from the bound response? [Overview, Page 1, Paragraph 2]

Answer: Either format will be accepted.

66. Does “vendor solution” on payment reform models imply a software application? If not, would a framework for evaluation and comparison, followed by assessments of each option and a set of recommendations meet Delaware’s needs? Is this meant to make a policy decision and/or to perform an actuarial analysis of proposed models? [Scope of Work, Page 5, Paragraph 7]

Answer: The HCC does not have a specific definition of “solution” and would be interested in understanding bidder perspectives on what potential options that could be helpful/needed to achieve the objectives as stated under the Scope of Services for this RFP.

67. Does the legal analysis in the RFP scope require the delivery of a legal opinion on state law requirements, and if so, must the work be done by a member of the Delaware bar? [Scope of Work, Page 6, Paragraph 2]

Answer: Work under this domain may include the provision of legal opinions, however, the HCC would be interested in understanding bidder perspectives on what could be helpful/ needed to achieve the objectives as stated under the Scope of Services. Bidders should inquire with the appropriate body that regulates the practice of law for the State of Delaware.

68. As part of the Legal Analysis services, is the State seeking only analysis of the current statutory and regulatory structure, or are you asking the selected vendor to draft the legislation and regulations needed to implement the payment reform options as well? [Scope of Work, Page 6, Paragraph 2]

Answer: Work under this domain may include drafting of legislation and/or regulations. The HCC would be interested in understanding bidder perspectives on proposed activities that could be helpful/ needed to achieve the objectives as stated under the Scope of Services for this RFP.

69. Will the selected vendor be responsible for developing contracts for new value based payment arrangements during the initial term ending January 31, 2018, or would such services be including in potential extensions beyond January 2018? [Scope of Work, Page 6, Paragraph 2]

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under the Scope of Services for this RFP relative to developing contracts for new value based payment arrangements and the timeline.

70. Who other than DHIN should the contractor expect to consult? Is there an established group with consumer, provider, and payer representatives with an interest in reporting and metrics?

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under the Scope of Services for this RFP. As described on page 3 of the RFP: The State of Delaware collaborates with many stakeholders, partner organizations and state agencies as a result of the SIM award. There are several individual initiatives across Delaware that aim to address health system transformation

efforts across a diverse system of care. In an effort to reduce duplication of effort, the selected vendor(s) will be encouraged to engage in these collaborative partnerships, as appropriate or requested by the State of Delaware.

Another primary partner to highlight includes the Center for Medicare and Medicaid Innovation (CMMI).

71. Are meetings typically conducted in person or via conference call/webinar/video service? [Scope of Work, Page 6, Paragraph 4]

Answer: A combination of both.

72. How shall the vendor budget or propose on indefinite items, such as how much analyzing, evaluating and interpreting of data is expected? What amount and what sort of input into the development of legislative/reg/policy actions? [Scope of Work, Page 6, Paragraph 5]

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under the Scope of Services for this RFP.

73. Does a separate copy of Attachment 10 need to be included for each subcontracting company, or for each individual on the project team who is a subcontractor of the bidder? [Required Information, Page 8, Paragraph 7]

Answer: A separate copy of Attachments 6 & 10 are needed for each subcontracting company.

74. Is the State interested in contracts that the Bidder has had awarded from any local government entities (i.e., cities or counties) within Delaware as well? [Required Information, Page 8, Paragraph 9]

Answer: The HCC is interested in Bidder's Professional Reference Letters (Page 8 of the RFP) and Attachment 5- Business References. These may be provided from awards bidders have received from local government entities if desired.

75. Can the bidder submit references for the same entities who submit letters of reference under the requirements on RFP page 8 – Bidder's Professional Reference Letters? [Professional Services RFP Administrative Information, Page 18, Paragraph 3]

Answer: Yes

76. In what section of the bidder's proposal should this table be included? [Professional Services RFP Administrative Information, Page 20, Paragraph 1- *Bidders must circle Yes or No...*]

Answer: The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification (aka pricing file).

77. [POTENTIAL BIDDER] provides health insurance to its employees and is willing to certify to this fact. Will this relieve the State's concern about the ACA? [Professional Services RFP Administrative Information, Page 24, Paragraph 5]

Answer: Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification (aka pricing file).

