

STATE OF DELAWARE
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Deadline for Receipt of Proposals
(Time)

Date: February 22, 2019 at 11:00 AM (Local Time)

Estimated Notification of Award

Date: February 28, 2019

Each proposal must be accompanied by a transmittal letter, which briefly summarizes the proposing firm's interest in providing the required professional services. The transmittal letter must also clearly state and justify any exceptions to the requirements of the RFP, which the applicant may have taken in presenting the proposal. (Applicant exceptions must also be recorded on (Attachment 3).

Furthermore, the transmittal letter must attest to the fact, at a minimum, that the Vendor shall not store or transfer non-public State of Delaware data outside of the United States. For technology related solicitations, Vendors may refer to the Delaware Department of Technology and Information identified terms and conditions included in this solicitation.

The State of Delaware reserves the right to deny any and all exceptions taken to the RFP requirements.

A mandatory pre-bid meeting has not been established for this Request for Proposal.

Background

This document is a Request for Proposals for interested vendors to provide a set of services to the Delaware Medicaid and Delaware Healthy Children Program (DHCP) populations through the Diamond State Health Plan (DSHP), and Diamond State Health Plan Plus (DSHP-Plus). The services to be provided by the selected vendor consist of activities to support Members both before and after enrollment in an MCO. These activities include but are not limited to benefit and program education and non-biased assistance to Members in the choice of an enrollment into managed care organizations (MCOs). It also includes the billing for and collection of monthly premiums for the Delaware Healthy Children Program (Delaware's Title XXI SCHIP program). These services are to be delivered as an integral part of the Medicaid managed care programs, Diamond State Health Plan, Diamond State Health Plan Plus and Delaware Healthy Children Program. The purpose of this Request for Proposal (RFP) is to solicit bids from qualified organizations to perform services according to the terms and conditions set forth herein. The State of Delaware desires to contract with one (1), independent Health Benefits Manager (HBM) per the attached specifications. This RFP primarily describes the program standards with which the contracting HBM must comply. It also includes information on the policies and procedures that the State will follow in carrying out its program management and oversight responsibilities.

Program Oversight

The Delaware Department of Health and Social Services (DHSS) is an umbrella agency that is responsible for the administration of most of the State's health-related services. Included in its twelve Divisions is the Division of Medicaid & Medical Assistance (DMMA). The DMMA is officially designated as the administrator of the State's Medicaid and Healthy Children programs. This administrative responsibility is discharged at the operational level through the Managed Care Operations Unit in the Division of Medicaid & Medical Assistance. The Medicaid program is the Title XIX Federal-State health program for certain categorically eligible low-income groups. The Delaware Healthy Children Program is the State's Title XXI program for low-income children (SCHIP). In addition to State agency oversight, the Center for Medicare and Medicaid Services (CMS) also will monitor Delaware's Medicaid managed care program

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activities through its Regional office in Philadelphia, Pennsylvania and its central office in Baltimore, Maryland. The Delaware Department of Health and Social Services (DHSS) is the issuing agency for this RFP.

Delaware Medicaid

Delaware receives on average 54 percent matching funds from the Federal government for this program. In State Fiscal Year (SFY) 2018 (July 2017 to June 2018), total Medicaid expenditures were **\$2,306,708,964**. There were **236,702** average monthly eligibles for SFY 2018. There were **186,380** average monthly eligibles in the Diamond State Health Plan for SFY 2018.

Presently, the DMMA State Managed Care program contracts with two Managed Care Organizations (MCOs) to provide services to 229,810 Medicaid and 7,933 Delaware Healthy Children enrollees. The services required under the Diamond State Health Plan program for this proposal shall be provided for one or more MCOs if more than one MCO is enrolled during the term of the contract. Delaware Medicaid provides coverage to various populations who meet the Federal Poverty Level (FPL) and other eligibility requirements. Below are the FPL guidelines:

- Pregnant women and infants with incomes up to 212% of the FPL
- Children ages 1 to 5 with incomes up to 142% of the FPL
- Children ages 5 to 18 (until the end of the month when the child turns 19) with incomes up to 133% of the FPL
- Adults with incomes up to 133% of the FPL

The Delaware Healthy Children Program (DHCP) covers children at or below 212% of the Federal Poverty level. A monthly premium is charged per eligible household based on the household's income level. Families of children determined eligible for the DHCP must also pay a monthly premium and maintain the child's enrollment in an MCO to be eligible for the program. If the family does not pay the DHCP premium for two consecutive months, the DHCP-eligible child would be dis-enrolled from his/her MCO. If the family pays the premium, the DHCP-eligible child would be re-enrolled in the same MCO he/she was in prior to his/her disenrollment for nonpayment. All these activities are managed by the HBM.

Effective 12/20/17, an Amendment was made to the 1115 Waiver to provide Medicaid state plan coverage to former foster care youth under age 26 who were in foster care under the responsibility of another state or tribe when they "aged out" of foster care at age 18 (or such higher age as elected by the other state) and were enrolled in Medicaid at that time.

Delaware Medicaid also provides Long Term Services and Supports (LTSS) through both managed Long Term Care under Diamond State Health Plan Plus and through fee-for-service for the Division of Developmental Disabilities Services (DDDS) waiver. Individuals must qualify both medically and financially to receive LTSS in Delaware. The HBM would be responsible for providing assistance to these groups of individuals as well.

The 1915(c) DDDS Lifespan Waiver amendment increases the waiver enrollment limits to include individuals with intellectual and developmental disabilities, autism, and/or Prader-Willi Syndrome who have left school but who do not require a residential support as of the time of enrollment. The individuals that are the target of the waiver expansion typically live in the family home and are currently enrolled in Delaware's 1115 Diamond State Health Plan (DSHP) Waiver to receive their regular Medicaid State Plan benefits via enrollment with a Managed Care Organization.

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The population affected by this Demonstration is comprised of individuals who are enrolled in the 1115 DSHP Waiver that qualify to be enrolled in the 1915(c) DDDS Lifespan Waiver on or after July 1, 2017 and are not receiving Residential Habilitation. This population will receive their regular Medicaid State Plan benefits via enrollment with a Managed Care Organization. Individuals who are enrolled in the 1915(c) DDDS Lifespan Waiver and are receiving Residential Habilitation will continue to be carved-out of the 1115 DSHP Waiver and will receive their acute care benefits via fee for service.

Members that are currently receiving DSHP Plus LTSS under the 1115 Waiver will be unaffected by this change if they choose to remain enrolled in DSHP Plus. DSHP Plus LTSS members with intellectual and developmental disabilities cannot be concurrently enrolled in the 1115 waiver and the DDDS Lifespan 1915(c) waiver. Individuals must choose the LTSS program that will best meet his or her needs. Individuals will be assisted to make that choice by the MCO case manager and a DDDS Community Navigator.

A. We have recently submitted a request to the Centers for Medicare and Medicaid Services (CMS) to extend our current CMS 1115 waiver by 5-years as well as a request for a Substance Use Disorder Amendment. Target Population

Qualification for the Diamond State Health Plan, Diamond State Health Plan Plus and Delaware Healthy Children's Program are based on a combination of factors including family composition, income level, insurance status, and medical level of care and pregnancy status, depending on the eligibility group. The specific eligibility groups that will be included in these Plans are described in more detail in Exhibit 3, along with the State's estimate of the size of each group in the target population.

The contractor shall perform the following duties described below:

II. Required Information

The following information shall be provided in each proposal in the order listed below. Failure to respond to any request for information within this proposal may result in rejection of the proposal at the sole discretion of the State.

A. Minimum Requirements

1. 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 or initiate the process of application where required.

2. Vendor shall provide responses to the Request for Proposal (RFP) scope of work and clearly identify capabilities as presented in the General Evaluation Requirements below.
3. Complete all appropriate attachments and forms as identified within the RFP.
4. Proof of insurance and amount of insurance shall be furnished to the Agency prior to the start of the contract period and shall be no less than as identified in the bid solicitation, Section V, Item 8, subsection g (insurance).

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1. **General Evaluation Requirements** Experience and Reputation
2. Expertise (for the particular project under consideration)
3. Capacity to meet requirements (size, financial condition, etc.)
4. Location (geographical)
5. Demonstrated ability
6. Familiarity with public work and its requirements

III. Professional Services RFP Administrative Information

A. RFP Issuance

1. Public Notice

Public notice has been provided in accordance with 29 *Del. C.* [§6981](#).

2. Obtaining Copies of the RFP

This RFP is available in electronic form through the State of Delaware Procurement website at www.bids.delaware.gov . Paper copies of this RFP will not be available.

3. Assistance to Vendors with a Disability

Vendors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the Designated Contact no later than ten days prior to the deadline for receipt of proposals.

4. RFP Designated Contact

All requests, questions, or other communications about this RFP shall be made in writing to the State of Delaware. Address all communications to the person listed below; communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor. Vendors should rely only on written statements issued by the RFP designated contact.

Loriann Broome
Social Service Administrator
1901 North DuPont Highway
Lewis Building
New Castle, DE 19720
Loriann.Broome@state.de.us

To ensure that written requests are received and answered in a timely manner, electronic mail (e-mail) correspondence is acceptable, but other forms of delivery, such as postal and courier services can also be used.

5. Consultants and Legal Counsel

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The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact the State's consultant or legal counsel on any matter related to the RFP.

6. Contact with State Employees

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business.

7. Organizations Ineligible to Bid

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

8. Exclusions

The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

- a. Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract:
- b. Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor:
- c. Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes:
- d. Has violated contract provisions such as;
 - 1) Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - 2) Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
- e. Has violated ethical standards set out in law or regulation; and
- f. Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

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B. RFP Submissions

1. Acknowledgement of Understanding of Terms

By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

2. Proposals

To be considered, all proposals must be submitted in writing and respond to the items outlined in this RFP. The State reserves the right to reject any non-responsive or non-conforming proposals. Each proposal must be submitted with **six (6) paper** copies and **six (6)** electronic copies on CD or DVD Media Disk. Please provide a separate electronic pricing file from the rest of the RFP proposal responses.

HARD COPIES

Each required copy must contain the following sections:

1. Technical Proposal
2. Business Proposal/Budget – Budget must not be included in or attached to the Technical Proposal.

ELECTRONIC COPIES

Each required CD or DVD Media Disk must contain a minimum of two files as follows:

1. Technical Proposal – One document in PDF or Word Format
2. Business Proposal – In Excel or Word

All properly sealed and marked proposals are to be sent to the State of Delaware and received no later than **11:00 AM (Local Time) on February 22, 2019**. The Proposals may be delivered by Express Delivery (e.g., FedEx, UPS, etc.), US Mail, or by hand to:

**Kimberly Jones
Division of Management Services
Procurement Branch
Main Administration Building, Room 257
Herman M. Holloway Sr. Campus
1901 N. DuPont Highway
New Castle, DE 19720**

Vendors are directed to clearly print “BID ENCLOSED” and “CONTRACT NO. HSS-19-004” on the outside of the bid submission package.

Bidder name should also be clearly visible on the outside of the package.

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Any proposal received after the Deadline for Receipt of Proposals date shall not be considered and shall be returned unopened. The proposing vendor bears the risk of delays in delivery. The contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process.

Upon receipt of vendor proposals, each vendor shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

3. Proposal Modifications

Any changes, amendments or modifications to a proposal must be made in writing, submitted in the same manner as the original response and conspicuously labeled as a change, amendment or modification to a previously submitted proposal. Changes, amendments or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals.

4. Proposal Costs and Expenses

The State of Delaware will not pay any costs incurred by any Vendor associated with any aspect of responding to this solicitation, including proposal preparation, printing or delivery, attendance at vendor's conference, system demonstrations or negotiation process.

5. Proposal Expiration Date

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through April 1, 2020. The State of Delaware reserves the right to ask for an extension of time if needed.

6. Late Proposals

Proposals received after the specified date and time will not be accepted or considered. To guard against premature opening, sealed proposals shall be submitted, plainly marked with the proposal title, vendor name, and time and date of the proposal opening. Evaluation of the proposals is expected to begin shortly after the proposal due date. To document compliance with the deadline, the proposal will be date and time stamped upon receipt.

7. Proposal Opening

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened in the presence of State of Delaware personnel. Any unopened proposals will be returned to the submitting Vendor.

There will be no public opening of proposals but a public log will be kept of the names of all vendor organizations that submitted proposals. The contents of any proposal shall not be disclosed in accordance with [Executive Order # 31](#) and Title 29, Delaware Code, [Chapter 100](#).

8. Non-Conforming Proposals

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP

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requirement is substantive or a mere formality shall reside solely within the State of Delaware.

9. Concise Proposals

The State of Delaware discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.

10. Realistic Proposals

It is the expectation of the State of Delaware that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The State of Delaware shall bear no responsibility or increase obligation for a vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

11. Confidentiality of Documents

Subject to applicable law or the order of a court of competent jurisdiction to the contrary, all documents submitted as part of the vendor's proposal will be treated as confidential during the evaluation process. As such, vendor proposals will not be available for review by anyone other than the State of Delaware/Proposal Evaluation Team or its designated agents. There shall be no disclosure of any vendor's information to a competing vendor prior to award of the contract unless such disclosure is required by law or by order of a court of competent jurisdiction.

The State of Delaware and its constituent agencies are required to comply with the State of Delaware Freedom of Information Act, [29 Del. C. § 10001, et seq. \("FOIA"\)](#). FOIA requires that the State of Delaware's records are public records (unless otherwise declared by FOIA or other law to be exempt from disclosure) and are subject to inspection and copying by any person upon a written request. Once a proposal is received by the State of Delaware and a decision on contract award is made, the content of selected and non-selected vendor proposals will likely become subject to FOIA's public disclosure obligations.

The State of Delaware wishes to create a business-friendly environment and procurement process. As such, the State respects the vendor community's desire to protect its intellectual property, trade secrets, and confidential business information (collectively referred to herein as "confidential business information"). Proposals must contain sufficient information to be evaluated. If a vendor feels that they cannot submit their proposal without including confidential business information, they must adhere to the following procedure or their proposal may be deemed unresponsive, may not be recommended for selection, and any applicable protection for the vendor's confidential business information may be lost.

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In order to allow the State to assess its ability to protect a vendor's confidential business information, vendors will be permitted to designate appropriate portions of their proposal as confidential business information.

Vendor(s) may submit portions of a proposal considered to be confidential business information in a separate, sealed envelope labeled "Confidential Business Information" and include the specific RFP number. The envelope must contain a letter from the Vendor's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not "public record" as defined by 29 Del. C. § 10002, and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State of Delaware will open the envelope to determine whether the procedure described above has been followed. A vendor's allegation as to its confidential business information shall not be binding on the State. The State shall independently determine the validity of any vendor designation as set forth in this section. Any vendor submitting a proposal or using the procedures discussed herein expressly accepts the State's absolute right and duty to independently assess the legal and factual validity of any information designated as confidential business information. Accordingly, Vendor(s) assume the risk that confidential business information included within a proposal may enter the public domain.

12. Price Not Confidential

Vendors shall be advised that as a publically bid contract, no Vendor shall retain the right to declare their pricing confidential.

13. Multi-Vendor Solutions (Joint Ventures)

Multi-vendor solutions (joint ventures) will be allowed only if one of the venture partners is designated as the "**prime contractor**". The "**prime contractor**" must be the joint venture's contact point for the State of Delaware and be responsible for the joint venture's performance under the contract, including all project management, legal and financial responsibility for the implementation of all vendor systems. If a joint venture is proposed, a copy of the joint venture agreement clearly describing the responsibilities of the partners must be submitted with the proposal. Services specified in the proposal shall not be subcontracted without prior written approval by the State of Delaware, and approval of a request to subcontract shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the work. Further, vendor shall be and remain liable for all damages to the State of Delaware caused by negligent performance or non-performance of work by its subcontractor or its sub-subcontractor.

Multi-vendor proposals must be a consolidated response with all cost included in the cost summary. Where necessary, RFP response pages are to be duplicated for each vendor.

a. Primary Vendor

The State of Delaware expects to negotiate and contract with only one "prime vendor". The State of Delaware will not accept any proposals that reflect an equal teaming arrangement or from vendors who are co-bidding on this RFP. The prime vendor will be responsible for the management of all subcontractors.

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Any contract that may result from this RFP shall specify that the prime vendor is solely responsible for fulfillment of any contract with the State as a result of this procurement. The State will make contract payments only to the awarded vendor. Payments to any-subcontractors are the sole responsibility of the prime vendor (awarded vendor).

Nothing in this section shall prohibit the State of Delaware from the full exercise of its options under Section IV.B.18 regarding multiple source contracting.

b. Sub-contracting

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. **The prime vendor shall be wholly responsible for the entire contract performance whether or not subcontractors are used.** Any sub-contractors must be approved by State of Delaware.

c. Multiple Proposals

A primary vendor may not participate in more than one proposal in any form. Sub-contracting vendors may participate in multiple joint venture proposals.

14. Sub-Contracting

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and subcontractors must be identified by name. Any sub-contractors must be approved by State of Delaware.

15. Discrepancies and Omissions

Vendor is fully responsible for the completeness and accuracy of their proposal, and for examining this RFP and all addenda. Failure to do so will be at the sole risk of vendor. Should vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or should any questions arise concerning this RFP, vendor shall notify the State of Delaware's Designated Contact, in writing, of such findings at least ten (10) days before the proposal opening. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of vendor's proposal upon which award could not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the Designated Contact, in writing, at least ten (10) calendar days prior to the time set for opening of the proposals.

a. RFP Question and Answer Process

The State of Delaware will allow written requests for clarification of the RFP. All questions shall be received no later than **January 18, 2019**. All questions will be consolidated into a single set of responses and posted on the State's website at www.bids.delaware.gov by

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the date of **February 1, 2019**. Vendor names will be removed from questions in the responses released. Questions should be submitted in the following format. Deviations from this format will not be accepted.

Section number

Paragraph number

Page number

Text of passage being questioned

Questions not submitted electronically shall be accompanied by a CD and questions shall be formatted in Microsoft Word.