78. In what section of the bidder's proposal should this information be included? [Professional Services RFP Administrative Information, Page 25, Paragraph 2- *The State requires that all Vendors shall identify the Additional Fee...*]

Answer: The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification (aka pricing file).

79. **Section Number:** General
Paragraph Number: NA
Page Number: NA
Text of Passage: NA

Question:

Would the State be willing to provide Microsoft Word documents of the RFP? Some of the attachments require lengthy responses that would not fit in the current PDF if filled out by hand (eg. Attachment 3, Exception Form).

Answer: Word Versions of the Attachments have been posted.

80. **Section Number:** Section C. General Evaluation Requirements,
Paragraph Number: 7
Page Number: Page 10
Text of Passage:

ACA Safe Harbor Additional Fee (5 points out of 100)

Question:

Can you please explain the ACA Safe Harbor Additional Fee further?

Answer: Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a

suggested location for this acknowledgement is within the budget narrative and justification (aka pricing file). No further information is available at this time.

81. Section Number: D. Contract Terms and Conditions

Paragraph Number: 4.

Page Number: 22

Text of Passage:

The term of the contract between the successful bidder and the State shall be for one (1) year with four (4) optional extensions for a period of one (1) year for each extension.

Question:

Can you clarify the term of the contract, is the term one (1) year or 6 months for the dates ranging from August 7, 2017 through January 31, 2018 as stated on page 5 paragraph 1.

Answer: Bidders should appropriately plan for the following project/budget periods for the Accelerated Payment Reform Project:

RFP/Contract Year 1: August 7, 2017 through January 31, 2018

RFP/Contract Year 2: February 1, 2018 through January 31, 2019

82. Section Number: III. Scope of Work, 1. Health care payment reform implementation models

Paragraph Number: 1

Page Number: 5

Text of Passage: Under this proposal, we are seeking a vendor solution for assessing and implementing any combination of value-based alternative payment models.

Question: Is the vendor expected to complete the assessment of alternative payment models and fully implement these models across the Delaware network in the first 6 months of this engagement?

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under this Scope of Services. For more information bidders can also review the HCC's Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>

83. Section Number: III. Scope of Work, 1. Health care payment reform implementation models

Paragraph Number: 1

Page Number: 6

Text of Passage: These payment reforms should be in the context of delivery system reform such as relationships with ACOs MCOs, PCMHs, health homes, etc.

Question: Approximately how many ACOs, PCMH, and Provider Groups are there in the state of Delaware?

Answer: The HCC does not have the exact numbers for these categories; however, can estimate 5 ACOs within Delaware. The number of practices who have achieved NCQA PCMH Recognition are available at <https://reportcards.ncqa.org/#/practices/list>

84. Section Number: III. Scope of Work, 3. Economic modeling and analysis

Paragraph Number: 1

Page Number: 6

Text of Passage: The economic analysis will include, but is not limited to, a staged, 3-year model of a global payment system with various levels of healthcare growth targets and benchmark growth rates.

Question: Will this project require financial modeling of the programs assessed and developed in Project #1 or a different program which considers only global payments?

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under this Scope of Services. For more information bidders can also review the HCC's Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>

85. Section Number: Attachment 11

Paragraph Number: N/A

Page Number: Page 49

Text of Passage:

N/A

Question:

Can you provide more guidance for the completion of Attachment 11? WE understand the requirement to provide a Monthly Completion Report which looks to provide a summary of the project total spend by deliverable or item. Attachment 11 looks to only capture total hours by staff person or role. Does the State anticipate a time and materials or a deliverables based contract?

Answer: Attachment 11 is a modifiable template. To conform with the Centers for Medicare and Medicaid federal procedures to un-restrict contractual SIM funding, a deliverables based contract specifying total hours and hourly rates is the optimal method.

86. Section Number: Attachment 11

Paragraph Number: N/A

Page Number: Page 49

Text of Passage:

N/A

Question:

As a public company, it is not our standard to provide staff salaries for any of our staff roles. Please clarify that the State is looking for hourly rates by staff role in Attachment 11, not salary.

Answer: Attachment 11 is a modifiable template. To conform with the Centers for Medicare and Medicaid federal procedures to un-restrict contractual SIM funding, a deliverables based contract specifying total hours and hourly rates is the optimal method.

87. Section number: III. Scope of Work

Paragraph number: 2. Legal Analysis

Page number: 6

Text of passage being questioned: “The State’s existing statutory framework for health care was developed with fee-for-service as the predominant payment model and a close review of statutory provisions (including state antitrust rules and insurance law) that could impact the realization of its recommendations and, to the extent there are barriers to achieving its vision, appropriate legislative action to address these issues will be necessary.”

Question: Is the State requesting that proposals for appropriate legislative action be delivered in the form of specific proposed legislative text?

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under this Scope of Services. For more information bidders can also review the HCC’s Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>

88. Section number: III. Scope of Work

Paragraph number: 2. Legal Analysis

Page number: 6

Text of passage being questioned: “A proposed authority to monitor ongoing activities under payment reform and assistance in developing contracts for new value based payment arrangements will also be included.”

Question: Is the State requesting that the winning bidder deliver proposals for a new agency that could regulate this area, or that the winning bidder make proposals for new legal authority to be exercised by existing regulators?

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under this Scope of Services. For more information bidders can also review the HCC’s Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>

89. Section number: III. Scope of Work

Paragraph number: 2. Legal Analysis

Page number: 6

Text of passage being questioned: “A proposed authority to monitor ongoing activities under payment reform and assistance in developing contracts for new value based payment arrangements will also be included.”

Question: Is “assistance in developing contracts” a separate service to be provided by the winning bidder, or a responsibility of the “proposed authority” that should be taken into account when making recommendations regarding the proposed authority?

Answer: “Assistance in developing contracts” is an expectation of the winning vendor(s) for this domain. There is also the expectation that the winning vendor(s) will provide any legal analyses required to establish the proposed authority.

90. Section number: III. Scope of Work

Paragraph number: 3. Economic Modeling and Analysis

Page number: 6

Text of passage being questioned: “The winning bidder(s) for this domain will propose an economic analysis of current payer data, attribution, and estimates of global payments.”

Question(s): Will the Health Care Commission provide access to all-payer data for this project? What other data sources does the Health Care Commission have readily available to assist the vendor with the economic modeling, given the fast timeline? How does the Commission plan to provide access to the data and in what format? Please clarify.

Answer: To the extent that complete, accurate and reliable data is available to the HCC for use in accordance with federal and state law, the HCC will be able to provide appropriate data. The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under the Scope of Services for this RFP and will determine the necessary data sources and/or the provision of access once the winning vendor(s) is selected.

91. Section number: III. Scope of Work

Paragraph number: 3. Economic Modeling and Analysis

Page number: 6

Text of passage being questioned: “The economic analysis will include, but is not limited to, a staged, 3-year model of a global payment system with various levels of healthcare growth targets and benchmark growth rates.”

Question: Will the economic modeling be focused primarily on global payment systems, such as ACOs and population health models, or also include other value-based payment models such as pay-for-performance, episode payments, or bundled payments? In addition, please clarify if global payment systems should be interpreted to mean ACO and/or capitation payments, or something else.

Answer: The selected vendor will be expected to provide economic analysis and modeling for various value-based payment models that are considered as part of this scope of services. The HCC would be interested in understanding bidder perspectives on what could be achieved under the Scope of Services outlined in this RFP. For more information bidders can also review the HCC’s Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>

92. Section number: III. Scope of Work

Paragraph number: 3. Economic Modeling and Analysis

Page number: 6

Text of passage being questioned: “The winning bidder(s) for this domain will propose an economic analysis of current payer data, attribution, and estimates of global payments.”

Question: Has the Commission performed any preliminary modeling? If so, please describe and explain how the scope of work under this domain is expected to be different. What is the name of the vendor(s) who assisted in this work?

Answer: No, the Commission has not performed any preliminary modeling. Delaware is supporting changes in policy and legislation to help reduce the cost of health care in the State. More information can be reviewed on the Commission’s Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>.

93. Section number: III. Scope of Work

Paragraph number: 3. Economic Modeling and Analysis

Page number: 6

Text of passage being questioned: “The economic analysis will include, but is not limited to, a staged, 3-year model of a global payment system with various levels of healthcare growth targets and benchmark growth rates.”

Question: Does the Commission have a set of mandated health care growth targets?

Answer: No, the Commission does not have a set of mandated health care growth targets and would be interested in understanding bidder perspectives on what could be helpful/needed under this scope of services.