16. State's Right to Reject Proposals

The State of Delaware reserves the right to accept or reject any or all proposals or any part of any proposal, to waive defects, technicalities or any specifications (whether they be in the State of Delaware's specifications or vendor's response), to sit and act as sole judge of the merit and qualifications of each product offered, or to solicit new proposals on the same project or on a modified project which may include portions of the originally proposed project as the State of Delaware may deem necessary in the best interest of the State of Delaware.

17. State's Right to Cancel Solicitation

The State of Delaware reserves the right to cancel this solicitation at any time during the procurement process, for any reason or for no reason. The State of Delaware makes no commitments expressed or implied, that this process will result in a business transaction with any vendor.

This RFP does not constitute an offer by the State of Delaware. Vendor's participation in this process may result in the State of Delaware selecting your organization to engage in further discussions and negotiations toward execution of a contract. The commencement of such negotiations does not, however, signify a commitment by the State of Delaware to execute a contract nor to continue negotiations. The State of Delaware may terminate negotiations at any time and for any reason, or for no reason.

18. State's Right to Award Multiple Source Contracting

Pursuant to 29 *Del. C.* [§ 6986](#), the State of Delaware may award a contract for a particular professional service to two or more vendors if the agency head makes a determination that such an award is in the best interest of the State of Delaware.

19. Potential Contract Overlap

Vendors shall be advised that the State, at its sole discretion, shall retain the right to solicit for goods and/or services as required by its agencies and as it serves the best interest of the State. As needs are identified, there may exist instances where contract deliverables, and/or goods or services to be solicited and subsequently awarded, overlap previous awards. The State reserves the right to reject any or all bids in whole or in part, to make partial awards, to

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award to multiple vendors during the same period, to award by types, on a zone-by-zone basis or on an item-by-item or lump sum basis item by item, or lump sum total, whichever may be most advantageous to the State of Delaware.

20. Notification of Withdrawal of Proposal

Vendor may modify or withdraw its proposal by written request, provided that both proposal and request is received by the State of Delaware prior to the proposal due date. Proposals may be re-submitted in accordance with the proposal due date in order to be considered further.

Proposals become the property of the State of Delaware at the proposal submission deadline. All proposals received are considered firm offers at that time.

21. Revisions to the RFP

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware's website at www.bids.delaware.gov. The State of Delaware is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

22. Exceptions to the RFP

Any exceptions to the RFP, or the State of Delaware's terms and conditions, must be recorded on Attachment 3. Acceptance of exceptions is within the sole discretion of the evaluation committee.

23. Business References

Provide at least three (3) business references consisting of current or previous customers of similar scope and value using Attachment 5. Include business name, mailing address, contact name and phone number, number of years doing business with, and type of work performed. Personal references cannot be considered.

24. Award of Contract

The final award of a contract is subject to approval by the State of Delaware. The State of Delaware has the sole right to select the successful vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP.

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, and no vendor will acquire any legal or equitable rights or privileges until the occurrence of both such events.

a. RFP Award Notifications

After reviews of the evaluation committee report and its recommendation, and once the contract terms and conditions have been finalized, the State of Delaware will award the contract.

The contract shall be awarded to the vendor whose proposal is most advantageous, taking into consideration the evaluation factors set forth in the RFP.

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It should be explicitly noted that the State of Delaware is not obligated to award the contract to the vendor who submits the lowest bid or the vendor who receives the highest total point score, rather the contract will be awarded to the vendor whose proposal is the most advantageous to the State of Delaware. The award is subject to the appropriate State of Delaware approvals.

After a final selection is made, the winning vendor will be invited to negotiate a contract with the State of Delaware; remaining vendors will be notified in writing of their selection status.

25. Cooperatives

Vendors, who have been awarded similar contracts through a competitive bidding process with a cooperative, are welcome to submit the cooperative pricing for this solicitation.

C. RFP Evaluation Process

An evaluation team composed of representatives of the State of Delaware will evaluate proposals on a variety of quantitative criteria. Neither the lowest price nor highest scoring proposal will necessarily be selected.

The State of Delaware reserves full discretion to determine the competence and responsibility, professionally and/or financially, of vendors. Vendors are to provide in a timely manner any and all information that the State of Delaware may deem necessary to make a decision.

1. Proposal Evaluation Team

The Proposal Evaluation Team shall be comprised of representatives of the State of Delaware. The Team shall determine which vendors meet the minimum requirements pursuant to selection criteria of the RFP and procedures established in 29 *Del. C.* §§ [6981](#) and [6982](#). Professional services for this solicitation are considered under 29 *Del. C.* §6982(b). The Team may negotiate with one or more vendors during the same period and may, at its discretion, terminate negotiations with any or all vendors. The Team shall make a recommendation regarding the award to the Secretary of Health and Social Services, who shall have final authority, subject to the provisions of this RFP and 29 *Del. C.* § [6982\(b\)](#), to award a contract to the successful vendor in the best interests of the State of Delaware.

2. Proposal Selection Criteria

The Proposal Evaluation Team shall assign up to the maximum number of points for each Evaluation Item to each of the proposing vendor's proposals. All assignments of points shall be at the sole discretion of the Proposal Evaluation Team.

The proposals shall contain the essential information on which the award decision shall be made. The information required to be submitted in response to this RFP has been determined by the State of Delaware to be essential for use by the Team in the bid evaluation and award process. Therefore, all instructions contained in this RFP shall be met in order to qualify as a responsive and responsible contractor and participate in the Proposal Evaluation Team's consideration for award. Proposals which do not meet or comply with the instructions of this

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RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the Team.

The Team reserves the right to:

- Select for contract or for negotiations a proposal other than that with lowest costs.
- Reject any and all proposals or portions of proposals received in response to this RFP or to make no award or issue a new RFP.
- Waive or modify any information, irregularity, or inconsistency in proposals received.
- Request modification to proposals from any or all vendors during the contract review and negotiation.
- Negotiate any aspect of the proposal with any vendor and negotiate with more than one vendor at the same time.
- Select more than one vendor pursuant to 29 Del. C. §6986. Such selection will be based on the following criteria:

Criteria Weight

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the Evaluation Team to evaluate proposals:

Criteria	Weight
The qualifications and experience of the persons to be assigned to the project. Familiarity and experience creating and running similar projects, including the ability to perform the work in a timely manner, company oversight and on-going project support and maintenance.	20
Understanding of Diamond State Health Plan programs and benefits, and demonstrate ability to produce, develop and distribute member materials.	10
Knowledge of enrollment process and demonstrates ability to operationalize full scope of enrollment broker. Including Delaware Healthy Children’s Program invoicing and premium collection.	15
Experience and innovation in customer service practices.	10
Development and execution of a call center including member portal and phone system.	15
Innovative data collection and reporting on measures that would enhance overall improvement of DMMA MCO operations.	10
Pricing	10

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Criteria	Weight
Overall compliance with state and federal System requirements.	10
Total	100%
Bidders must circle Yes or No to the following questions and include the answers in their response.	
1) Does the bidder have a Supplier Diversity plan currently in place?	Yes/No
2) Does the bidder have any diverse sub- contractors as outlined in Attachment 8 Tier II Sub-contractors?	Yes/No
3) Does the bidder have a written inclusion policy in place? If yes, attach a clearly identifiable copy of the inclusion plan to your proposal.	Yes/No
Answers to these 3 questions are mandatory and do not affect the weighted evaluation of this proposal. However, an affirmative answer to question 2 may directly impact quarterly sub-contracting reporting as illustrated in Attachment 8 in those instances where an awarded contract includes subcontracting activity.	

Vendors are encouraged to review the evaluation criteria and to provide a response that addresses each of the scored items. Evaluators will not be able to make assumptions about a vendor’s capabilities so the responding vendor should be detailed in their proposal responses.

3. Proposal Clarification

The Evaluation Team may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

4. References

The Evaluation Team may contact any customer of the vendor, whether or not included in the vendor’s reference list, and use such information in the evaluation process. Additionally, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for State of Delaware personnel for these visits.

5. Oral Presentations

After initial scoring and a determination that vendor(s) are qualified to perform the required services, selected vendors may be invited to make oral presentations to the Evaluation Team. All vendor(s) selected will be given an opportunity to present to the Evaluation Team.

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The selected vendors will have their presentations scored or ranked based on their ability to successfully meet the needs of the contract requirements, successfully demonstrate their product and/or service, and respond to questions about the solution capabilities.

The vendor representative(s) attending the oral presentation shall be technically qualified to respond to questions related to the proposed system and its components.

All of the vendor's costs associated with participation in oral discussions and system demonstrations conducted for the State of Delaware are the vendor's responsibility.

IV. Contract Terms and Conditions

1. Contract Use by Other Agencies

REF: Title 29, Chapter 6904(e) Delaware Code. If no state contract exists for a certain good or service, covered agencies may procure that certain good or service under another agency's contract so long as the arrangement is agreeable to all parties. Agencies, other than covered agencies, may also procure such goods or services under another agency's contract when the arrangement is agreeable to all parties.

2. Cooperative Use of Award

As a publicly competed contract awarded in compliance with 29 DE Code Chapter 69, this contract is available for use by other states and/or governmental entities through a participating addendum. Interested parties should contact the State Contract Procurement Officer identified in the contract for instruction. Final approval for permitting participation in this contract resides with the Director of Government Support Services and in no way places any obligation upon the awarded vendor(s).

3. As a Service Subscription

As a Service subscription license costs shall be incurred at the individual license level only as the individual license is utilized within a fully functioning solution. Subscription costs will not be applicable during periods of implementation and solution development prior to the State's full acceptance of a working solution. Additional subscription license requests above actual utilization may not exceed 5% of the total and are subject to Delaware budget and technical review.

4. General Information

- a. The term of the contract between the successful bidder and the State shall be for 3 year with 2 optional extensions for a period of one (1) year for each extension.
- b. The selected vendor will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP. Any proposed modifications to the terms and conditions of the standard contract are subject to review and approval by the State of Delaware. Vendors will be required to sign the contract for all services, and may be required to sign additional agreements.
- c. The selected vendor or vendors will be expected to enter negotiations with the State of Delaware, which will result in a formal contract between parties. Procurement will be in

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accordance with subsequent contracted agreement. This RFP and the selected vendor's response to this RFP will be incorporated as part of any formal contract.

- d. The State of Delaware's standard contract will most likely be supplemented with the vendor's software license, support/maintenance, source code escrow agreements, and any other applicable agreements. The terms and conditions of these agreements will be negotiated with the finalist during actual contract negotiations.
- e. The successful vendor shall promptly execute a contract incorporating the terms of this RFP within twenty (20) days after award of the contract. No vendor is to begin any service prior to receipt of a State of Delaware purchase order signed by two authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office and the Department of Finance. The purchase order shall serve as the authorization to proceed in accordance with the bid specifications and the special instructions, once it is received by the successful vendor.
- f. If the vendor to whom the award is made fails to enter into the agreement as herein provided, the award will be annulled, and an award may be made to another vendor. Such vendor shall fulfill every stipulation embraced herein as if they were the party to whom the first award was made.
- g. The State reserves the right to extend this contract on a month-to-month basis for a period of up to three months after the term of the full contract has been completed.

5. Collusion or Fraud

Any evidence of agreement or collusion among vendor(s) and prospective vendor(s) acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such vendor(s) void.

By responding, the vendor shall be deemed to have represented and warranted that its proposal is not made in connection with any competing vendor submitting a separate response to this RFP, and is in all respects fair and without collusion or fraud; that the vendor did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the vendor's proposal preparation.

Advance knowledge of information which gives any particular vendor advantages over any other interested vendor(s), in advance of the opening of proposals, whether in response to advertising or an employee or representative thereof, will potentially void that particular proposal.

6. Lobbying and Gratuities

Lobbying or providing gratuities shall be strictly prohibited. Vendors found to be lobbying, providing gratuities to, or in any way attempting to influence a State of Delaware employee or agent of the State of Delaware concerning this RFP or the award of a contract resulting from this RFP shall have their proposal immediately rejected and shall be barred from further participation in this RFP.

The selected vendor will warrant that no person or selling agency has been employed or retained to solicit or secure a contract resulting from this RFP upon agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State of Delaware shall have the right to annul any contract

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resulting from this RFP without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

All contact with State of Delaware employees, contractors or agents of the State of Delaware concerning this RFP shall be conducted in strict accordance with the manner, forum and conditions set forth in this RFP.

7. Solicitation of State Employees

Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State of Delaware's employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with vendor, without prior written approval of the State of Delaware's contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor's proposal.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

8. General Contract Terms

a. Independent Contractors

The parties to the contract shall be independent contractors to one another, and nothing herein shall be deemed to cause this agreement to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

It may be at the State of Delaware's discretion as to the location of work for the contractual support personnel during the project period. The State of Delaware may provide working space and sufficient supplies and material to augment the Contractor's services.

b. Temporary Personnel are Not State Employees Unless and Until They are Hired

Vendor agrees that any individual or group of temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation shall remain the employee(s) of Vendor for all purposes including any required compliance with the Affordable Care Act by the Vendor. Vendor agrees that it shall not allege, argue, or take any position that individual temporary staff person(s) provided to the State pursuant to this Solicitation must be provided any benefits, including any healthcare benefits by the State of Delaware and Vendor agrees to assume the total and complete responsibility for the provision of any

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healthcare benefits required by the Affordable Care Act to aforesaid individual temporary staff person(s). In the event that the Internal Revenue Service, or any other third party governmental entity determines that the State of Delaware is a dual employer or the sole employer of any individual temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation, Vendor agrees to hold harmless, indemnify, and defend the State to the maximum extent of any liability to the State arising out of such determinations.

Notwithstanding the content of the preceding paragraph, should the State of Delaware subsequently directly hire any individual temporary staff employee(s) provided pursuant to this Solicitation, the aforementioned obligations to hold harmless, indemnify, and defend the State of Delaware shall cease and terminate for the period following the date of hire. Nothing herein shall be deemed to terminate the Vendor's obligation to hold harmless, indemnify, and defend the State of Delaware for any liability that arises out of compliance with the ACA prior to the date of hire by the State of Delaware. Vendor will waive any separation fee provided an employee works for both the vendor and hiring agency, continuously, for a three (3) month period and is provided thirty (30) days written notice of intent to hire from the agency. Notice can be issued at second month if it is the State's intention to hire.

c. ACA Safe Harbor

The State and its utilizing agencies are not the employer of temporary or contracted staff. However, the State is concerned that it could be determined to be a Common-law Employer as defined by the Affordable Care Act ("ACA"). Therefore, the State seeks to utilize the "Common-law Employer Safe Harbor Exception" under the ACA to transfer health benefit insurance requirements to the staffing company. The Common-law Employer Safe Harbor Exception can be attained when the State and/or its agencies are charged and pay for an "Additional Fee" with respect to the employees electing to obtain health coverage from the Vendor.

The Common-law Employer Safe Harbor Exception under the ACA requires that an Additional Fee must be charged to those employees who obtain health coverage from the Vendor, but does not state the required amount of the fee. 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.

d. Licenses and Permits

In performance of the contract, the vendor will be required to comply with all applicable federal, state and local laws, ordinances, codes, and regulations. The cost of permits and other relevant costs required in the performance of the contract shall be borne by the successful vendor. The vendor shall be properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* § [2502](#).

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Prior to receiving an award, the successful vendor shall either furnish the State of Delaware with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P.O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone to one of the following numbers: (302) 577-8200—Public Service, (302) 577-8205—Licensing Department.

Information regarding the award of the contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject vendor to applicable fines and/or interest penalties.

e. Notice

Any notice to the State of Delaware required under the contract shall be sent by registered mail to:

**Division of Medicaid and Medical Assistance
Loriann Broome
Social Service Administrator
1901 N. DuPont Highway
Lewis Building
New Castle, DE 19720**

f. Indemnification

1. General Indemnification

By submitting a proposal, the proposing vendor agrees that in the event it is awarded a contract, it will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the vendor's, its agents and employees' performance work or services in connection with the contract.

2. Proprietary Rights Indemnification

Vendor shall warrant that all elements of its solution, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the vendor in writing and vendor shall defend such claim, suit or action at vendor's expense, and vendor shall indemnify the State of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the vendor (collectively ""Products") is or in vendor's reasonable judgment is likely to be, held to constitute an infringing product, vendor shall at its expense and option either:

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- a. Procure the right for the State of Delaware to continue using the Product(s);
- b. Replace the product with a non-infringing equivalent that satisfies all the requirements of the contract; or
- c. Modify the Product(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Product(s) or any part of the work to fail to conform to the requirements of the Contract, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

g. Insurance

- 1. Vendor recognizes that it is operating as an independent contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the vendor's negligent performance under this contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the vendor in their negligent performance under this contract.
- 2. The vendor shall maintain such insurance as will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this contract. The vendor is an independent contractor and is not an employee of the State of Delaware.
- 3. During the term of this contract, the vendor shall, at its own expense, also carry insurance minimum limits as follows:
 - a. Vendor shall in all instances maintain the following insurance during the term of this Agreement.
 - i. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
 - ii. Commercial General Liability
\$1,000,000.00 per occurrence/\$3,000,000 per aggregate.
 - b. The successful vendor must carry at least one of the following depending on the scope of work being delivered.
 - i. Medical/Professional Liability
\$1,000,000.00 per occurrence/\$3,000,000 per aggregate
 - ii. Miscellaneous Errors and Omissions
\$1,000,000.00 per occurrence/\$3,000,000 per aggregate
 - iii. Product Liability
\$1,000,000 per occurrence/\$3,000,000 aggregate
 - c. If the contractual service requires the transportation of departmental members or staff, the vendor shall, in addition to the above coverage's, secure at its own expense the following coverage.

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i. Automotive Liability Insurance (Bodily Injury) covering all automotive units transporting departmental members or staff used in the work with limits of not less than \$100,000 each person and \$300,000 each accident.

ii. Automotive Property Damage (to others) - \$25,000

4. The vendor shall provide a Certificate of Insurance (COI) as proof that the vendor has the required insurance. The COI shall be provided to agency contact prior to any work being completed by the awarded vendor(s).
5. The State of Delaware shall not be named as an additional insured.
6. Should any of the above described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.

h. Performance Requirements

The selected Vendor will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

i. BID BOND

There is no Bid Bond Requirement.

j. PERFORMANCE BOND

There is no Performance Bond requirement.

k. Vendor Emergency Response Point of Contact

The awarded vendor(s) shall provide the name(s), telephone, or cell phone number(s) of those individuals who can be contacted twenty four (24) hours a day, seven (7) days a week where there is a critical need for commodities or services when the Governor of the State of Delaware declares a state of emergency under the Delaware Emergency Operations Plan or in the event of a local emergency or disaster where a state governmental entity requires the services of the vendor. Failure to provide this information could render the proposal as non-responsive.

In the event of a serious emergency, pandemic or disaster outside the control of the State, the State may negotiate, as may be authorized by law, emergency performance from the Contractor to address the immediate needs of the State, even if not contemplated under the original Contract or procurement. Payments are subject to appropriation and other payment terms.

l. Warranty

The Vendor will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date

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of system acceptance. The warranty shall require the Vendor correct, at its own expense, the setup, configuration, customizations or modifications so that it functions according to the State's requirements.

m. Costs and Payment Schedules

All contract costs must be as detailed specifically in the Vendor's cost proposal. No charges other than as specified in the proposal shall be allowed without written consent of the State of Delaware. The proposal costs shall include full compensation for all taxes that the selected vendor is required to pay.

The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed. The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated (as much as 25%).

n. Price Adjustment

The Vendor is not prohibited from offering a price reduction on its services or materiel offered under the contract. The State is not prohibited from requesting a price reduction on those services or materiel during the initial term or any subsequent options that the State may agree to exercise.

If agreement is reached to extend this contract beyond the initial 3 year period, Division of Medicaid and Medical Assistance shall have the option of offering a determined price adjustment that shall not exceed the current Philadelphia All Urban Consumers Price Index (CPI-U), U.S. City Average. If the CPI-U is used, any increase/decrease shall reflect the change during the previous published twelve (12) month period at the time of renegotiation.

o. Liquidated Damages

The State of Delaware may include in the final contract liquidated damages provisions for non-performance.

p. Dispute Resolution

At the option of, and in the manner prescribed by the Delaware Health and Social Services (DHSS), the parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided evidence that is otherwise admissible or discoverable shall not be rendered inadmissible.

If the matter is not resolved by negotiation, as outlined above, or, alternatively, DHSS elects to proceed directly to mediation, then the matter will proceed to mediation as set forth below. Any disputes, claims or controversies arising out of or relating to this

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Agreement shall be submitted to mediation by a mediator selected by DHSS, and if the matter is not resolved through mediation, then it shall be submitted, in the sole discretion of DHSS to Delaware Health and Social Services Director, for final and binding arbitration. DHSS reserves the right to proceed directly to arbitration or litigation without negotiation or mediation. Any such proceedings held pursuant to this provision shall be governed by Delaware law and venue shall be in Delaware. The parties shall maintain the confidential nature of the arbitration proceeding and the Award, including the Hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits. Each party shall bear its own costs of mediation, arbitration or litigation, including attorneys' fees.

q. Termination of Contract

The contract resulting from this RFP may be terminated as follows by **Division of Medicaid and Medical Assistance**.

1. Termination for Cause

If, for any reasons, or through any cause, the Vendor fails to fulfill in timely and proper manner its obligations under this Contract, or if the Vendor violates any of the covenants, agreements, or stipulations of this Contract, the State shall thereupon have the right to terminate this contract by giving written notice to the Vendor of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the Vendor under this Contract shall, at the option of the State, become its property, and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the State.

On receipt of the contract cancellation notice from the State, the Vendor shall have no less than five (5) days to provide a written response and may identify a method(s) to resolve the violation(s). A vendor response shall not effect or prevent the contract cancellation unless the State provides a written acceptance of the vendor response. If the State does accept the Vendor's method and/or action plan to correct the identified deficiencies, the State will define the time by which the Vendor must fulfill its corrective obligations. Final retraction of the State's termination for cause will only occur after the Vendor successfully rectifies the original violation(s). At its discretion the State may reject in writing the Vendor's proposed action plan and proceed with the original contract cancellation timeline.

2. Termination for Convenience

The State may terminate this Contract at any time by giving written notice of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the State, become its property and the Vendor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials, and which is usable to the State.

3. Termination for Non-Appropriations

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement shall

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be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds. This is not a termination for convenience and will not be converted to such.

r. Non-discrimination

In performing the services subject to this RFP the vendor, as set forth in Title 19 Delaware Code Chapter 7 section [711](#), will agree that it will not discriminate against any employee or applicant with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.

s. Covenant against Contingent Fees

The successful vendor will warrant that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees, bona-fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty the State of Delaware shall have the right to annul the contract without liability or at its discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

t. Vendor Activity

No activity is to be executed in an off shore facility, either by a subcontracted firm or a foreign office or division of the vendor. The vendor must attest to the fact that no activity will take place outside of the United States in its transmittal letter. Failure to adhere to this requirement is cause for elimination from future consideration.

u. Vendor Responsibility

The State will enter into a contract with the successful Vendor(s). The successful Vendor(s) shall be responsible for all products and services as required by this RFP whether or not the Vendor or its subcontractor provided final fulfillment of the order. Subcontractors, if any, shall be clearly identified in the Vendor's proposal by completing Attachment 6, and are subject the approval and acceptance of Division of Medicaid and Medical Assistance.

v. Personnel, Equipment and Services

1. The Vendor represents that it has, or will secure at its own expense, all personnel required to perform the services required under this contract.
2. All of the equipment and services required hereunder shall be provided by or performed by the Vendor or under its direct supervision, and all personnel, including subcontractors, engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such services.
3. None of the equipment and/or services covered by this contract shall be subcontracted without the prior written approval of the State. Only those

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subcontractors identified in Attachment 6 are considered approved upon award. Changes to those subcontractor(s) listed in Attachment 6 must be approved in writing by the State.

w. Fair Background Check Practices

Pursuant to 29 Del. C. [§6909B](#), the State does not consider the criminal record, criminal history, credit history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Vendors doing business with the State are encouraged to adopt fair background check practices. Vendors can refer to 19 Del. C. [§711\(g\)](#) for applicable established provisions.

x. Vendor Background Check Requirements

Vendor(s) selected for an award that access state property or come in contact with vulnerable populations, including children and youth, shall be required to complete background checks on employees serving the State's on premises contracts. Unless otherwise directed, at a minimum, this shall include a check of the following registry:

- Delaware Sex Offender Central Registry at:
<https://sexoffender.dsp.delaware.gov/>

Individuals that are listed in the registry shall be prevented from direct contact in the service of an awarded state contract, but may provide support or off-site premises service for contract vendors. Should an individual be identified and the Vendor(s) believes their employee's service does not represent a conflict with this requirement, may apply for a waiver to the primary agency listed in the solicitation. The Agency's decision to allow or deny access to any individual identified on a registry database is final and at the Agency's sole discretion.

By Agency request, the Vendor(s) shall provide a list of all employees serving an awarded contract, and certify adherence to the background check requirement. Individual(s) found in the central registry in violation of the terms stated, shall be immediately prevented from a return to state property in service of a contract award. A violation of this condition represents a violation of the contract terms and conditions, and may subject the Vendor to penalty, including contract cancellation for cause.

Individual contracts may require additional background checks and/or security clearance(s), depending on the nature of the services to be provided or locations accessed, but any other requirements shall be stated in the contract scope of work or be a matter of common law. The Vendor(s) shall be responsible for the background check requirements of any authorized Subcontractor providing service to the Agency's contract.

y. Drug Testing Requirements for Large Public Works

Pursuant to 29 Del.C. [§6908\(a\)\(6\)](#), effective as of January 1, 2016, OMB has established regulations that require Contractors and Subcontractors to implement a program of mandatory drug testing for Employees who work on Large Public Works Contracts funded all or in part with public funds. The regulations establish the mechanism, standards and requirements of a Mandatory Drug Testing Program that will be incorporated by reference into all Large Public Works Contracts awarded pursuant to 29 Del.C. [§6962](#).

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Final publication of the identified regulations can be found at the following:

[4104 Regulations for the Drug Testing of Contractor and Subcontractor Employees Working on Large Public Works Projects](#)

z. Work Product

All materials and products developed under the executed contract by the vendor are the sole and exclusive property of the State. The vendor will seek written permission to use any product created under the contract.

aa. Contract Documents

The RFP, the purchase order, the executed contract and any supplemental documents between the State of Delaware and the successful vendor shall constitute the contract between the State of Delaware and the vendor. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP, Vendor's response to the RFP and purchase order. No other documents shall be considered. These documents will constitute the entire agreement between the State of Delaware and the vendor.

bb. Applicable Law

The laws of the State of Delaware shall apply, except where Federal Law has precedence. The successful vendor consents to jurisdiction and venue in the State of Delaware.

In submitting a proposal, Vendors certify that they comply with all federal, state and local laws applicable to its activities and obligations including:

1. the laws of the State of Delaware;
2. the applicable portion of the Federal Civil Rights Act of 1964;
3. the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
4. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
5. that programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If any vendor fails to comply with (1) through (5) of this paragraph, the State of Delaware reserves the right to disregard the proposal, terminate the contract, or consider the vendor in default.

The selected vendor shall keep itself fully informed of and shall observe and comply with all applicable existing Federal and State laws, and County and local ordinances, regulations and codes, and those laws, ordinances, regulations, and codes adopted during its performance of the work.

cc. Severability

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If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

dd. Assignment Of Antitrust Claims

As consideration for the award and execution of this contract by the State, the Vendor hereby grants, conveys, sells, assigns, and transfers to the State of Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, regarding the specific goods or services purchased or acquired for the State pursuant to this contract. Upon either the State's or the Vendor notice of the filing of or reasonable likelihood of filing of an action under the antitrust laws of the United States or the State of Delaware, the State and Vendor shall meet and confer about coordination of representation in such action.

ee. Scope of Agreement

If the scope of any provision of the contract is determined to be too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the contract shall not thereby fail, but the scope of such provisions shall be curtailed only to the extent necessary to conform to the law.

ff. Affirmation

The Vendor must affirm that within the past five (5) years the firm or any officer, controlling stockholder, partner, principal, or other person substantially involved in the contracting activities of the business is not currently suspended or debarred and is not a successor, subsidiary, or affiliate of a suspended or debarred business.

gg. Audit Access to Records

The Vendor shall maintain books, records, documents, and other evidence pertaining to this Contract to the extent and in such detail as shall adequately reflect performance hereunder. The Vendor agrees to preserve and make available to the State, upon request, such records for a period of five (5) years from the date services were rendered by the Vendor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Vendor agrees to make such records available for inspection, audit, or reproduction to any official State representative in the performance of their duties under the Contract. Upon notice given to the Vendor, representatives of the State or other duly authorized State or Federal agency may inspect, monitor, and/or evaluate the cost and billing records or other material relative to this Contract. The cost of any Contract audit disallowances resulting from the examination of the Vendor's financial records will be borne by the Vendor. Reimbursement to the State for disallowances shall be drawn from the Vendor's own resources and not charged to Contract cost or cost pools indirectly charging Contract costs.

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hh. Other General Conditions

1. **Current Version** – “Packaged” application and system software shall be the most current version generally available as of the date of the physical installation of the software.
2. **Current Manufacture** – Equipment specified and/or furnished under this specification shall be standard products of manufacturers regularly engaged in the production of such equipment and shall be the manufacturer’s latest design. All material and equipment offered shall be new and unused.
3. **Volumes and Quantities** – Activity volume estimates and other quantities have been reviewed for accuracy; however, they may be subject to change prior or subsequent to award of the contract.
4. **Prior Use** – The State of Delaware reserves the right to use equipment and material furnished under this proposal prior to final acceptance. Such use shall not constitute acceptance of the work or any part thereof by the State of Delaware.
5. **Status Reporting** – The selected vendor will be required to lead and/or participate in status meetings and submit status reports covering such items as progress of work being performed, milestones attained, resources expended, problems encountered and corrective action taken, until final system acceptance.
6. **Regulations** – All equipment, software and services must meet all applicable local, State and Federal regulations in effect on the date of the contract.
7. **Assignment** – Any resulting contract shall not be assigned except by express prior written consent from the Agency.
8. **Changes** – No alterations in any terms, conditions, delivery, price, quality, or specifications of items ordered will be effective without the written consent of the State of Delaware.
9. **Billing** – The successful vendor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide contract number, ship to and bill to address, contact name and phone number.
10. **Payment** – The State reserves the right to pay by Automated Clearing House (ACH), Purchase Card (P-Card), or check. The agencies will authorize and process for payment of each invoice within thirty (30) days after the date of receipt of a correct invoice. Vendors are invited to offer in their proposal value added discounts (i.e. speed to pay discounts for specific payment terms). Cash or separate discounts should be computed and incorporated as invoiced.
11. **Purchase Orders** – Agencies that are part of the First State Financial (FSF) system are required to identify the contract number HSS-19-004 on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state’s financial reporting system.
12. **Purchase Card** – The State of Delaware intends to maximize the use of the P-Card for payment for goods and services provided under contract. Vendors shall not charge additional fees for acceptance of this payment method and shall incorporate any costs into their proposals. Additionally there shall be no minimum or maximum limits on any P-Card transaction under the contract.
13. **Additional Terms and Conditions** – The State of Delaware reserves the right to add terms and conditions during the contract negotiations.

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V. RFP Miscellaneous Information

1. No Press Releases or Public Disclosure

The State of Delaware reserves the right to pre-approve any news or broadcast advertising releases concerning this solicitation, the resulting contract, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this solicitation or resulting contract shall require the prior express written permission of the State of Delaware.

The State will not prohibit or otherwise prevent the awarded vendor(s) from direct marketing to the State of Delaware agencies, departments, municipalities, and/or any other political subdivisions, however, the Vendor shall not use the State's seal or imply preference for the solution or goods provided.

2. Definitions of Requirements

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement. Vendors must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

3. Production Environment Requirements

The State of Delaware requires that all hardware, system software products, and application software products included in proposals be currently in use in a production environment by a least three other customers, have been in use for at least six months, and have been generally available from the manufacturers for a period of six months. Unreleased or beta test hardware, system software, or application software will not be acceptable.

VI. Attachments

The following attachments and appendixes shall be considered part of the solicitation:

- Attachment 1 – No Proposal Reply Form
- Attachment 2 – Non-Collusion Statement
- Attachment 3 – Exceptions
- Attachment 4 – Confidentiality and Proprietary Information
- Attachment 5 – Business References
- Attachment 6 – Subcontractor Information Form
- Attachment 7 – Monthly Usage Report
- Attachment 8 – Subcontracting (2nd Tier Spend) Report
- Attachment 9 – Office of Supplier Diversity Application
- Attachment 10 - HIPAA Business Association Agreement
- Appendix A – Minimum Response Requirements
- Appendix B – Scope of Work / Technical Requirements
- Exhibits
 - Exhibit 1 -Cost proposal work sheets
 - Exhibit 2- Overview of State information systems

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Exhibit 3- Definition of target populations and caseload estimates.

3.1 List of exclusion conditions.

3.2 List of exemption conditions

3.3 Reasons for transfer to/from health plan.

3.4 Reasons for disenrollment from Diamond State Health Plan.

Exhibit 4- Statement of Resources to Operate Health Benefits Manger Program.

Exhibit 5- Service package description.

Exhibit 6 -Key terms.

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IMPORTANT – PLEASE NOTE

- **Attachments 2, 3, 4, and 5 must be included in your proposal**
- Attachment 6 must be included in your proposal if subcontractors will be involved
- Attachments 7 and 8 represent required reporting on the part of awarded vendors. Those bidders receiving an award will be provided with active spreadsheets for reporting.

REQUIRED REPORTING

One of the primary goals in administering this contract is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of the contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested parties.

A complete and accurate Usage Report (Attachment 7) shall be furnished in an Excel format and submitted electronically, no later than the 15th (or next business day after the 15th day) of each month, detailing the purchasing of all items and/or services on this contract. The reports shall be completed in Excel format, using the template provided, and submitted as an attachment to Loriann Broome, with a copy going to the contract officer identified as your point of contact. Submitted reports shall cover the full month (Report due by January 15th will cover the period of December 1 – 31.), contain accurate descriptions of the products, goods or services procured, purchasing agency information, quantities procured and prices paid. Reports are required monthly, including those with “no spend”. Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result in corrective action, up to and including the possible cancellation of the award. Failure to provide the report with the minimum required information may also negate any contract extension clauses. Additionally, Vendors who are determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

In accordance with Executive Order 44, the State of Delaware is committed to supporting its diverse business industry and population. The successful Vendor will be required to accurately report on the participation by Diversity Suppliers which includes: minority (MBE), woman (WBE), veteran owned business (VOBE), or service disabled veteran owned business (SDVOBE) under this awarded contract. The reported data elements shall include but not be limited to; name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women’s Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2nd Tier report is shown as in Attachment 8.

Accurate 2nd tier reports shall be submitted to the contracting Agency’s Office of Supplier Diversity at vendorusage@state.de.us on the 15th (or next business day) of the month following each quarterly

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period. For consistency quarters shall be considered to end the last day of March, June, September and December of each calendar year. Contract spend during the covered periods shall result in a report even if the contract has expired by the report due date.

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Attachment 1

NO PROPOSAL REPLY FORM

Contract No. HSS-19-004

Contract Title: Health Benefits Manager

To assist us in obtaining good competition on our Request for Proposals, we ask that each firm that has received a proposal, but does not wish to bid, state their reason(s) below and return in a clearly marked envelope displaying the contract number. This information will not preclude receipt of future invitations unless you request removal from the Vendor's List by so indicating below, or do not return this form or bona fide proposal.

Unfortunately, we must offer a "No Proposal" at this time because:

- _____ 1. We do not wish to participate in the proposal process.

- _____ 2. We do not wish to bid under the terms and conditions of the Request for Proposal document. Our objections are:

- _____ 3. We do not feel we can be competitive.

- _____ 4. We cannot submit a Proposal because of the marketing or franchising policies of the manufacturing company.

- _____ 5. We do not wish to sell to the State. Our objections are:

- _____ 6. We do not sell the items/services on which Proposals are requested.