A Power Point presentation, *Health Care Costs and Spending in Delaware: A Review of the Evidence and Proposed Approach to Payment*, by DHSS Secretary Dr. Kara Odom Walker, may be helpful and can be reviewed on the Commission’s Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/files/costswalker%20.pdf>.

94.

Section number: III. Scope of Work

Paragraph number: Maximum Budget

Page number: 7

Text of passage being questioned: “Maximum Budget: \$1,500,000.00 to support all four (4) domains (through January 31, 2018).”

Question: Is there a maximum budget for each of the four domains?

Answer: No

95. **Section number:** V. Required Information

Paragraph number: B. Format and Content of Response, Bidder’s Professional Reference Letters

Page number: 8

Text of passage being questioned: “Letters from at least three (3) organizations/agencies for which the vendor carried out a similar project must be included.”

Question(s): Please clarify if separate letters of reference are required or the information in Attachment 5.

Answer: Both are required. The Bidders Professional Reference Letters (Page 8 of the RFP) may come from the three business references (Attachment 5) or from other reference sources.

96. **Section number:** Attachment 11

Paragraph number: n/a

Page number: 49

Question: Please advise as to how subcontractor costs should be reflected on the budget summary sheet. We understand that subcontractor rates will be reflected in response to Attachment 10 with along with a justification. How should these costs be incorporated into the project budget included with the proposal?

Answer: The Health Care Commission will not be prescriptive how bidders chose to develop their budget as each organization is unique. Attachment 11 is a modifiable template. Please check with your Fiscal/Budget Office for specific instruction on developing your budget.

97. **Section number:** Section III, Scope of Work

Paragraph number: Multiple

Page number: 6

Question: For the purposes of receiving comparable budgets from bidders, does HCC have an estimated number of onsite presentations, stakeholder discussions, workgroup meetings, and/or workshops the contractor should facilitate?

Answer: There will be many meetings associated with the accelerated payment reform project. The Health Care Commission cannot provide a quantifiable number of hours for implementing the project. Bidders should know that there is a broad set of stakeholders engaged in this work which includes the State of Delaware, our private and public partners as well as our federal partners at the Centers for Medicare and Medicaid (CMMI).

98. Section number: Section III, Scope of Work

Paragraph number: Multiple

Page number: 6

Question: Related to the question above, does HCC have an idea for the total number of meetings for each domain? How many of these meetings does HCC foresee to be on-site versus off-site?

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under this Scope of Services. Relative to the numbers of meetings. Regularly occurring on-site presence in Delaware is expected. HCC expects that regular on-site presence will ensure achievement of stated goals within stated timelines and that vendors will demonstrate familiarity with Delaware. As approved by State of Delaware leadership, use of a combination of remote presence will be acceptable.

99. Section number: N/A

Paragraph number: N/A

Page number: N/A

Question: Please provide an update on anticipated and/or implemented VBP models (specific structure and update on number of beneficiaries covered and percent of payments to providers) for:

- a. Delaware's Medicaid MCOs
- b. Delaware's State Employee Benefit Plan?

Answer: To the extent that complete, accurate and reliable data is available to the HCC for use in accordance with federal and state law, the HCC will be able to provide appropriate data to the winning bidder.

100.

Section number: N/A

Paragraph number: N/A

Page number: N/A

Question: Please confirm our understanding from the bidder's conference that the work plan/approach and budget should provide tasks and budget separately for the following two time periods:

- a. August 7, 2017 through January 31, 2018
- b. February 1, 2018 through January 31, 2019

Answer: Yes, that is correct.

101.

Section number: N/A
Paragraph number: N/A
Page number: N/A

Question: Please provide a description of the scope of work and budget for contractors previously or currently involved in the State's SIM work related to Domains 1, 3, and 4 of this RFP (by Award Year).

Answer: There are no contractors previously or currently involved in the Domains listed in the RFP. RFP HSS-17-027 is for a *new* scope of services. A Power Point presentation, *Health Care Costs and Spending in Delaware: A Review of the Evidence and Proposed Approach to Payment*, by DHSS Secretary Dr. Kara Odom Walker, may be helpful and can be reviewed on the Commission's Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/files/costswalker%20.pdf>. Additionally, bidders can also review the HCC's Global Health Care Benchmark website at <http://dhss.delaware.gov/dhcc/global.html>

102.