- _____ 7. Other: _____

FIRM NAME

SIGNATURE

_____ We wish to remain on the Vendor's List **for these goods or services.**

_____ We wish to be deleted from the Vendor's List **for these goods or services.**

PLEASE FORWARD NO PROPOSAL REPLY FORM TO THE CONTRACT OFFICER IDENTIFIED.

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Attachment 2

CONTRACT NO.: HSS-19-004
CONTRACT TITLE: Health Benefits Manager
DEADLINE TO RESPONSE: February 22, 2019 at 11:00 AM (Local Time)

NON-COLLUSION STATEMENT

This is to certify that the undersigned Vendor has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal, **and further certifies that it is not a sub-contractor to another Vendor who also submitted a proposal as a primary Vendor in response to this solicitation** submitted this date to the State of Delaware, Division of Medicaid and Medical Assistance.

It is agreed by the undersigned Vendor that the signed delivery of this bid represents, subject to any express exceptions set forth at Attachment 3, the Vendor's acceptance of the terms and conditions of this solicitation including all specifications and special provisions.

NOTE: Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Division of Medicaid and Medical Assistance.

COMPANY _____	NAME	<table border="1" style="width: 100%; text-align: center;"> <tr><td>Corporation</td></tr> <tr><td>Partnership</td></tr> <tr><td>Individual</td></tr> </table>	Corporation	Partnership	Individual
Corporation					
Partnership					
Individual					
Check one)					

NAME OF AUTHORIZED REPRESENTATIVE _____
(Please type or print)

SIGNATURE _____ TITLE _____

COMPANY ADDRESS _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

FEDERAL E.I. NUMBER _____ STATE OF DELAWARE LICENSE NUMBER _____

	Certification type(s)	Circle all that apply	
COMPANY CLASSIFICATIONS: CERT. NO.:	Minority Business Enterprise (MBE)	Yes	No
	Woman Business Enterprise (WBE)	Yes	No
	Disadvantaged Business Enterprise (DBE)	Yes	No
	Veteran Owned Business Enterprise (VOBE)	Yes	No
	Service Disabled Veteran Owned Business Enterprise (SDVOBE)	Yes	No

[The above table is for informational and statistical use only.]

PURCHASE ORDERS SHOULD BE SENT TO:
(COMPANY NAME) _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES _____ NO _____ if yes, please explain _____

THIS PAGE SHALL HAVE ORIGINAL SIGNATURE, BE NOTARIZED AND BE RETURNED WITH YOUR PROPOSAL

SWORN TO AND SUBSCRIBED BEFORE ME this _____ day of _____, 20 _____

Notary Public _____ My commission expires _____
City of _____ County of _____ State of _____

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Attachment 5

Contract No. HSS-19-004
Contract Title: Health Benefits Manager

BUSINESS REFERENCES

List a minimum of three business references, including the following information:

- Business Name and Mailing address
- Contact Name and phone number
- Number of years doing business with
- Type of work performed

Please do not list any State Employee as a business reference. If you have held a State contract within the last 5 years, please provide a separate list of the contract(s).

1. Contact Name & Title:	
Business Name:	
Address:	
Email:	
Phone # / Fax #:	
Current Vendor (YES or NO):	
Years Associated & Type of Work Performed:	

2. Contact Name & Title:	
Business Name:	
Address:	
Email:	
Phone # / Fax #:	
Current Vendor (YES or NO):	
Years Associated & Type of Work Performed:	

3. Contact Name & Title:	
Business Name:	
Address:	
Email:	
Phone # / Fax #:	
Current Vendor (YES or NO):	
Years Associated & Type of Work Performed:	

STATE OF DELAWARE PERSONNEL MAY NOT BE USED AS REFERENCES.

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Attachment 6

SUBCONTRACTOR INFORMATION FORM

PART I – STATEMENT BY PROPOSING VENDOR		
1. CONTRACT NO. HSS-19-004	2. Proposing Vendor Name:	3. Mailing Address
4. SUBCONTRACTOR		
a. NAME	4c. Company OSD Classification: Certification Number: _____	
b. Mailing Address:	4d. Women Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4e. Minority Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4f. Disadvantaged Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4g. Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4h. Service Disabled Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No	
5. DESCRIPTION OF WORK BY SUBCONTRACTOR		
6a. NAME OF PERSON SIGNING	7. BY (<i>Signature</i>)	8. DATE SIGNED
6b. TITLE OF PERSON SIGNING		
PART II – ACKNOWLEDGEMENT BY SUBCONTRACTOR		
9a. NAME OF PERSON SIGNING	10. BY (<i>Signature</i>)	11. DATE SIGNED
9b. TITLE OF PERSON SIGNING		

* Use a separate form for each subcontractor

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Attachment 8

SAMPLE REPORT - FOR ILLUSTRATION PURPOSES ONLY

State of Delaware																	
Subcontracting (2nd tier) Quarterly Report																	
Prime Name:						Report Start Date:											
Contract Name/Number						Report End Date:											
Contact Name:						Today's Date:											
Contact Phone:						*Minimum Required						Requested detail					
Vend or Name*	Vend or TaxID*	Contra ct Name/ Number*	Vend or Conta ct Name *	Vend or Conta ct Phone *	Repo rt Start Date *	Repo rt End Date *	Amount Paid to Subcontractor*	Work Performe d by Subcontra ctor UNSPSC	M/WB E Certifyi ng Agency	Veteran /Service Disabled Veteran Certifyin g Agency	2nd tier Suppli er Name	2nd tier Suppli er Address	2nd tier Suppli er Phone Number	2nd tier Suppli er email	Descript ion of Work Perform ed	2nd tier Su pplier Tax Id	

Note: A copy of the Subcontracting Quarterly Report will be sent by electronic mail to the Awarded Vendor.

Completed reports shall be saved in an Excel format, and submitted to the following email address: vendorusage@state.de.us

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Attachment 9

State of Delaware
Office of Supplier Diversity
Certification Application

The most recent application can be downloaded from the following site:

<http://gss.omb.delaware.gov/osd/certify.shtml>

Submission of a completed Office of Supplier Diversity (OSD) application is optional and does not influence the outcome of any award decision.

The minimum criteria for certification require the entity must be at least 51% owned and actively managed by a person or persons who are eligible: minorities, women, veterans, and/or service disabled veterans. Any one or all of these categories may apply to a 51% owner.



Complete application and mail, email or fax to:

Office of Supplier Diversity (OSD)

100 Enterprise Place, Suite 4

Dover, DE 19904-8202

Telephone: (302) 857-4554 Fax: (302) 677-7086

Email: osd@state.de.us

Web site: <http://gss.omb.delaware.gov/osd/index.shtml>

**THE OSD ADDRESS IS FOR OSD APPLICATIONS ONLY.
THE OSD WILL NOT ACCEPT ANY VENDOR BID RESPONSE PACKAGES.**

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Attachment 10

HIPAA BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“BAA”) is entered into this ____ day of _____, 20____ (“Effective Date”), by and between [Vendor Name] (“Business Associate”), and the State of Delaware, Department of [Agency/Division Name] (“Covered Entity”) (collectively, the “Parties”).

RECITALS

WHEREAS, The Parties have entered, and may in the future enter, into one or more arrangements or agreements (the “Agreement”) which require the Business Associate to perform functions or activities on behalf of, or services for, Covered Entity or a Covered Entity Affiliate (“CE Affiliate”) that involve the use or disclosure of Protected Health Information (“PHI”) that is subject to the final federal Privacy, Security, Breach Notification and Enforcement Rules (collectively the “HIPAA Rules”) issued pursuant to the Health Insurance Portability and Accountability Act of 1996 (the Act including the HIPAA rules shall be referred to as “HIPAA”) and the Health Information Technology for Economic and Clinical Health Act of 2009 (“HITECH”), as each is amended from time to time. The purpose of this BAA is to set forth the obligations of the Parties with respect to such PHI.

WHEREAS, Business Associate provides Health Benefits Manager for Covered Entity pursuant to a contract dated _____, 201[_] and such other engagements as shall be entered into between the parties in the future in which Covered Entity discloses certain Protected Health Information (“PHI”) to Business Associate (collectively, the “Master Agreement”);

WHEREAS, Business Associate, in the course of providing services to Covered Entity, may have access to PHI and may be deemed a business associate for certain purposes under HIPAA;

WHEREAS, the Parties contemplate that Business Associate may obtain PHI, with Covered Entity’s knowledge and consent, from certain other business associates of Covered Entity that may possess such PHI; and

WHEREAS, Business Associate and Covered Entity are entering into this BAA to set forth Business Associate’s obligations with respect to its handling of the PHI, whether such PHI was obtained from another business associate of Covered Entity or directly from Covered Entity;

NOW, THEREFORE, for mutual consideration, the sufficiency and delivery of which is acknowledged by the Parties, and upon the premises and covenants set forth herein, the Parties agree as follows:

1. Definitions. Unless otherwise defined herein, capitalized terms used in this BAA shall have the meanings ascribed to them in HIPAA or the Master Agreement between Covered Entity and Business Associate, as applicable.
2. Obligations and Activities of Business Associate. To the extent that Business Associate is provided with or creates any PHI on behalf of Covered Entity and is acting as a business associate of Covered Entity, Business Associate agrees to comply with the provisions of HIPAA applicable to business associates, and in doing so, represents and warrants as follows:
 - (a) Use or Disclosure. Business Associate agrees to not use or disclose PHI other than as set forth in this BAA, the Master Agreement, or as required by law.
 - (b) Specific Use of Disclosure. Except as otherwise limited by this BAA, Business Associate may:
 - (i) use or disclose PHI to perform data aggregation and other services required under the Master Agreement to assist Covered Entity in its operations, as long as such use or disclosure would not violate HIPAA if done by Covered Entity, or HIPAA permits such use or disclosure by a business associate;
 - (ii) use or disclose PHI for the proper management and administration of Business Associate or to carry out Business Associate’s legal responsibilities, provided that with respect to disclosure of PHI, such disclosure is required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached; and
 - (iii) de-identify PHI and maintain such de-identified PHI indefinitely, notwithstanding Section 4 of this Agreement, provided that all identifiers are destroyed or returned in accordance with the Privacy Rule.

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- (c) Minimum Necessary. Business Associate agrees to take reasonable efforts to limit requests for, or uses and disclosures of, PHI to the extent practical, a limited data set, otherwise to the minimum necessary to accomplish the intended request, use, or disclosure.
- (d) Safeguards. Business Associate shall establish appropriate safeguards, consistent with HIPAA, that are reasonable and necessary to prevent any use or disclosure of PHI not expressly authorized by this BAA.
- (i) To the extent that Business Associate creates, receives, maintains, or transmits Electronic PHI, Business Associate agrees to establish administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity, as required by the Privacy Rule and Security Rule.
- (ii) The safeguards established by Business Associate shall include securing PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity in accordance with the standards set forth in HITECH Act §13402(h) and any guidance issued thereunder.
- (iii) Business Associate agrees to provide Covered Entity with such written documentation concerning safeguards as Covered Entity may reasonably request from time to time.
- (e) Agents and Subcontractors. Business Associate agrees to obtain written assurances that any agents, including subcontractors, to whom it provides PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, agree to the same restrictions and conditions that apply to Business Associate with respect to such PHI, including the requirement that it agree to implement reasonable and appropriate safeguards to protect Electronic PHI that is disclosed to it by Business Associate. To the extent permitted by law, Business Associate shall be fully liable to Covered Entity for any and all acts, failures, or omissions of Business Associate's agents and subcontractors in any breach of their subcontracts or assurances to Business Associate as though they were Business Associate's own acts, failures, or omissions.
- (f) Reporting. Within five (5) business days of discovery by Business Associate, Business Associate agrees to notify Covered Entity in writing of any use or disclosure of, or Security Incident involving, PHI, including any Breach of Unsecured PHI, not provided for by this BAA or the Master Agreement, of which Business Associate may become aware.
- (i) In the notice provided to Covered Entity by Business Associate regarding unauthorized uses and/or disclosures of PHI, Business Associate shall describe the remedial or proposed mitigation efforts required under Section 2(g) of this BAA.
- (ii) Specifically with respect to reporting a Breach of Unsecured PHI, Business Associate agrees to must include the identity of the individual(s) whose Unsecured PHI was Breached in the written notice provided to Covered Entity, and any additional information required by HIPAA.
- (ii) Business Associate agrees to cooperate with Covered Entity upon report of any such Breach so that Covered Entity may provide the individual(s) affected by such Breach with proper notice as required by HIPAA.
- (g) Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate resulting from a use or disclosure of PHI by Business Associate in violation of the requirements of this BAA or the Master Agreement.
- (h) Audits and Inspections. Business Associate agrees to make its internal practices, books, and records, including policies and procedures, relating to the use and disclosure of PHI available to the Secretary, in a time and manner mutually agreed to by the Parties or designated by the Secretary, for purposes of the Secretary determining the Covered Entity's compliance with HIPAA.
- (i) Accounting. Business Associate agrees to document and report to Covered Entity, within fourteen (14) days, Business Associate's disclosures of PHI so Covered Entity can comply with its accounting of disclosure obligations in accordance with 45 C.F.R. §164.528 and any subsequent regulations issued thereunder. Business Associate agrees to maintain electronic records of all such disclosures for a minimum of six (6) calendar years.
- (j) Designated Record Set. While the Parties do not intend for Business Associate to maintain any PHI in a designated record set, to the extent that Business Associate does maintain any PHI in a designated record set, Business Associate agrees to make available to Covered Entity PHI within fourteen (14) days:
- (i) for Covered Entity to comply with its access obligations in accordance with 45 C.F.R. §164.524 and any subsequent regulations issued thereunder; and

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(ii) for amendment upon Covered Entity's request and incorporate any amendments to PHI as may be required for Covered Entity comply with its amendment obligations in accordance with 45 C.F.R. §164.526 and any subsequent guidance.

(k) HITECH Compliance Dates. Business Associate agrees to comply with the HITECH Act provisions expressly addressed, or incorporated by reference, in this BAA as of the effective dates of applicability and enforcement established by the HITECH Act and any subsequent regulations issued thereunder.

3. Obligations of Covered Entity.

(a) Covered Entity agrees to notify Business Associate of any limitation(s) in Covered Entity's notice of privacy practices in accordance with 45 C.F.R. §164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

(b) Covered Entity agrees to notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, including disclosure of data to insurers and health plans when the patient pays for medical services in full and requests that such notification not be made, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(c) Covered Entity agrees to notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(d) Covered Entity agrees to limit its use, disclosure, and requests of PHI under this BAA to a limited data set or, if needed by Covered Entity, to the minimum necessary PHI to accomplish the intended purpose of such use, disclosure, or request.

4. Term and Termination.

(a) Term. This BAA shall become effective upon the Effective Date and, unless otherwise terminated as provided herein, shall have a term that shall run concurrently with that of the last expiration date or termination of the Master Agreement.

(b) Termination Upon Breach.

(i) Without limiting the termination rights of the Parties pursuant to the Master Agreement, upon either Party's knowledge of a material breach by the other Party to this BAA, the breaching Party shall notify the non-breaching Party of such breach and the breaching party shall have fourteen (14) days from the date of notification to the non-breaching party to cure such breach. In the event that such breach is not cured, or cure is infeasible, the non-breaching party shall have the right to immediately terminate this BAA and those portions of the Master Agreement that involve the disclosure to Business Associate of PHI, or, if nonseverable, the Master Agreement.

(c) Termination by Either Party. Either Party may terminate this BAA upon provision of thirty (30) days' prior written notice.

(d) Effect of Termination.

(i) To the extent feasible, upon termination of this BAA or the Master Agreement for any reason, Business Associate agrees, and shall cause any subcontractors or agents to return or destroy and retain no copies of all PHI received from, or created or received by Business Associate on behalf of, Covered Entity. Business Associate agrees to complete such return or destruction as promptly as possible and verify in writing within thirty (30) days of the termination of this BAA to Covered Entity that such return or destruction has been completed.

(ii) If not feasible, Business Associate agrees to provide Covered Entity notification of the conditions that make return or destruction of PHI not feasible. Upon notice to Covered Entity that return or destruction of PHI is not feasible, Business Associate agrees to extend the protections of this BAA to such PHI for as long as Business Associate maintains such PHI.

(iii) Without limiting the foregoing, Business Associate may retain copies of PHI in its workpapers related to the services provided in the Master Agreement to meet its professional obligations.

5. Miscellaneous.

(a) Regulatory References. A reference in this BAA to a section in the Privacy Rule or Security Rule means the section as in effect or as amended.

(b) Amendment. The Parties acknowledge that the provisions of this BAA are designed to comply with HIPAA and agree to take such action as is necessary to amend this BAA from time to time as is necessary for Covered Entity to comply

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with the requirements of HIPAA. Regardless of the execution of a formal amendment of this BAA, the BAA shall be deemed amended to permit the Covered Entity and Business Associate to comply with HIPAA.

(c) Method of Providing Notice. Any notice required to be given pursuant to the terms and provisions of this BAA shall be in writing and may be either personally delivered or sent by registered or certified mail in the United States Postal Service, Return Receipt Requested, postage prepaid, addressed to each Party at the addresses listed in the Master Agreement currently in effect between Covered Entity and Business Associate. Any such notice shall be deemed to have been given if mailed as provided herein, as of the date mailed.

(d) Parties Bound. This BAA shall inure to the benefit of and be binding upon the Parties hereto and their respective legal representatives, successors, and assigns. Business Associate may not assign or subcontract the rights or obligations under this BAA without the express written consent of Covered Entity. Covered Entity may assign its rights and obligations under this BAA to any successor or affiliated entity.

(e) No Waiver. No provision of this BAA or any breach thereof shall be deemed waived unless such waiver is in writing and signed by the Party claimed to have waived such provision or breach. No waiver of a breach shall constitute a waiver of or excuse any different or subsequent breach.

(f) Effect on Master Agreement. This BAA together with the Master Agreement constitutes the complete agreement between the Parties and supersedes all prior representations or agreements, whether oral or written, with respect to such matters. In the event of any conflict between the terms of this BAA and the terms of the Master Agreement, the terms of this BAA shall control unless the terms of such Master Agreement are stricter, as determined by Covered Entity, with respect to PHI and comply with HIPAA, or the Parties specifically otherwise agree in writing. No oral modification or waiver of any of the provisions of this BAA shall be binding on either party. No obligation on either party to enter into any transaction is to be implied from the execution or delivery of this BAA.

(g) Interpretation. Any ambiguity in this BAA shall be resolved to permit the Covered Entity to comply with HIPAA and any subsequent guidance.

(h) No Third Party Rights. Except as stated herein, the terms of this BAA are not intended nor should they be construed to grant any rights, remedies, obligations, or liabilities whatsoever to parties other than Business Associate and Covered Entity and their respective successors or assigns.

(i) Applicable Law. This BAA shall be governed under the laws of the State of Delaware, without regard to choice of law principles, and the Delaware courts shall have sole and exclusive jurisdiction over any dispute arising under this Agreement.

(j) Judicial and Administrative Proceedings. In the event that Business Associate receives a subpoena, court or administrative order, or other discovery request or mandate for release of PHI, Business Associate agrees to collaborate with Covered Entity with respect to Business Associate's response to such request. Business Associate shall notify Covered Entity within seven (7) days of receipt of such request or mandate.

(k) Transmitting Electronic PHI. Electronic PHI transmitted or otherwise transferred from between Covered Entity and Business Associate must be encrypted by a process that renders the Electronic PHI unusable, unreadable, or indecipherable to unauthorized individuals within the meaning of HITECH Act § 13402 and any implementing guidance including, but not limited to, 42 C.F.R. § 164.402.

6. IN WITNESS WHEREOF, the Parties hereto have executed this BAA to be effective on the date set forth above.

Covered Entity	Business Associate
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

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Appendix A - MINIMUM MANDATORY SUBMISSION REQUIREMENTS

Each vendor solicitation response should contain at a minimum the following information:

1. Transmittal Letter as specified on page 1 of the Request for Proposal including an Applicant's experience, if any, providing similar services.
2. The remaining vendor proposal package shall identify how the vendor proposes meeting the contract requirements and shall include pricing. Vendors are encouraged to review the Evaluation criteria identified to see how the proposals will be scored and verify that the response has sufficient documentation to support each criteria listed.
3. Pricing as identified in the solicitation
4. One (1) complete, signed and notarized copy of the non-collusion agreement (See Attachment 2). Bid marked "ORIGINAL", **MUST HAVE ORIGINAL SIGNATURES AND NOTARY MARK** . All other copies may have reproduced or copied signatures – Form must be included.
5. One (1) completed RFP Exception form (See Attachment 3) – please check box if no information – Form must be included.
6. One (1) completed Confidentiality Form (See Attachment 4) – please check if no information is deemed confidential – Form must be included.
7. One (1) completed Business Reference form (See Attachment 5) – please provide references other than State of Delaware contacts – Form must be included.
8. One (1) complete and signed copy of the Subcontractor Information Form (See Attachment 6) for each subcontractor – only provide if applicable.
9. One (1) complete OSD application (See link on Attachment 9) – only provide if applicable

The items listed above provide the basis for evaluating each vendor's proposal. **Failure to provide all appropriate information may deem the submitting vendor as "non-responsive" and exclude the vendor from further consideration.** If an item listed above is not applicable to your company or proposal, please make note in your submission package.

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Vendors shall provide proposal packages in the following formats:

1. Six (6) paper copies of the vendor proposal paperwork. **One (1) paper copy must be an original copy, marked "ORIGINAL" on the cover, and contain original signatures.**
2. Six (6) electronic copies of the vendor proposal saved to CD or DVD media disk. Copy of electronic price file shall be a separate file from all other files on the electronic copy. (If Agency has requested multiple electronic copies, each electronic copy must be on a separate computer disk or media).
3. Be printed on 8.5" x 11" paper with one-inch margins; font size no smaller than Times New Roman 12; and have single line spacing within a paragraph and one blank line between paragraphs. Larger paper (up to 11" x 17") and smaller fonts are permissible for charts, diagrams, and related visuals.
4. Be double-sided,
5. Be presented in a 3-ring binder. All sections should be tabbed, each tab should include the name of the section and must include each letter in the scope of work.
6. Indicate information that is confidential and cannot be made a part of the public record (see Section 3.18 of this RFP,; by clearly indicating on a separate tab.

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Appendix B - SCOPE OF WORK AND TECHNICAL REQUIREMENTS

The Health Benefits Manager is a critical component of DMMA's Managed Care delivery system. The primary purpose of the HBM is to assure that the target population receives adequate information and education about the programs, in a timely and organized fashion. The informed, non-biased presentation and choice of health plans is very important to the success of the Health Plans. The State believes that this information is best delivered by an external entity with no connections or interest in any of the contracted health plans. In addition, an independent entity enjoys advantages in flexibility, organizational structure and operational resources that are crucial to the education, enrollment and ongoing ombudsmen services that are required to be delivered to the target population. In addition, the HBM will be responsible for the DHCP Enrollment functions such as billing, collecting, tracking and depositing the premiums into a state specified account. All services shall be performed on an as needed basis to the sole satisfaction of the State agency. The contractor shall present unbiased information to the members, that is in all respects accurate, consistent and objective. A statement of required resources to operate the HBM by the current contractor is listed in Exhibit 5.

The HBM and/or any subcontractors may not participate in the DMMA State Managed Care Programs as an MCO, a Primary Care Plan, a provider performing any Network Management Service, nor have a business interest associated with operation of any of these activities.

A. General Requirements

The overall goals of the HBM program are to:

- 1.0 Ensure that educational information is available to all members to inform them of the use of a managed care delivery system, and the benefits and health plans available under the DMMA Managed Care Plans.
- 1.1 Assist enrollees who use, or express a desire to receive long-term services and supports (LTSS).
- 1.2 Provide choice counseling support to assist members in the process of selecting a health plan, and where possible, a primary care provider in a manner which ensures an objective, factual presentation of all enrollment options.
- 1.3 Respond to client inquiries, grievances, requests for information and requests for transfers to other health plans.
- 1.4 Act as a client advocate in the resolution of problems and removal of barriers in accessing necessary health care services.
- 1.5 Enrollment of members in the Delaware Healthy Children's Program (DHCP)
- 1.6 Billing, collection, deposit, tracking and reporting of the DHCP premiums.

The State agency foresees the following contractor processes and responsibilities associated with enrollment activities under this contract. Bidders are encouraged to propose alternative methods that may be more effective in accomplishing the goals and objectives of this RFP.

These entities will coordinate with the current Health Benefit Manager's activities. This coordination is an integral part of the success of the selected vendor.

1.7 Enrollment Phases

- 1.7.1 Open Enrollment - The contractor will be responsible for the Annual Open Enrollment that must be held every 12 months. During this time, all members have the option to change health plans/MCOs without cause. The contractor will notify all members of the Annual Open Enrollment period and assure that all members are sent information regarding their choices prior to the start of Open Enrollment.
- 1.7.2 Ongoing enrollment - The contractor will be responsible for enrolling into all health plans all newly eligible Medicaid members in the target population. In addition, the contractor will process transfer requests and perform all other activities as specified in the RFP. This includes a transition of members into a new

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managed care organization in any subsequent years this contract is in force if a new MCO is added or removed from DSHP.

- 1.7.3 The contractor is solely responsible for the enrollment of the DHCP. Children are not eligible for this program until premiums are paid, and they are enrolled into a Managed Care Organization. Waiver of Premium must be approved by the State Project Officer or designee. This includes manually activating each new case and providing an announcement of the waived premium in each enrollment packet.
- 1.7.4 The contractor is responsible for follow-up services to families involved with DHCP including mailing Medicaid applications to adult family members and accepting and reviewing submitted DHCP applications, telephone and mail contacts. Once applications are reviewed, the Health Benefits Manager will forward to Division of Social Services for processing.
- 1.7.5 The contractor will be responsible to ensure members can enroll in the program via Member Portal, toll free telephone system and may also be available by other methods as deemed most effective by the contractor. The contractor will be responsible for developing a member portal to be implemented no later than one (1) year from the contract award date.
- 1.7.6 The contractor shall have internal controls and policies in place that are designed to prevent, detect and report known or suspected fraud and abuse activities. Such policies and procedures must be in accordance with State and Federal regulations.
- 1.7.7 The contractor shall have adequate staffing and resources to investigate unusual incidents and develop corrective action plans to prevent fraud and abuse activities.

B. Member Education Requirements

2.0 Managed care education. The contractor shall design, produce and make available to members a comprehensive, culturally sensitive, linguistically appropriate, educational program that explains all relevant aspects of the DMMA State Managed Care Programs from a client perspective. This education program must be designed to assure that members gain a complete understanding of managed care in general and the responsibilities of the client under this system. Client education materials and services should be integrated with all facets of the enrollment process in a manner which is deemed most effective by the contractor in order to enhance client understanding, minimize confusion and optimize the incidence of voluntary enrollment into health plans. The State agency places great importance on this aspect of the contractor's responsibilities under this RFP, and encourages innovative approaches to maximizing the effectiveness of the managed care education component. Specific requirements pertaining to the content of the managed care education program are described elsewhere in this RFP.

2.1 Long-term Services and Supports (LTSS) education. The contractor shall provide education and assistance to enrollees who use, or express a desire to receive LTSS. The information conveyed must include enrollees' grievance and appeal rights within the MCO, the State fair hearing process, enrollee rights and responsibilities, and additional resources available outside the MCO.

2.2 The contractor shall have processes in place to ensure accurate and updated information is available and provided to enrollees and members.

2.3 Information for potential enrollees. (1) The State or its contracted representative must provide the information specified in paragraph(2) of this section to each potential enrollee, either in paper or electronic form as follows:

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- 2.3.1 At the time the potential enrollee first becomes eligible to enroll in a voluntary managed care program, or is first required to enroll in a mandatory managed care program; and
- 2.3.2 Within a timeframe that enables the potential enrollee to use the information in choosing among available Manage Care Organization Manage Care Organization (MCOs), Prepaid Inpatient Health Plan (PIHPs), Prepaid Ambulatory Health Plan (PAHPs), Primary Care Case Management (PCCMs) entries.

The information for potential enrollees must include, at a minimum, all of the following:

- 2.3.3 Information about the potential enrollee's right to dis-enroll consistent with the requirements of 42 CFR § 438.56
- 2.3.4 and which explains clearly the process for exercising this disenrollment right, as well as the alternatives available to the potential enrollee based on their specific circumstance;
- 2.3.5 The basic features of managed care;
- 2.3.6 Which populations are excluded from enrollment, subject to mandatory enrollment, or free to enroll voluntarily in the program. For mandatory and voluntary populations, the length of the enrollment period and all disenrollment opportunities available to the enrollee must also be specified;
- 2.3.7 The service area covered by each MCO, PIHP, PAHP, PCCM, or PCCM entity;
- 2.3.8 Covered benefits including:
 - 2.3.8.1 Which benefits are provided by the MCO, PIHP, or PAHP; and
 - 2.3.8.2 Which, if any, benefits are provided directly by the State.
 - 2.3.8.3 For a counseling or referral service that the MCO, PIHP, or PAHP does not cover because of moral or religious objections, the State must provide information about where and how to obtain the service;
 - 2.3.8.4 The provider directory;
 - 2.3.8.5 Any cost-sharing that will be imposed by the MCO, PIHP, PAHP, PCCM, or PCCM entity consistent with those set forth in the State plan;
 - 2.3.8.6 The requirements for each MCO, PIHP or PAHP to provide adequate access to covered services, including the network adequacy standards established in § 438.68;
 - 2.3.8.7 The MCO, PIHP, PAHP, PCCM and PCCM entity's responsibilities for coordination of enrollee care; and
 - 2.3.8.8 To the extent available, quality and performance indicators for each MCO, PIHP, PAHP and PCCM entity, including enrollee satisfaction.

Enrollment Requirements

3. Enrollment process. As described elsewhere in this RFP, the contractor will receive daily from the State a roster of all potential program enrollees via electronic media. During the ongoing enrollment phase, this roster, or file, will contain all individuals in the target population who were actually determined eligible for DMMA State Managed Care Programs during the previous processing period. The enrollment process must be accessible to members by both mail, member portal and by toll free telephone and member portal using staff in the direct employ of the contractor. The contractor shall perform the following activities:

- 3.1 Pre assignment letter. The contractor must distribute to all members by mail and/or other suitable means a pre assignment letter. The capability to enroll in the program must also be available via Member Portal, toll free telephone system and may be available via other methods as deemed most effective by the contractor. The enrollment materials must be mailed no later than three (3) business days after receipt of the roster of

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potential enrollees from the State. The enrollment packet and telephone enrollment and information support process must provide the following information and accomplish the following activities:

- 3.1.1 Present health plan choices. The contractor will assist all eligible and potentially eligible individuals with enrolling in MCOs. The contractor will assist and educate the client about all health plans available under the DMMA State Managed Care Programs. This information shall be provided in an objective, non-biased fashion that neither favors nor discriminates against any health plan or health care provider. The importance of early selection of a health plan should be stressed, especially if the client indicates priority health needs. The contractor must also maintain and make available, by mail, member portal and toll free telephone, provider directories as described elsewhere in this RFP to assist members in identifying health plans of which a particular provider is a member. The health plan web address with the location of the electronic provider directory may also be referenced if the member would like to access the directory via internet connection.
- 3.1.2 Assist in selection of health plan. The contractor shall assist members with selection of a health plan that meets their needs by explaining in a strictly non-biased manner the criteria that may be considered when making a choice of health plans. Medicaid members who are eligible for the Diamond State Health Plan will have thirty (30) calendar days from the postmark date on the pre assignment letter sent to them by the contractor to select a health plan. All members of the same family will be encouraged to select the same health plan. However, it is not required that all family members enroll in the same health plan.
- 3.1.3 Preliminary assistance in selection of a primary care provider. The chief responsibility for assignment of members to primary care providers lies with each respective health plan, after enrollment. However, as a standard part of the enrollment process, the contractor shall inquire as to the client's preference of primary care provider. If such a preference is indicated, this information must be collected as part of the enrollment process and provided to the health plan. In all cases, the contractor shall encourage the continuation of any existing satisfactory relationship with a primary care provider who is part of the network of a participating health plan. The contractor shall, if requested, assist members with their selection of a primary care provider by explaining in a strictly non-biased manner the criteria that may be considered when making a choice of primary care providers. The contractor should provide guidance to assist members with contacting health plan member services staff for further assistance with the selection of a primary care provider within a specific health plan.
- 3.1.4 Identify sources of third party liability. The contractor shall routinely inquire, both by telephone and in-person (where applicable) and as part of the mail enrollment process, as to the existence of any other sources of health insurance or health care coverage available to the client or the client's family. The contractor must have data collection procedures in place to periodically and systematically report all information gathered to the State agency, via electronic media. Members currently covered by any other comprehensive insurance program are not eligible for DHCP.
- 3.1.5 Identify potential excluded members. Excluded members are those individuals in broad categories who are not, by definition, in the target population of the Diamond State Health Plan. To the extent possible, the State agency will screen client rosters to identify and remove members who meet exclusion criteria before transmission of the file to the contractor. The contractor shall routinely inquire both by telephone and in-person (where applicable) and as part of the mail enrollment process, as to the existence of potential conditions that may exclude the categorically eligible client from mandatory enrollment into the Diamond State Health Plan. These conditions are described in Exhibit 3.1. If a client indicates that one or more

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exclusion conditions exist, this information must be collected and transmitted to the State agency as part of the enrollment process.

3.1.6 Identify potential exemption conditions. Exemption conditions are individual situations that may preclude a client who is otherwise in the target population from mandatory enrollment in the Diamond State Health Plan. These conditions are described in Exhibit 3.2. The contractor shall routinely inquire both by telephone and in-person (where applicable) and as part of the mail enrollment process, as to the existence of potential conditions that may exempt the client from mandatory enrollment into the Diamond State Health Plan. If a client indicates that one or more of the exemption conditions exist, this information must be collected and transmitted to the State agency as part of the enrollment process. The State agency Project Manager or designee is responsible for approving all exemptions. To the extent possible, the State agency will screen client rosters to identify and remove members who meet exemption criteria before transmission of the file to the contractor.

3.1.7 Handle undeliverable and returned mail. The contractor shall have in place procedures to forward to the State agency all mail that is returned to the contractor as undeliverable due to incorrect addresses within three (3) business days of receipt by the contractor.

3.1.8 Follow-up Process. If no choice information has been received by the contractor, then no later than twenty (20) calendar days after the mailing of the enrollment materials, the contractor must contact all clients to remind them about the pending enrollment choice. This notification must be at least via mail, and may also be by telephone or other method. The reminder process should reinforce all appropriate aspects of the educational component of the HBM program. Bidders are encouraged to propose additional or alternative follow up activities that are designed to maximize the incidence of voluntary choice of health plan.

3.1.9 Automatic re-enrollment.

Clients in the target population who lose eligibility for the Diamond State Health Plan and regain eligibility within two (2) months will be automatically re-enrolled with the same health plan of which they were a member previously. The State agency will perform this process and supply the necessary information to the contractor. The contractor shall have in place procedures to systematically send confirmation information to the client.

3.2 Enrollment confirmation

The contractor shall perform the following duties after:

3.2.1 Receipt of enrollment information from the client;

3.2.2 thirty (30) calendar days have elapsed since the postmark date when the client was mailed an enrollment packet (see the default selection process described in 4.2);

3.2.3 request for health plan transfer is processed;

3.2.4 receipt of the premium payment for a DHCP client

3.3 The contractor shall systematically review enrollment information received from the client for accuracy. The contractor must promptly attempt to contact clients to obtain missing enrollment information or to verify information that may be inaccurate. The error rate of enrollment information is addressed in terms of performance standards elsewhere in this RFP.

3.4 The contractor must have in place procedures to process completed enrollment information and transmit the appropriate data elements at least every week to:

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- 3.4.1 The State agency(via electronic media);
- 3.4.2 The client (via confirmation letter).