Section number: Delaware's Model Test Year 2 SIM Operational Plan
Paragraph number: N/A
Page number: 52-54

Question: Delaware's Model Test Year 2 SIM Operational Plan references "strategic support from HCC-contracted consultant" for SIM Goals/Drivers 7 and 8. Does the support requested in this RFP represent all of the referenced HCC-contracted consultant's work? If not, what work has already been performed by an "HCC-contracted consultant", who has performed the work and what was the budget by Award Year?

Answer: RFP HSS-17-027 is for a *new* scope of services and does not represent all of the HCC's contracted consultant's work. Previous HCC contracted consultant services for SIM Goals/Drivers 7 and 8 produced, among many other SIM Goals/Drivers, a series of perspectives on practice transformation and outcomes-based payment for primary care providers or for larger systems or networks assuming accountability for the health and health care of a population. The series of Consensus Papers outline various perspectives and can be found on the HCC's website: <http://dhss.delaware.gov/dhcc/sim.html>

103.

Section number: Delaware's Model Test Year 2 SIM Operational Plan
Paragraph number: N/A

Page number: 53

Question: Delaware's Model Test Year 2 SIM Operational Plan indicates the following parties are responsible for developing the Common Scorecard: HCC, DHIN, and Scorecard vendor (IMAT) with strategic support from HCC-contracted consultant. To what extent does the State of Delaware anticipate that the work in Domain 4 will include collaboration between the selected vendor and IMAT?

Answer: The HCC would be interested in understanding bidder perspectives on what could be helpful/ needed under the Scope of Services for this RFP. However, bidders should understand that per Title 16, Chapter 103, the DHIN is the State of Delaware's Health Information Exchange and has been listed as a primary partner in this SIM project (page 3 of the RFP).

104.

Section number: Attachment 5 and Section VI.B.23, respectively

Paragraph number: 1 and 3

Page number: 43 and 18

Question: On RFP Attachment 5 – Business References form, it only requires bidders to list the names of references. However, in RFP Section V.B.6 (page 14), letters of reference are required. Please clarify.

Answer: Attachment 5 is required per the State procurement process. The Health Care Commission requires bidders submit three (3) professional reference letters as indicated on page 8 of the RFP. Both are required.

105.

Section number: Attachment 5 and Section VI.B.23, respectively

Paragraph number: 1 and 3

Page number: 43 and 18

Question: If both letters of reference and reference names and contact info are required, please clarify if the clients listed in a bidder's RFP Attachment 5 – Business References form must be the same as the clients who provide the letters of reference.

Answer: The Bidders Professional Reference Letters (Page 8 of the RFP) may come from the three business references (Attachment 5) or from other reference sources.

106.

Section number: Attachment 5 and Section VI.B.23, respectively

Paragraph number: 1 and 3

Page number: 43 and 18

Question: If a bidder's Professional Reference Letters may come from different individuals than those listed on Attachment 5, will HCC contact the bidder's references

from both the Professional Reference Letters and from Attachment 5? Or will HCC only contact the references listed on Attachment 5?

Answer: The HCC may contact references from both sources.

107.

Section number: VI.B.23

Paragraph number: 3

Page number: 18

Questions: We understand that the State has requested at least three (3) professional reference letters. Will the State consider a reference letter from a client of a subcontractor as satisfying one of the reference letters?

Or, relative to the above question, does the State require that all reference letters be from clients of the **prime** contractor?

Answer: As indicated on page 8 of the RFP, the primary bidder should submit at least three (3) professional reference letters. The State of Delaware contract, thus relationship, will be with the primary bidder/selected vendor. Subcontractor letters cannot replace the required professional reference letters.

108.

Section number: V.B.23

Paragraph number: 3

Page number: 18

Question: Are letters of reference required from subcontractors

Answer: No, subcontractors are not required to provide letters of recommendation. The sub-contractor works for the prime, and has no relationship with the State other than signing of Attachment 6 (State form) and Attachment 10 (Federal form).

109.

Section number: Attachment 5

Paragraph number: 1

Page number: 43

Question: Is the RFP Attachment 5 – Business References form required from subcontractors?

Answer: No

110.

Section number: Attachment 5

Paragraph number: 1

Page number: 43

Question: We understand that the State has requested contact information for three references on RFP Attachment 5 – Business References form. Will the State consider a client reference from a client of a subcontractor as satisfying one of the references on this form?