3.5 All enrollments in the DMMA Managed Care Programs become effective on the first (1) of each month after either the receipt of completed voluntary choice information by the contractor, or the expiration of the thirty (30) day choice period and in the case of the DHCP, receipt of the appropriate premium payment. The only exception to this rule is for continuously eligible newborns whose enrollment begins on date of birth. Completed enrollment confirmation information must be processed and sent to all entities within five (5) business days of receipt by the contractor or the expiration of the thirty (30) day choice period, and no later than five (5) business days before the effective date of enrollment.

C. Delaware Medicaid Enterprise System Requirements

The Delaware Medicaid Enterprise System (DMES) is the state’s Medicaid Management Information System (MMIS). This system stores and utilizes member, eligibility, provider, financial, third party liability, prior authorization, managed care, benefit plan, and premium collection information to support the following objectives:

- Enroll and dis-enroll members into or out of appropriate managed care plans
- Generate letters/notices to members
- Generate tracking and reporting
- Pay monthly capitated rates to MCOs
- Accept and process encounter claims
- Process wrap-around service claims and pay them as fee-for-service
- Maintain a repository of basic contract data, networks, assignment plans and capitation rates
- Produce invoices and collect premiums for the Delaware Healthy Children Program (DHCP) and Medicaid for Workers with Disabilities (MWD)

4. The vendor selected through this RFP must utilize the DMES screens designed to perform duties and tasks described in this RFP.

4.1. Direct data entry into the DMES, using the DMES screens, is a requirement for the selected vendor. Direct data entry assures that the data, required for enrollment and other processing, is timely.

4.1.1. The selected vendor is not permitted to electronically transmit data to the DMES as an alternative to direct data entry. Transmission of data to the DMES would not adequately address the timeliness of enrollment processing requirements, would cause the State to incur undue costs to modify and maintain its DMES to support such transmissions and would present complications for the reporting and tracking supported by DMES.

4.1.2. HBM functions are currently performed using, the current DMES on-line processes. The selected vendor may choose to utilize additional automated systems to enhance their performance of the requirements in this RFP. However, proposals offering data transmissions as an alternative, or supplement, to direct data entry into the DMES, as well as, proposals offering to not directly data enter any of the data required by the DMES on-line, and processing, will be considered non-responsive and rejected by the State.

D. Member Materials

5. General requirements. The contractor shall design and produce the following materials for use in the education and enrollment activities described in the RFP scope of work.

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- 5.1. All materials developed by the contractor must be approved by the State Project Manager prior to production, distribution or incorporation into contractor education and/or enrollment activities.
- 5.2. Printed material should be oriented to the target population and understandable at the appropriate reading level as determined by the state.
- 5.3. All printed materials must also be produced in Spanish. The materials may also be produced and distributed in other media formats as deemed most effective by the contractor to accomplish specific objectives within the outreach, education and enrollment processes as described in this RFP.
- 5.4. The content and volume of all materials, whether printed or distributed via other formats, must be adequate to accomplish the stated goals of the campaign, and be designed to address the informational needs of those members who speak languages other than English or Spanish, those with visual or hearing impairments, or those whose literacy level renders printed materials less than effective.
- 5.5. Advance notice materials.

The contractor shall develop, produce and distribute printed informational materials describing the upcoming changes represented by DMMA State Managed Care Programs. These materials may be produced and distributed in a variety of media formats as deemed most effective by the contractor in order to reach all existing members in the target populations in the most efficient manner. The materials must be designed to accomplish the following goals and objectives:

- 5.5.1. Inform members in the target populations about the timing and nature of planned changes in the way that DMMA Managed Care health care services will be accessed and delivered.
- 5.5.2. Provide basic educational information about how health care services are delivered under managed care.
- 5.5.3. Inform members of their rights and responsibilities under managed care, including where and how additional information can be obtained.
- 5.5.4. Maximize the incidence of voluntary enrollment into health plans.
- 5.5.5. The contractor must provide informational notices to each enrollee at the time the enrollee first becomes eligible and within a timeframe that enables the enrollee to use the information in choosing among available MCOs. The notices must:
 - 5.5.5.1. Include the MCOs available to the enrollee,
 - 5.5.5.2. Provide clear instructions for how to make known to the State, the enrollee's selection of an MCO.
 - 5.5.5.3. Clearly explain the implications to the enrollee of not making an active choice of an MCO and the implications of making an active choice of MCO.
 - 5.5.5.4. Provide an explanation of the length of the enrollment period, the 90 day without cause disenrollment period, and all other disenrollment options as specified in CFR 438.56, and
 - 5.5.5.5. Include the contact information for the Health Benefits Manager.

- 5.6. Managed care education materials.

The contractor shall develop, produce and utilize materials that inform all members (existing Medicaid members, DHCP Members and new eligibles) in the target population about managed health care systems. Materials must comply with the information requirements in 42 CFR 438.10 to ensure that before enrolling, the individual receives all information necessary to make an informed decision. All managed care education material must clearly:

- 5.6.1. Explain the benefits of managed care organizations, and the ways in which managed care is designed to address health care needs.

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- 5.6.2. Explain how to access services in a managed care system, including emergency services, family planning services, transportation, pharmacy services, and mental health and substance abuse services. The contractor should be aware of other State services such as housing, food Stamps and WIC in order to effectively communicate with members.
- 5.6.3. Explain the role and responsibility of the primary care provider in a managed care system, and the importance of maintaining existing appropriate relationships with primary care providers.
- 5.6.4. Explain the benefits of preventive health care and prenatal care, and the availability of Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services, and Smart Start, where appropriate.
- 5.6.5. Explain the availability of the member portal and use of the toll free telephone system.
- 5.6.6. Notify the client of the requirement to choose a health plan within thirty (30) calendar days of the postmark date on the pre assignment letter that was sent to the client. Members must also be informed that, in absence of receipt of a stated choice within 30 days, they will be automatically enrolled into one of the participating health plans. DHCP members are enrolled when premium payments are received and recorded.
- 5.6.7. Explain which services are available under the Diamond State Health Plan, Diamond State Health Plan Plus and Delaware Healthy Children Program. Contractor staff and enrollment materials must clearly:
 - 5.6.7.1. Explain the services that are provided by the health plan and the appropriate way in which to access those services. The relevant ways in which health plan options differ with respect to coverage and procedures must be explained.
 - 5.6.7.2. Explain the appropriate circumstances and relevant guidelines for obtaining covered health care services outside the health plan network.
 - 5.6.7.3. Explain which services are not covered under the health plan, but are covered by Medicaid, and how those services may be obtained either within or outside a health plan network.
- 5.6.8. Explain the responsibilities of the client in following established health plan procedures for seeking emergency and non-emergency services, making appointments with the primary care provider, seeking hospital admissions, circumstances under which self-referral is appropriate, and the need to adhere to prescribed treatments as indicated by the primary care provider or other health plan provider.
- 5.7. Enrollment materials.
 - 5.7.1. The contractor shall develop, produce and/or utilize a pre assignment letter, information and instruction sheets, brochures and handbooks as necessary in order to facilitate client enrollment and maximize the informed selection of health plans. All member materials must be compliant with the federal requirements in CFR 438.10. The pre assignment letter should be pre-filled in with all available and pertinent information about the client. The method of returning this information via mail to the contractor must be postage-free to the client, and minimize the cost to the contractor and the State. In addition to materials designed to collect all other necessary enrollment data as described elsewhere in this RFP, the enrollment materials must also contain the following information:
 - 5.7.1.1. Marketing material supplied by the contracted managed care organizations. This material will be approved by the State agency prior to distribution. The contractor will include this information without alteration or supplementation.
 - 5.7.1.2. Clear and concise instructions on how to complete the pre assignment letter, including information about deadlines for returning the completed letter.
 - 5.7.1.3. Instructions on how to obtain more information, including use of the toll free telephone number and member portal.

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- 5.7.1.4. Suggested selection criteria for choosing health plans and primary care providers. The pre assignment letter should clearly explain that selection of a primary care provider is desirable, but not mandatory at this point.
 - 5.7.1.5. Information describing the health plan selection that will be the current default choice for the client, if no choice information is received by the contractor by the date indicated.
 - 5.7.1.6. Information about conditions by which a client may be exempt from mandatory enrollment in the Diamond State Health Plan, and how the client may contact the contractor to petition for an exemption. A list of exemption conditions is contained in Exhibit 3.2.
- 5.8. Confirmation materials.
- 5.8.1. The contractor shall design and produce materials and processes that facilitate the weekly transfer of information to the State agency and to the client that details every enrollment choice, whether received from members by mail, in person, or by telephone, or as the result of the default health plan selection process.
 - 5.8.2. The confirmation information that is sent to the State agency and the appropriate health plan must contain, at a minimum, the client's name, address, telephone number, sex, date of birth, Social Security Number, Master Client Identification (MCI) Number, health plan, primary care provider number (if a selection was made by the client) and the effective date of enrollment in the health plan.
 - 5.8.3. The contractor must also generate and send, on a weekly basis, confirmation letters to all members who have been enrolled into a participating health plan. This letter must be sent to the client no later than five (5) business days after receipt of completed enrollment information by the contractor.
 - 5.8.3.1. The confirmation letter that is sent to the client must contain, at a minimum, the client's name, address, health plan name and the member services telephone number, primary care provider (if a selection was made by the client), and the effective date of enrollment in the health plan. The letter must clearly explain that to be enrolled and eligible for services under the DHCP a premium must be paid; and state what that premium amount is to be paid. The letter must describe payment options. The letter must describe the automatic assignment process if the client was automatically assigned.
 - 5.8.3.2. All mailings going to members must have the Delaware Health and Social Services (DHSS) Logo. The DHSS Logo must be on all envelopes, post cards and letters to members.

E. Customer Service Activities

- 6. General customer service
 - 6.1. Enrollment staff shall be available in sufficient numbers to assist members in understanding all aspects of the Diamond State Health Plan, Diamond State Health Plan Plus, Delaware Healthy Children Program, and managed care in general, and in selecting and enrolling in a health plan. The contractor will have adequate staff available to respond to general inquiries regarding the Diamond State Health Plan, Diamond State Health Plan Plus and Delaware Healthy Children Program, and for the following activities whether by phone or in person.
 - 6.1.1. Offer assistance to members for health plan enrollment selection. Specific efforts should be made to obtain complete information.
 - 6.1.2. Conduct follow- up phone calls to non- responding members as necessary to minimize automatic assignment into health plans.

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- 6.1.3. Provide language translation services (including sign language) as necessary to facilitate communication. Bilingual translation services are required. This service may be provided by bilingual staff and by use of a phone translation service.
- 6.1.4. Forward requested enrollment or other program information to the client within two (2) business days.
- 6.1.5. Estimate when managed care coverage will begin if the pre assignment letter is received in the contractor's office by a specified date.
- 6.1.6. Provide for ease of premium payment by having easily accessible payment methods and sites.
- 6.1.7. Provide Referral services. As part of the enrollment and customer service processes, the contractor shall identify factors associated with individuals in the target population that represent potential barriers to accessing health care services. In such cases, the contractor must have in place systematic procedures to provide information to the client about available services from other private and public social and human services agencies that may address or alleviate the potential barrier to care. The contractor must be aware of the non-emergency transportation benefit and be able to supply accurate information to the members relating to this benefit.

Health plan transfers

- 7. The term "transfer" is used to refer to members who leave one health plan to enroll in another health plan, all within the DSHP, DSHP-Plus or DHCP. The conditions under which transfers are permitted, are listed in Exhibit 3.3.
 - 7.1. Members may request transfers between health plans during an annual one-month open enrollment period for any reason. Members may request transfers between health plans at any time for good cause. There is no limit on the number of transfer requests that a client can initiate for good cause. Health plans may also initiate a request for transfer with the State agency. The contractor shall process and complete within five (5) business days of receipt all client and State agency-approved health plan requests to transfer members to another health plan.
 - 7.2. In the event that a health plan ceases to operate as part of the DMMA Managed Care Program, the contractor must process and complete within fifteen (15) business days of receipt all transfer requests from all affected members. In this case, any affected client who does not make a choice will be assigned by the State agency to one of the remaining health plans according to standard automatic assignment procedures.

Disenrollments

- 8. The term "disenrollment" is used to refer to members who no longer receive services under the Diamond State Health Plan or DHCP. The conditions under which disenrollment may occur are listed in Exhibit 3.4. The State agency is responsible for approving and processing all disenrollment's. Upon receipt of information from the State agency that a disenrollment has occurred, the contractor shall notify the client of the disenrollment. Disenrollment reasons include:
 - 8.1. Loss of eligibility, or incarceration or death.
 - 8.2. Placement in a nursing facility, State institution or intermediate care facility for individuals with intellectual disabilities for more than thirty calendar days.
 - 8.3. Change of residence that places the client outside of the State of Delaware (if applicable).

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8.4. The client is found to have been enrolled in error.

General problem resolution

9. The contractor shall mediate, when requested by members, in the resolution of problems relating to the accessibility of health care system, including, but not limited to:
- 9.1. non-emergency medical transportation service issues;
 - 9.2. handicap accessibility issues and other potential barriers to accessing the health care system,
 - 9.3. unreasonable waiting times for appointments,
 - 9.4. non-clinical service disputes between a client and a health plan or provider. This mediation shall not be a substitute for the formal health plan grievance process, or the State Fair Hearing process.
 - 9.5. The contractor shall also maintain an on-going referral process whereby situations which are reported by members that involve circumstances that are more appropriately handled by the respective health plans or the State agency's grievance process are promptly reported to the health plan or the State agency.
 - 9.6. The contractor shall develop, implement, and maintain ongoing grievance procedures based on written policies, developed by the contractor, for the filing, receipt, prompt resolution, and documentation of all grievances by members that arise with regard to contractor policies or procedures. A grievance is defined as a request for resolution by a client who is dissatisfied with the services or materials received from the contractor. Contractor grievance procedures shall be approved by the State agency and include:
 - 9.6.1. A standardized grievance process, including time frames for response.
 - 9.6.2. Adequate assurances of confidentiality throughout the grievance process.
 - 9.6.3. Procedures for routinely informing recipients of grievance procedures.
 - 9.6.4. Establishment of an appeals process which shall include at least one level of appeal beyond the initial level. Second level appeals must be adjudicated by at least two members of the contractor's staff, including one person at the senior administrative level, governing board or equivalent.
 - 9.6.4.1. Distribute copies of grievance procedures to enrollees as a routine part of the education process
 - 9.6.4.2. Periodically review the grievance procedures for the purpose of making changes to improve such procedures.
 - 9.6.4.3. Designation of a staff member as the grievance representative who will be responsible for receiving and processing all client grievances.
 - 9.6.4.4. After receipt of a grievance, acknowledge to the client in writing that the grievance has been received and the expected time frame for processing. The contractor shall also inform the client in writing of the grievance resolution.
 - 9.6.4.5. Ensure client access to all information to be considered by the contractor at the formal hearing.
 - 9.6.4.6. The contractor must have the grievance procedures readily available in the member's primary language and available for those with visual impairment.
 - 9.6.4.7. The contractor's grievance procedures shall not be a substitute for the State's current process.
 - 9.6.4.8. Members will have the right to file formal grievances with both the contractor and the State. These grievances may be filed simultaneously; however, the State encourages the contractor and client to resolve grievances before State intervention is requested.

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Optional Services

10. The contractor may propose supplemental services, to the State, in addition to those required under the Health Benefits Manager proposal. The contractor shall state an upper limit price for the optional services listed. (also provide a separate detailed cost for those services).

Administrative components The contractor shall perform all of the following activities as part of the general administration of the HBM program:

11. The contractor shall have in place sufficient administrative staff and organizational resources to comply with all contractual obligations described herein. At a minimum, the contractor's organizational structure must include:
- 11.1. A full time executive director or project manager with clear authority over all staff, activities and associated functions described herein. The executive director or project officer must have management experience and knowledge of Medicaid and managed care organizations.
 - 11.2. Enrollment staff and clerical staff in sufficient numbers to handle the actual volume of mail, phone calls, and in person encounters described herein during all phases of the contract. It is anticipated that the level of contractor effort will be more intense during the initial conversion phase (if conversion is necessary) of the project than during the ongoing enrollment phase. Enrollment staff should have the following skills and abilities:
 - 11.2.1. Strong interpersonal and communications skills.
 - 11.2.2. Ability to maintain client confidentiality standards.
 - 11.2.3. Ability to use contractor's computer system.
 - 11.2.4. Adequate ability to recognize and respond appropriately to the cultural and ethnic diversity, as well as the health care needs of the client population.
 - 11.2.5. Adequate linguistic capabilities (as a work force) to address the translation needs of the client population.
 - 11.3. Program, procedures and systems documentation.
 - 11.4. The contractor is responsible for providing to the State agency complete, accurate, and timely documentation regarding contractor systems and processes. Five (5) copies of such documentation must be provided to the State in final form within sixty (60) calendar days of the date the State approves implementation of the HBM program as proposed by the contractor.
 - 11.5. Any other material changes that occur to contractor operations must be documented and documentation of those changes must be provided to the State within thirty (30) calendar days of State approval of implementation of the change.

Staff Training

12. The contractor shall have in place at least two months before enrollment begins a comprehensive staff training program. This program must be completed by all enrollment staff prior to assuming their assigned duties. Within the parameters, specified below, the contractor may design the staff training program to maximize the effectiveness of enrollment and support staff.
- 12.1. The State agency must review and approve the training curriculum before it is enacted. The staff training program will also have a refresher course designed to address program and policy changes, as well as new processes incorporated by the State or contractor. The training program should also have a remedial component.

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- 12.2. The contractor should indicate a proposed training schedule. The training program must include, at a minimum, modules that address:
- 12.2.1. General orientation; including the purpose and functions of the Health Benefits Manager;
 - 12.2.2. Orientation to Medicaid and the Diamond State Health Plan, Diamond State Health Plan Plus and the Delaware Healthy Children Program, including the program's mission/goals, social and demographic characteristics of the client population, and agency administrative structure;
 - 12.2.3. Customer service protocols, including telephone etiquette and grievance procedures;
 - 12.2.4. Managed care education and orientation to participating health plans;
 - 12.2.5. Contractor computer systems;
 - 12.2.6. Confidentiality issues;
 - 12.2.7. Enrollment processes and procedures;
 - 12.2.8. Specific job duties, functions and responsibilities.