Or, relative to the above question, does the State require that all references be from clients of the **prime** contractor?

Answer: Only the primary bidder should submit Business References as per Attachment 5. The sub-contractor works for the prime, and has no relationship with the State other than signing of Attachment 6 (State form) and Attachment 10 (Federal form).

111.

Section number: Attachment 5

Paragraph number: 1

Page number: 43

Question: We understand that the State has requested at least three (3) professional reference letters. Are three reference letters required per Component? Or are only three letters required in total from the bidder?

Answer: No, three (3) reference letters are not required for each domain. Reference letters can be relative to the general project and will be used to verify the quality of a bidder's company/organization. Please review page 8 of the RFP.

112.

Section number: V.B.7

Paragraph number: 2

Page number: 9

Question: Can bidders include the Budget and Budget Justification with the balance of the HARD COPY proposal or must the Budget and Budget Justification be submitted in a sealed separate container?

Answer: The Budget and Budget Justification can be submitted with the entire proposal together or separately. Either way is acceptable. Please make sure that it is easily identifiable.

113.

Section number: V.B.7

Paragraph number: 2

Page number: 9

Question: Can bidders include the Budget and Budget Justification with the balance of the ELECTRONIC copies of the proposal or must the Budget and Budget Justification be submitted in a separate file on the USB/CD?

Answer: The Budget and Budget Justification can be submitted with the balance of the Electronic copies of the proposal or separately. Either way is acceptable. Please make sure that it is easily identifiable.

114.

Section number: V.B.5

Paragraph number: 6

Page number: 8

Question: Section V.B.5 requires that bidders “Attach articles of incorporation . . . if applicable.” Please clarify the instance in which it would be appropriate for a bidder to submit their articles of incorporation with their proposal.

Answer: If the bidder has articles of incorporation and IRS certification of tax exempt status they should submit the information with the proposal as indicated on Page 8 of the RFP.

115.

Section number: V.C. and V.C.2

Paragraph number: 3 and 2

Page number: 10 and 20

Question: Please clarify what the “additional fee” means here [Ref: *ACA Safe Harbor Additional Fee (5 points out of 100)*]

Answer: Please review page 24 of the RFP for specific requirements of the ACA Safe Harbor. Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware.

As documented in the RFP on Page 24, “...*The State requires that all Vendors shall identify the Additional Fee to obtain health coverage from the Vendor and delineate the Additional Fee from all other charges and fees. The Vendor shall identify both the Additional Fee to be charged and the basis of how the fee is applied (i.e. per employee, per invoice, etc.). The State will consider the Additional Fee and prior to award reserves the right to negotiate any fees offered by the Vendor. Further, the Additional Fee shall be separately scored in the proposal to ensure that neither prices charged nor the Additional Fee charged will have a detrimental effect when selecting vendor(s) for award.*”

116.

Section number: V.C. and V.C.2

Paragraph number: 3 and 2

Page number: 10 and 20

Question: Is the Additional Fee applicable to a bidding company that is not a staffing company?

Answer: The additional fee is applicable to all bidders.

117.

Section number: V.C. and V.C.2

Paragraph number: 3 and 2

Page number: 10 and 20

Question: Please clarify what the appropriate response would be to this particular scoring criteria such that the bidder would secure all five possible points in this scoring category.

Answer: Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. If applicable, bidders shall identify the Additional Fee to obtain health coverage from the Vendor and delineate the Additional Fee from all other charges and fees.

118.

Section number: V.C. and V.C.2

Paragraph number: 3 and 2

Page number: 10 and 20

Question: Please clarify where in its proposal the bidder should place its response to the ACA Safe Harbor Additional Fee requirement.

Answer: The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification.

119.

Section number: V.C.2

Paragraph number: 2

Page number: 20

Question: There is an asterisk but what does the asterisk refer to?

Answer: The Asterisk related to internal instruction, regarding advising bidders to clearly identify how the ACA Safe Harbor fee is charged (i.e. by frequency, including by invoice, by hour, or by employee

120.

Section number: V.C.2

Paragraph number: 2

Page number: 20

Question: This indicates the ACA Safe Harbor Additional Fee is 5% of scoring, however page 31 of the RFP indicates that, "Additional Fee shall be separately scored in the proposal to ensure that neither prices charged nor the Additional Fee charged will have a detrimental effect when selecting vendor(s) for award." Please clarify.