Maintain provider directory

13. The contractor shall maintain and provide access to all existing and potential enrollees, via member portal, mail and telephone.
- 13.1. The following directories are required:
- 13.1.1. A directory of all the hospitals available within Traditional Medicaid and each health plan's provider network.
 - 13.1.2. A directory of every primary care provider, OBGYN, and Pediatric and Adult Specialists (as directed by DMMA) , pharmacies, and LTSS providers' currently participating within Traditional Medicaid and each health plan's network, along with current information that indicates whether the provider is accepting new patients.
 - 13.1.3. A directory of all Behavioral Health providers currently participating within Traditional Medicaid and each health plan's network.
- 13.2. Each participating health plan in the Diamond State Health Plan, Diamond State Health Plan Plus and Delaware Healthy Children Program will be required to furnish this information, via electronic media, to the contractor on at least a monthly basis.
- 13.3. The contractor must make available in electronic form, the following information about the MCOs network providers:
- 13.3.1. The provider's name as well as any group affiliation.
 - 13.3.2. Street address(es).
 - 13.3.3. Telephone number(s).
 - 13.3.4. Web site URL, as appropriate.
 - 13.3.5. Specialty, as appropriate.
 - 13.3.6. Whether the provider will accept new enrollees.
 - 13.3.7. The provider's cultural and linguistic capabilities, including languages (including American Sign Language) offered by the provider or a skilled medical interpreter at the provider's office, and whether the provider has completed cultural competence training.
 - 13.3.8. Whether the provider's office/facility has accommodations for people with physical disabilities, including offices, exam room(s) and equipment.

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F. Logistical Responsibilities

The contractor shall maintain the following services and facilities:

Toll-free telephone system

14. The contractor shall establish and operate a toll-free telephone center to answer questions about the Health Plans. This system must be equipped with Automated Call Distribution equipment and must be capable of handling the expected volume of calls, including peak period volume. Telephone Device for the Deaf (TDD) equipment must be utilized in the telephone center. Language translation services must also be available to members through the toll free telephone system. Phone center hours of operation should be at least 8:00 AM to 5:00 PM Monday through Friday, excluding State observed holidays, and at least four hours during a weekday evening or weekend.
- 14.1. The menu of the phone system must include an option in Spanish to direct Spanish-speaking members to a Spanish-speaking health benefits manager representative.
- 14.2. The telephone system must be capable of transferring calls to the State agency, if necessary, without requiring callers to place another call.
- 14.3. The toll-free line shall, at a minimum, allow members to:
- 14.3.1. Select an MCO and specify their choice of provider,
 - 14.3.2. Request to change their MCO,
 - 14.3.3. Request information about accessing services,
 - 14.3.4. Discuss problems with the program,
 - 14.3.5. Register grievances,
 - 14.3.6. Request other assistance in accessing services including but not limited to LTSS,
 - 14.3.7. Report changes (i.e. new address, phone number etc.)
- 14.4. The telephone system must have adequate reporting capabilities in order to monitor the following performance standards. If telephone center performance fails to meet these standards for more than three consecutive calendar days, contractor staffing levels or equipment shall be adjusted to meet demand, or other remedies should be proposed by the contractor to enable the contractor to meet the following standards:
- 14.5. At least 90 percent of all calls answered on or before the fifth ring.
- 14.6. At most 5 percent of all calls lost.
- 14.7. The telephone system must include silent monitoring capabilities for call center supervisors and approved DHSS staff.

Office Requirements

15. The contractor must establish an office location. Preference will be given to proposals that include office locations within the State and within 30 minutes travel time from the location of the State agency.
- 15.1. Service office hours of operation should be at least 8:00 AM to 5:00 PM Monday through Friday, excluding State-observed holidays.
- 15.2. The contractor shall provide office furnishings, equipment and supplies, including desks, chairs, telephones, computers, copiers, printers, audio-visual equipment and all other necessary devices to perform the duties and activities required by the contract. Contractor will also be responsible for all postage.

Communications Activities

16. The contractor shall assign staff as necessary to engage in the following activities in order to assure the proper operation of the HBM program:

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- 16.1. Participation in State/health plan/contractor operational work group. This work group will review current operations on a monthly basis for the purpose of identifying and resolving problems associated with enrollment and related processes. The contractor must have in place an internal system for systematically identifying problems and potential solutions for use in this forum.
- 16.2. Interface with health plans. The contractor shall conduct the following activities in cooperation with all contracted health plans. These activities are intended to enhance the effectiveness of enrollment staff and contractor operations:
- 16.3. Joint HBM/health plan workshops. The contractor will engage in the joint design and operation of cooperative workshops with all participating managed care organizations to train enrollment staff in the features and procedures of each managed care organization's program product. These workshops must be attended by all enrollment staff upon initial employment and subsequently at least once during each twelve months of employment.
- 16.4. Participation in health fairs. The contractor must have sufficient staff and materials present at all State agency sanctioned events where contracted health plans present products and services to potential members.

G. Contract Management

- 17. The contractor shall designate to the State agency a liaison, located in the contractor's main office, to facilitate the management of this contract. This person shall be authorized to represent the contractor in all matters relating to the provisions of the contract.
 - 17.1. Other duties of this representative include:
 - 17.1.1. Producing all contract deliverables as specified,
 - 17.1.2. Responding to State agency requests in a timely fashion,
 - 17.1.3. Coordinating ad hoc problem solving efforts with the State/health plan/contractor work group,
 - 17.1.4. Ensuring that adequate internal tracking mechanisms are in place to monitor contract compliance.
 - 17.2. In no instance shall the contractor refer any matter to the State agency or other Delaware state official unless initial contact, both verbal and in writing, regarding the matter has been presented to the State agency project manager or designee.

H. Improvement goals and corrective action plans

- 18. The contractor shall submit to the State agency on at least a quarterly basis a set of improvement goals that, if achieved, will result in tangible improvement in the services delivered to the client population.
 - 18.1. The activities necessary to achieve the goals must not increase the costs to the State agency in any way. These goals should be consistent with the actions of the State/health plan/contractor work group.
 - 18.2. The first set of improvement goals must be submitted within 60 calendar days of the completion of the initial conversion phase. The goals should also indicate actions planned to achieve those goals and specific timeframes for completion.
 - 18.3. During the course of the contract, any significant deficiencies noted by the State agency that arise with respect to contractor performance will result in the contractor submitting to the State agency a corrective action plan (further information regarding contractor performance is described in the performance standards section of this RFP).
 - 18.3.1. This plan must analyze the problem and formulate the best solution to that problem from both the contractor's and State's perspective.

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18.3.2. The State agency project manager will determine the appropriateness of the analysis and proposed solution contained in the corrective action plan.

18.3.3. Once approved by the project manager, progress towards completing the corrective action plan will be monitored by the State agency.

Perform contractor effectiveness survey

19. The contractor shall design and administer a client survey designed to measure client experience and satisfaction with contractor staff and services.
- 19.1. The survey must be administered annually to a statistically valid random sample of members who are enrolled in health plans at the time of the survey. The contractor shall determine the appropriate sampling methodology, including the number of members to be surveyed.
- 19.2. The State agency will approve the final survey tool and methodology. The survey must contain items designed to measure at least the following dimensions of client satisfaction with contractor services:
- 19.2.1. Overall satisfaction with contractor's enrollment process;
- 19.2.2. Client knowledge of managed health care from a patient's perspective;
- 19.2.3. Client knowledge of rights and responsibilities, including knowledge of grievance procedures and transfer process;
- 19.2.4. Client perception of accessibility to contractor services, including the mail enrollment process, the toll free telephone system; and the customer services provided by the contractor;
- 19.2.5. Other factors that may be requested by the State agency.
- 19.3. The contractor shall interpret and summarize the survey results using commonly accepted statistical compilation methodologies. The results should be reported both on a total basis and all other meaningful bases.
- 19.4. Survey results must be submitted to the State agency no later than ninety (90) calendar days after the end of each annual contract period.

I. Managed Care Organizations CAHPS (Consumer Assessment of Health Plans Survey)

20. The contractor shall design and administer a client survey designed to measure client experience and satisfaction with the Managed Care Organizations using as a base the CAHPS Survey.
- 20.1. The survey must be administered annually to a statistically valid random sample of members who are enrolled in health plans at the time of the survey. The contractor shall determine the appropriate sampling methodology, including the number of members to be surveyed.
- 20.2. The State agency will approve the final survey tool and methodology. The survey must contain items designed to measure at least the following dimensions of client satisfaction with MCO providers, services, delivery and quality:
- 20.2.1. Overall satisfaction with MCO services, delivery and quality;
- 20.2.2. Client knowledge of managed health care from a patient's perspective;
- 20.2.3. Client knowledge of rights and responsibilities, including knowledge of grievance procedures and transfer process;
- 20.2.4. Client perception of accessibility to services, including access to providers; and
- 20.2.5. Other factors that may be requested by the State agency.

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- 20.3. The contractor shall interpret and summarize the survey results using commonly accepted statistical compilation methodologies. The results should be reported both on a total basis and all other meaningful bases.
- 20.4. Survey results must be submitted to the State agency no later than ninety (90) calendar days after the end of each annual contract period.

J. Computer and information interchange standards

- 21. The Contractor shall be responsible for ensuring that all services, products and deliverables furnished pursuant to this Contract comply with the standards promulgated by the Department of Technology and Information (DTI) published at <http://dti.delaware.gov> and as modified from time to time by DTI during the term of this Contract. If any service, product or deliverable furnished pursuant to this Contract does not conform with DTI standards, the Contractor shall, at its expense and option either (i) replace it with a conforming equivalent or (ii) modify it to conform with DTI standards. The Contractor shall be and remain liable in accordance with the terms of this Contract and applicable law for all damages to the State caused by the Contractor's failure to ensure compliance with DTI standards.
- 22. The contractor shall have adequate personnel and resources in place to meet the following standards and procedures regarding receipt, processing and transmission of program information.
 - 22.1. All contractor staff must have access to equipment, software and training necessary to accomplish their stated duties in a timely and efficient manner.
 - 22.1.1. As specified by the state, contractor staff working on this contract shall fill out DTI's Acceptable Use Policy, Biggs Data Center User Authorization Form, and the Biggs Data Center Non-Disclosure Agreement for the necessary authorizations before starting work.
 - 22.2. The contractor will supply all hardware, software, communication and other equipment necessary to perform the duties described below:
 - 22.2.1. The contractor will receive daily via electronic media a file of all newly eligible Medicaid or DHCP members for enrollment into the Health Plans. The information contained in this transmittal is detailed in Exhibit 2. Final determination of the exact method of transmission and file specifications will be made jointly by the State and the contractor after contract award.
 - 22.2.2. The contractor will utilize the DMES functions including on-line access to the Delaware Medicaid Enterprise System (DMES) in order to facilitate the transmission of enrollment information.
 - 22.2.3. The contractor will provide to the State agency on a weekly basis, updates of all Third Party Liability information as collected pursuant to requirements described elsewhere in this RFP.
 - 22.2.4. The contractor shall implement adequate security provisions and procedures in order to maintain client confidentiality. The contractor shall also adhere to all applicable State agency procedures and restrictions associated with the access and update capabilities of State maintained information systems and databases.
 - 22.2.5. The contractor's systems will be HIPAA compliant in the areas of Privacy and security and must support all other HIPAA regulations, e.g. Code Transaction Sets.
 - 22.2.6. The Contractor shall transmit to and receive from the State all transactions and code sets in the appropriate standard formats as specified under applicable State or Federal law and as directed by the State, so long as the State direction does not conflict with State or Federal law.
 - 22.2.7. The Contractor's systems shall conform to future Federal and/or State specific standards for data exchange within the timeframe stipulated by Federal authorities or the State. The Contractor shall

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partner with the State in the management of current and future data exchange formats and methods and in the development and implementation planning of future data exchange methods not specific to HIPAA or other Federal effort. Furthermore, the Contractor shall conform to these standards as stipulated in the plan to implement such standards.

22.2.8. The Contractor shall ensure that written system process and procedure manuals document and describe all manual and automated system procedures for its information management processes and Information Systems and shall provide these documents to the State upon request.

22.2.9. The Contractor shall implement proprietary file exchanges and interfaces as required to transfer data to and from the State's Fiscal Agent DMES, and modify these as necessary to meet future changes to those requirements. Information about these interfaces is available from the State.

22.2.10. In addition to the requirements in this Contract, the Contractor's Information Systems shall meet all State technical requirements and standards for Information Systems. Information about these standards and links to the current versions of other State technical requirements documentation are available upon request from the State.

23. System and Information Security and Access Management Requirements

23.1. The Contractor's systems shall employ an access management function that restricts access to varying hierarchical levels of system functionality and information. The access management function shall:

23.1.1. Restrict access to information on a "least privilege" basis (e.g., users permitted inquiry privileges only will not be permitted to modify information); and

23.1.2. Restrict access to specific system functions and information based on an individual user profile, including inquiry only capabilities; global access to all functions shall be restricted to specified appropriate staff.

23.2. The Contractor shall make system information, including all collected data, available to duly authorized representatives of the State and Federal government to evaluate, through inspections, audits, or other means, the quality, appropriateness and timeliness of services performed.

23.3. The Contractor's systems shall contain controls to maintain information integrity. These controls shall be in place at all appropriate points of processing. The Contractor shall test these controls in periodic and spot audits and make the results of these tests available to the State upon request.

23.4. The Contractor shall provide for the physical safeguarding of its data processing facilities and the systems and information housed therein. The Contractor shall provide the State with access to data facilities upon request.

23.5. The Contractor shall restrict perimeter access to equipment sites, processing areas and storage areas through a card key or other comparable system, as well as provide accountability control to record access attempts, including attempts of unauthorized access.

23.6. The Contractor shall ensure that remote access users of its systems can only access said systems through two-factor user authentication and via methods such as Virtual Private Network.

23.7. The Contractor shall comply with recognized industry standards governing security of State and Federal automated data processing systems and information processing. At a minimum, the Contractor shall conduct a security risk assessment and communicate the results in an information security plan provided to the State prior to the Start Date of Operations. The risk assessment shall also be made available to appropriate State and Federal agencies upon request.

24. Business Continuity and Disaster Recovery

24.1. Regardless of the architecture of its systems, the Contractor shall develop and be continually ready to invoke a BC-DR plan that has been reviewed and prior approved by the State.

24.2. At a minimum, the Contractor's BC-DR plan shall address the following scenarios:

24.2.1. The central computer installation and resident software are destroyed or damaged.

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24.2.2. System interruption or failure resulting from network, operating hardware, software, or operational errors that compromises the integrity of transactions that are active in a live system at the time of the outage.

24.2.3. System interruption or failure resulting from network, operating hardware, software or operational errors that compromises the integrity of data maintained in a live or archival system.

24.2.4. System interruption or failure resulting from network, operating hardware, software or operational errors that does not compromise the integrity of transactions or data maintained in a live or archival system but does prevent access to the system (i.e., causes unscheduled system unavailability).

24.3. The Contractor's BC-DR plan shall specify projected recovery times and data loss for mission-critical systems in the event of a declared disaster.

The Contractor shall periodically, but no less than annually, test its BC-DR plan through simulated disasters and lower level failures and provide the results of this testing to the State upon request.

K. Reporting

25. The contractor must design and maintain, at a minimum, the following information, reports and logs as part of its overall contractual duties. The format and frequency of these reporting activities may change depending upon the nature of the winning proposal. Thus, reporting process, schedules, standards, and formats may change after contract award, and are subject to State agency approval.

25.1. Monthly reports, due by the fifteenth (15th) of the month for the preceding month's activity, which show:

25.1.1. The incidence of voluntary selection and default selection of health plan for all members assigned to the contractor for enrollment. The report should show the distribution of time elapsed between client notification and receipt of enrollment information, and be broken down by method of communication (mail, phone, etc.) and relevant demographic variables.

25.1.2. The incidence of voluntary selection of a primary care provider by all members assigned to the contractor for enrollment, and the report must be broken down in a similar manner to other reports described in this section.

25.1.3. The incidence of client requests for transfers between health plans and State and health plan requests for disenrollment from the program. The report should show the distribution of time elapsed between request and the completion of the request, and be broken down by reason for the request and other pertinent variables. The report should also give similar information on pending requests for transfer and disenrollment.

25.1.4. Expenditures for the preceding period for each budget category as defined in the cost proposal work sheets. The report should indicate areas of significant variance (from the contractor's perspective) from planned expenditures in this period for each budget category.

25.1.5. The number of automatic re-enrollments completed by the contractor. The report should show the distribution of time elapsed between prior loss of eligibility and resumption of coverage, and be broken down by health plan and other relevant program variables.

25.1.6. The degree of conformance to the specific process timeframes outlined in the RFP scope of work. This conformance should be expressed in units (business or calendar days) as specified in the RFP, using measures of conformity as proposed by the contractor.

25.1.7. Logs of each client grievance, including all relevant information about the grievance and the status of the grievance at the time of the report.

25.2. Monthly reports, due by the end of the calendar month for the preceding month's activity, that show:

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- 25.2.1. The performance of the toll free telephone system, including information that shows the number, length and type of calls received during the period, the number and percentage of calls answered by the 5th ring, and the frequency of lost calls, and the average number of calls put on hold and the average amount of time that callers remain on hold.
- 25.2.2. Logs of all customer service and referral contacts including, at a minimum, the date, client name, contractor staff involved, the nature of contact or inquiry, and action taken by contractor staff, and the current status of the contact.
- 25.3. The State agency reserves the right to request additional or different management reporting information from the contractor throughout the contract period, on either an ad hoc or a regular basis. This additional information may be needed to address areas of interest regarding specific contractor performance or contract administration, or for policy analysis purposes.

L. Records Retention

- 26. The contractor shall retain all records and source information associated with reports and logs detailed in this section for the entire duration of the contract. The retention methods used shall ensure that retrieval of any record or log, or portion thereof, can be accomplished within ten (10) business days of initial request of that information, whether by contractor or State agency staff. This capability may be necessary for contract administration purposes, data validation purposes, litigation purposes, or in order to assure compliance with governmental or other audit standards and practices.
 - 26.1. The record retention methods shall also be configured such that all necessary information (as determined by the State agency) contained in any record or log can be transferred to a subsequent contractor without requiring manual or other reentry of information.
 - 26.2. The contractor will maintain records of all formal and informal grievances and the resolution of the grievances. The State agency, upon receipt of records from the contractor, will retain records for five (5) years following a final resolution of the grievance.