Answer: ACA Safe Harbor Additional Fee must be scored, however, since pricing is not the sole factor in award, the scoring will not have a detrimental effect when selecting a vendor.

121.

Section number: V.C.2

Paragraph number: 3

Page number: 26

Question: In the section of the RFP where scoring criteria is described, there is a grid which indicates that bidders must "circle Yes or No" to a number of questions that will

not be used in the weighted evaluation of the proposal. Please clarify where in the bidder's proposal this information should be placed

Answer: The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification (aka pricing file).

122.

Section number: V.C.2

Paragraph number: 3

Page number: 20

Question: Please define what is mean by an "inclusion policy."

Answer: One definition for "inclusion policy" would be that the bidder organizations have a policy on inclusion of diverse populations within the organization, and in the larger systems, that constitute our environment, programs and the clients we serve. For information on the DHSS Inclusion Policy Resources please visit:

<http://dhss.delaware.gov/dhss/inclusion/index.html>

123.

Section number: VI.D.8.c

Paragraph number: 2

Page number: 25

Question: This section of the RFP indicates that, Additional Fee shall be separately scored in the proposal to ensure that neither prices charged nor the Additional Fee charged will have a detrimental effect when selecting vendor(s) for award."

- (a) Please define "prices charged" as used in this clause
- (b) Is "prices charged" considered Required Information from the bidder?
- (c) If "prices charged" is Required Information from the bidder, please indicate where bidders should place this information in their proposal.

Answer: Bidders should acknowledge their approach to - and understanding of - the ACA Safe Harbor position of the State of Delaware. The State of Delaware does not consider vendors, contractors and/or subcontractors employees of the state and/or eligible for health benefits by the State of Delaware. If applicable, bidders shall identify the Additional Fee to obtain health coverage from the Vendor and delineate the Additional Fee from all other charges and fees.

The Health Care Commission will not be prescriptive how bidders chose to make this acknowledgement; however, a suggested location for this acknowledgement is within the budget narrative and justification (aka pricing file).

124.

Section number: 1

Paragraph number: 8

Page number: 1

Question: Most national carriers such as UPS and FedEx guarantee delivery by 10:30 am which is very close to the 11:00 am due time. Would the State consider extending

the due time from 11 am to 3 pm to accommodate for any minor delays from national carriers such as FedEx or UPS?

Answer: No, it is recommended that your proposal be submitted the day before the deadline stated in the RFP.

125.

Section number: Attachment 11

Paragraph number: N/A

Page number: 49

Question: Budget Summary Sheet does not appear to have a line item for profit. Please clarify (1) if profit is permitted by the laws governing the grant funding for this work and (2) if profit is allowed, please clarify where on the Budget Summary Sheet bidders should place the profit line item.

Answer: No. According to the federal Notice of Grant Award, profit is not permitted under the Centers for Medicare & Medicaid Services Standard Grant/Cooperative Agreement Terms and Conditions. Also, please remember that Attachment 11 is a modifiable template.

126.

Section number: Attachment 11

Paragraph number: N/A

Page number: 48

Question: Where on the Budget Summary Sheet bidders should place subcontractor costs?

Answer: The Health Care Commission will not be prescriptive how bidders chose to develop their budget as each organization is unique. Attachment 11 is a modifiable template. Please check with your Fiscal/Budget Office for specific instruction on developing your budget.

127.

Section number: Attachment 10

Paragraph number: 6

Page number: 48

Question: Please clarify the meaning of the statement, "must comply with GSA."

Answer: GSA- General Services Administration. Please visit the GSA Home page at <https://www.gsa.gov/portal/category/100000> . For GSA Travel and Per Diem information please visit: <https://www.gsa.gov/portal/category/26429>

128.

Section number: Attachment 11

Paragraph number: N/A

Page number: 49

Question: In our experience, fee (profit) may or may not be allowed in contracts funded by Federal grants and cooperative agreements – in particular those that fall under OMB

Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 (“Uniform Guidance”) such as SIM grants. Please clarify:

- Is fee (profit) allowed under this contract?
 - **Answer:** No. According to the federal Notice of Grant Award, profit is not permitted under the Centers for Medicare & Medicaid Services Standard Grant/Cooperative Agreement Terms and Conditions.
- If fee (profit) is allowed, please indicate if there is a cap on fee (profit), and provide the cap.
 - **Answer:** No. According to the federal Notice of Grant Award, profit is not permitted under the Centers for Medicare & Medicaid Services Standard Grant/Cooperative Agreement Terms and Conditions.
- If fee (profit) is allowed, please indicate where fee (profit) should be outlined in the Delaware budget template provided in RFP Attachment 11 – Budget Summary Sheet.
 - **Answer:** No. According to the federal Notice of Grant Award, profit is not permitted under the Centers for Medicare & Medicaid Services Standard Grant/Cooperative Agreement Terms and Conditions.
- Is there a salary cap?
 - **Answer:** The HCC is not aware of a salary cap; however, CMMI may request justification for any budget line items submitted for approval to un-restrict funds for this project. Anything deemed excessive may be denied by CMMI.
- If there is a salary cap, please provide an example of how that is calculated.
 - Is there a cap on indirect costs?

Answer: According to the federal Notice of Grant Award under this Cooperative Agreement, indirect costs rate cannot exceed 10 percent.

129.

Section number: Attachment 11

Paragraph number: N/A

Page number: 49

Question: Is subcontractor mark-up allowable under this contract? Please clarify:

- If subcontractor mark-up is allowable under this contract, please indicate if there is a cap on the subcontractor mark-up.
- If subcontractor mark-up is allowed, please indicate where subcontractor mark-up should be outlined in the Delaware budget template provided in RFP Attachment 11 - Budget Summary Sheet.

Answer: The HCC cannot make a determination regarding sub-contractor mark-ups at this time. CMS may have regulatory guidelines on this allowance and may request justification for any budget line items during the un-restriction process. Such a mark-up,

especially if deemed excessive by CMMI, may be denied under this federal SIM Cooperative Agreement grant. Attachment 11 is a modifiable template and this information should be provided here.

130.

Section number: Attachment 11

Paragraph number: N/A

Page number: 49

Question: Please confirm that since this work is being funded by a Federal grant, the State is bound by OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 ("Uniform Guidance").

Answer: Yes. SIM Awards are bound by the Uniformed Guidance since it is a federal award.

131.

Section number: Attachment 11

Paragraph number: N/A

Page number: 49

Question: In light of the underlying federal grant from CMS, please confirm that HCC has evaluated the role of the respondents to this HSS-17-027 to be "Contractors" under the OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 ("Uniform Guidance") by applying the criteria outlined in 2 CFR 200.330? If not, how is HCC categorizing the respondent under the Uniform Guidance

Answer: The winning vendor(s) will be deemed contractors under this RFP. The HCC cannot make any further determination at this time.

132.

Question: Can the terms of an engagement specify that the client is limited to the Department of Health and Social Services, Delaware Healthcare Commission (respectively, "DHSS" and "DHC" and does not include the State of Delaware or any other State of Delaware departments, commissions, agencies or instrumentalities (collectively, the "State and its other agencies"), and none of the foregoing will use representation of DHSS and DHC to seek to disqualify the Vendor from any representation adverse to the State or its other agencies?

Answer: The HCC cannot make that determination at this time until a vendor has been selected under this RFP.

133.

Question: Will DHSS and DHC provide any form of advance waiver of conflicts of interest and if not, what is the process and timing for seeking waivers?

Answer: The HCC cannot make that determination at this time until a vendor has been selected under this RFP

134.

Question: If the Vendor is located outside of the State of Delaware and has duly licensed professionals in the jurisdictions in which it operates, is the requirement to have a Delaware business license applicable

Answer: As noted on page 8, *Qualification of Vendor*, a statement must be included that the vendor either has or certifies he/she will secure a Delaware Business License prior to initiation of the project. Attach articles of incorporation and IRS certification of tax exempt status if applicable. More information can be found on Page 25 of the RFP regarding Licenses and Permits.

135.

Section number: Attachment 11

Paragraph number: N/A

Page number: 49

Question: If the HCC determines that the respondents under this RFP are contractors under the OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 ("Uniform Guidance"), please confirm that Contractors (and their subcontractors) will not be required to provide any additional cost detail on invoices or be subject to the cost principles under the Uniform Guidance, including but not limited to indirect cost limitations and salary level limits.

Answer: The HCC complies with CMMI on all requests (programmatic and budgetary) to un-restrict funds for this project. As such, the HCC cannot make that determination at this time.