Performance standards

- 27. Written notification of each failure to meet a performance requirement will be given by the State agency project manager to the contractor. This notification may be based upon review of information contained in the management reports described elsewhere in this RFP.
 - 27.1. Unless otherwise specified, the contractor shall have five (5) business days from the date of receipt of written notification of a failure to submit a corrective action plan as described elsewhere in this RFP, and ten (10) additional business days to demonstrate compliance with the task timeframes in question, in order to avoid liquidated damages. However, the State agency project manager may approve additional days as deemed necessary if compliance cannot, in the judgment of the project manager, be performed within the specified timeframe. If the failure is not resolved within this time period, the State agency may impose liquidated damages retroactively to the date of failure to submit a corrective action plan.
 - 27.2. Notification by the State agency project manager that the contractor is out of compliance with one or more task timeframes will serve as notification to the contractor that a corresponding corrective action plan is due. The imposition of damages is not in lieu of any other remedy available to the State.
 - 27.3. If the contractor demonstrates a permanent, effective, and timely cure to the performance failure, the State may, at its sole option and discretion, elect to reimburse the contractor for a portion or all of the damages assessed.

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- 27.4. In the event that the contractor fails to meet or exceed the following performance standards, and damage is sustained by the State agency due to contractor's failure to meet these standards, then the contractor shall pay liquidated damages to the State according to the provisions described below:
- 27.5. Initiation of contractor operations/Readiness - Operation is defined as the discharge of all the operational, administrative and reporting duties and functions outlined in the RFP scope of work, on a regularly scheduled basis consistent with the intent of the contract as described in the RFP introduction. Compliance with this performance standard is crucial to the success of the DSS Managed Care Programs. Therefore, the contractor shall be liable for resulting damages if this performance standard is not met.
- 27.5.1. If the initiation of contractor operations does not begin within a time agreed upon with the contractor and the State after contract award as a direct or indirect result of contractor performance failure, then the contractor shall be assessed the amount of one thousand dollars (\$1000) for each business day that contractor operations are not underway. Assessment of the damages for failure to meet this requirement does not preclude the State's right to assess liquidated damages as described elsewhere in this section and the RFP.
- 27.6. Adherence to RFP task timeframes - The purpose of this performance standard is to ensure adherence to the task timeframes as described in the RFP scope of work. No punitive intention or influence is inherent in this provision. In the event of a failure to meet the RFP task timeframes listed below, damage shall be sustained by the State. It is impractical and difficult to determine the actual damages that the State will sustain in the event of such failure to perform. Therefore, the contractor shall pay the State for such failures at the sole discretion of the State agency according to the following guidelines:
- 27.6.1. If circumstances beyond the control of the contractor result in failure to meet one or more task timeframes, it is the responsibility and obligation of the contractor to make the details known immediately to the State agency. If the contractor cannot meet the task timeframes as specified in the proposal, the contractor shall be assessed the sum of five hundred dollars (\$500) per business day that such condition exists. These sums shall be treated as liquidated damages and not a penalty
- 27.7. Incidence of voluntary selection of health plan - The State agency considers the incidence of voluntary choice of health plans by members to be important and considers the proportion of voluntary health plan choice among members in the target population to be a measure of contractor effectiveness. The contractor will be expected to perform education and enrollment functions effectively to maximize the voluntary selection of health plans among all members assigned to the contractor for enrollment.
- 27.7.1. The measure used to judge contractor effectiveness will be derived by dividing the number of members whose date of initial enrollment into a health plan was during the previous calendar month, and for whom voluntary choice information was not collected by the contractor, divided by the total number of members whose date of initial enrollment into a health plan was during the previous calendar month. Members whose enrollment packets were undeliverable due to bad addressing or other reasons will not be included in the calculation of the measure, but members with a pending exemption request will be included. The State agency may, at its discretion, measure the reliability of voluntary choice information by randomly sampling the client population to verify the accuracy of recorded information.

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27.7.2. The following schedule of error rates and monthly damages will be used:

Incidence of voluntary choice	Percent of monthly payment withheld
More than 60 percent	0 percent
50 - 59.99 percent	1 percent
35 - 49.99 percent	3 percent
Less than 35 percent	5 percent

27.8. Incidence of transfer requests within thirty (30) days of enrollment. The State agency considers the frequency of client requests for health plan transfers within thirty (30) days of initial enrollment into the Diamond State Health Plan to be another measure of the effectiveness of contractor education and enrollment activities.

27.8.1. The contractor will be expected to perform education and enrollment functions effectively to maintain a low incidence of health plan transfer requests initiated by members within thirty (30) days of initial health plan enrollment. The measure will be derived by dividing the number of transfer requests received within thirty (30) days of initial enrollment into a health plan from members whose initial thirty (30) day enrollment period expired during the previous calendar month divided by the number of members whose initial thirty (30) day enrollment period expired during the previous calendar month. Members with a pending exemption request will be excluded. The following schedule of error rates and monthly damages will be used:

Incidence of transfer requests within 30 days	Percent of monthly payment withheld
Less than 10 percent	0 percent
10 - 19.99 percent	1 percent
20 - 35 percent	3 percent
More than 35 percent	5 percent

27.9. Compliance with other material contract provisions. The objective of this standard is to provide the State agency with an administrative procedure to address general contract compliance issues that are not defined in the performance standards listed above.

27.9.1. State agency staff or the project manager may identify a condition resulting from the contractor's non-compliance with the contract through routine monitoring activities. If this occurs, the State agency project manager will notify the contractor in writing of the contractual non-compliance. The State will also designate a period of time in which the contractor must provide a written response to the notification and will recommend, when appropriate, a reasonable period of time in which the contractor should remedy the non-compliance.

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27.9.2. If the non-compliance is not corrected by the specified date, the State may assess damages up to the amount of five hundred dollars (\$500) per business day after the due date until the non-compliance is corrected.

27.10. Amounts due to the State agency as damages will be deducted from any amounts payable to the contractor pursuant to this contract. The State agency project manager will notify the contractor in writing of any claim for damages prior to the date that the deduction is applied.

Contract turnover responsibilities

28. In the event that the State awards the successive contract for Health Benefits Manager services to another vendor, or assumes these responsibilities as a State agency function, then the contractor shall perform the following duties:

28.1. Prepare and submit to the State agency a work plan of activities to facilitate the transfer of duties to the new contractor. This work plan shall be designed to minimize the disruption of services to the target population and, at a minimum, must include:

28.1.1. A description of the tasks the current contractor must perform so as to effect an orderly transition of HBM responsibilities and services to the new contractor.

28.1.2. A description of the tasks that the State agency must perform in order to ensure that the new contractor is prepared to assume the responsibilities necessary when the current contract is terminated.

28.1.3. A proposed schedule of work plan activities necessary to accomplish the transfer of responsibilities to the new contractor.

28.1.4. Sufficient documentation regarding the contractor's current procedures practices and records such that the new contractor can reasonably be expected, in the estimation of the State agency, to assume the necessary contractual duties without the assistance of either the State agency or the current contractor.

28.2. Should the contract to provide services under this RFP expire or be terminated, the vendor selected under this RFP is required to transfer and surrender to the State, or new HBM contractor at the State's discretion, all materials, records, systems, data and files used in the operation of the Delaware Health Benefits Manager program, including ownership and rights to the toll free telephone number(s). The surrendered materials, data and files must be in an organized and readable format as defined by the State. The transition of business to the new HBM must not negatively impact the services provided to Delaware members or medical providers. The vendor selected under this RFP is required to participate in business transition meetings and discussions as required by the State. These meetings and discussions are intended to assist in developing a transition plan that minimized disruption of the HBM business.

28.3. The contractor shall furnish to the State agency at least six months prior to the end of the current contract a statement describing the resources required to operate the Health Benefits Manager program.

State agency responsibilities

29. The State agency shall assume the following responsibilities with regard to this contract:

29.1. Notify the contractor in a timely manner of all pertinent changes in Medicaid policy, procedures or operational systems that affect or depend upon contractor operations or activities.

29.2. Provide to the contractor, in a timely manner, any information regarding State or federal regulations, policies or statutes, or changes thereof that are relevant to the contractor's performance.

29.3. Review and approve or indicate necessary changes in all informational and enrollment materials within fifteen (15) business days of receipt of said material.

29.4. Provide to the contractor any other information that the State deems relevant in order for the contractor to fulfill the duties required by this RFP.

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- 29.5. Designate a project manager to represent the State on all matters pertaining to the contract. As part of general contract administration, the project manager or other designated entities will:
- 29.5.1. Regularly monitor contractor compliance with contract provisions, monitor progress towards improvement goals, meet with contractor staff regularly and on an as-needed basis to respond to contractor inquiries and to resolve problems associated with the implementation and operation of the HBM program.
 - 29.5.2. Approve in writing all deliverables due under this contract, all corrective action plans submitted by the contractor, all notices regarding potential or actual liquidated damages, and all invoices for payment to the contractor.
 - 29.5.3. Conduct or oversee periodic audits of contractor operations under this contract.
 - 29.5.4. Reimburse the contractor on a monthly basis in accordance with procedures described elsewhere in this RFP, upon receipt of properly completed invoices.
- 29.6. The State will provide the contractor with the following information system support services:
- 29.6.1. Authorization to access the State-operated Delaware Medicaid Enterprise System (DMES) to the extent necessary to perform all duties required under this contract.
 - 29.6.2. The contractor shall have all necessary inquiry and update access to the eligibility and TPL systems as maintained and operated by the State. These systems are described in detail in Exhibit 2. Please note that the contractor is required to provide and bear the costs for obtaining and maintaining compatible software and hardware (PC, modem, printers and other hardware required for remote systems access) and telephone connectivity required to access Delaware's DMES. Access to State-operated management information systems to the extent necessary to perform all duties required under this contract. This access shall include inquiry and update capabilities to specific State-maintained communications networks and databases as deemed necessary by the State. Inquiry and update access will be provided for the Delaware Medicaid Enterprise System.
- 29.7. Technical assistance in resolving problems associated with access to State operated information support systems and telecommunications networks.
- 29.8. Send to the contractor on a weekly basis, via electronic media, a roster of all potential program enrollees. During the conversion phase, this roster will contain all current eligibles in the target populations. During the ongoing enrollment phase, this roster will contain all individuals in the target population who were newly determined eligible for the DMMA State Managed Care Programs during the previous processing period. The transmission method, file formats and specifications will be determined after contract award.
- 29.9. Perform default health plan selection process. As part of the process of creating the weekly roster of potential program enrollees, the State agency will automatically pre-nominate one of the participating health plans for each client on the roster.
- 29.9.1. This default selection process will be conducted using a random assignment algorithm. Probability of default selection to a specific health plan will be weighted based on a set of variables as determined by the State agency prior to implementation of the process.
 - 29.9.2. After thirty (30) calendar days have elapsed since the postmark date of the pre assignment letter being sent to the client without the client's preference of health plan being received by the contractor (either by mail or telephone), the default selection choice of health plans will be implemented for each respective client. This process will not restrict in any way the freedom of choice of every client to choose one of the participating health plans.

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- 29.9.3. Perform final determination for all requests for exclusion and exemption from the Diamond State Health Plan, and send this information to the contractor.
- 29.9.4. Process automatic re-enrollments. Members in the target population who lose eligibility for the Diamond State Health Plan, and regain eligibility within two (2) months will be automatically re-enrolled with the same health plan of which they were a member previously. The State agency will supply this information to the contractor.
- 29.9.5. Process all dis-enrollments. A disenrollment is the removal of a client from the Diamond State Health Plan. A disenrollment can be requested by a client or a health plan, but can only be initiated by the State agency. Dis-enrollments will become effective at a date established by the State agency. The State agency has sole authority for dis-enrolling members from health plans, subject to the conditions described below. The State agency will supply this information to the contractor. Disenrollments may be processed for the reasons listed in Exhibit 3.4.
- 29.10. Make available to the contractor lists of all Medicaid-enrolled providers as necessary.
- 29.11. Make available to the contractor all other information necessary in order to respond to client inquiries regarding the Diamond State Health Plan, Diamond State Health Plan Plus and the Delaware Healthy Children Program.
- 29.12. Prior to the commencement of contractor operations, inform health plan members of the existence and role of the HBM in the new system, and of the methods by which the contractor may be contacted for further information after the contractor's operations commence.
- 29.13. Upon receipt of records from the contractor, will retain records for following a final resolution of the grievance. If any litigation, claim negotiation, audit, other action involving the records has been started before the expiration of the five year period, the records will be retained until completion of the action and resolution of all issues which arise from it or until the end of the regular five-year period, whichever is later.

Exhibits

1. Cost proposal work sheets.
2. Overview of State information systems.
3. Definition of target populations and caseload estimates.
 - 3.1 List of exclusion conditions.
 - 3.2 List of exemption conditions.
 - 3.3 Reasons for transfer to/from health plan.
 - 3.4 Reasons for disenrollment from Diamond State Health Plan.
4. Statement of Resources to Operate Health Benefits Manager Program.
5. Service package description.
6. Key terms.

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Exhibit 1 Cost Work Sheet

Health Benefits Manager RFP

Scope of Work Category - Education/Enrollment

	Year One		Year Two		Year Three	
7.1 Direct Cost						
7.1.1 Personnel						
7.1.1.1 Administrative Personnel	FTE	Amount	FTE	Amount	FTE	Amount
Total Administrative Personnel	0	0	0	0	0	0
7.1.1.2 Service personnel						
Total Service personnel cost	0	0	0	0	0	0
Total Salary cost	0	0	0	0	0	0
	% of total		% of total		% of total	
7.1.1.3 Payroll tax & fringe cost	salary		salary		salary	
FICA/pension/insurance	cost		cost		cost	
Other (specify)						
Total Payroll tax & fringe cost	0	0	0	0	0	0
	FTE		FTE		FTE	
Total Personnel cost	0	0	0	0	0	0
7.1.2 Subcontracted services	Cost/unit		Cost/unit		Cost/unit	
Total Subcontracted services cost		0		0		0
7.1.3 Operations/Equipment	Sq.Ft.		Sq.Ft.		Sq.Ft.	
7.1.3.1 Rent						
7.1.3.2 Utilities						
7.1.3.3 Repair/Maintenance						
7.1.3.4 Furniture and equipment						

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7.1.3.5 Information Systems					
Hardware installation					
Software programming					
Operation maintenance					
Total Information Systems	0		0		0
7.1.3.6 Telephone communications					
Toll-free telephone system					
Other telephone communications cost					
Total telephone communications cost	0		0		0
7.1.3.7 Office supplies, postage					
	0		0		0
7.1.3.8 Other (specify)					
	0		0		0
Total Operations/equipment costs	0		0		0
7.1.4 Travel cost	Miles	Miles	Miles		
Mileage					
Lodging, meals					
Other (specify)					
Total travel cost	0		0		0
7.1.5 Administrative management costs					
Training and staff development					
Insurance					
Material development and production					
Other (specify)					
Total Administrative/Management costs	0		0		0
7.1 Total Direct Costs	0		0		0
7.2 Indirect Costs					
7.3 Earnings Factor					
7.4 Client postage and mailing					

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7.5 Total Contract Costs

	0		0		0
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Exhibit 2. Overview of State information systems.

Accessing the Delaware Medicaid Enterprise System (DMES)

Overview of Accessing the Delaware DMES

DMES is a web-based application with access restricted to users within Delaware's intranet or DXC's internal network. Users outside of the State network are required to use the State's VPN (Virtual Private Network) solution. The solution requires two components: an additional utility installed on workstations which integrates with the end-user's web browser, and a soft token application that is installed on the user's mobile device which provides two-factor authentication. Once connected to the State network a separate DMES User ID and password is required. Access to DMES is contingent upon submittal of all required request forms, criminal background checks, and any other State or Federal requirements.

Workstation Requirements:

Below are the minimum PC hardware and software for users using DMES interChange:

PC Hardware Requirement- Memory 4GB minimum; 8GB optimal PC Software Requirements

Browsers-

- Chrome 20 and higher
- Firefox 15 and higher
- Internet Explorer (IE) 8 and higher
- Opera 12 and higher
- Safari 5 and higher

Microsoft Windows- Version 7 or higher

Microsoft Office- Version 2007 and higher

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Exhibit 3. Definition of target populations and caseload estimates.

The Delaware Medical Assistance Program provides Medicaid coverage to TANF-related groups, SSI-related groups and low income to pregnant women and children, as well as adults at or below 133% of the Federal Poverty Level.

For example: The Annual Income Limit for a family of four in 2008 was equal to \$21,204 at 100% of Federal Poverty Level (FPL).

In addition to the groups mentioned, the Diamond State Health Plan expands Medicaid coverage to all otherwise eligible individuals with income levels at or below 133% FPL who are not categorically eligible.

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Exhibit 3.1 List of exclusion conditions.

Individuals who meet Intermediate Care Facility (ICF) Individuals with Intellectual Disabilities (IID) Level of Care (LOC) and reside in residential settings covered by the Division of Developmental Disabilities Services(DDDS)/IID 1915c Waiver;

Individuals residing in ICF/IIDs (i.e., Stockley Center and Mary Campbell Center);

Individuals who meet the Federal definition of an “inmate of a public institution,” unless the individual is an inpatient in a hospital other than the State Department of Corrections (DOC) infirmary per the exception permitted under 42 CFR 435.1010;

Aliens who are only eligible for Medicaid to treat an Emergency Medical Condition under Section 1903(v)(2) of the Social Security Act;

Adults eligible for Delaware Medicaid who were residing outside of the State of Delaware in a nursing facility as of April 1, 2012 as long as they remain in an out-of-State facility;

Individuals who choose to participate in Program of All-Inclusive Care for the Elderly PACE;

Individuals receiving Medicare cost sharing only (i.e., Qualified Medicare Beneficiaries, Specified Low Income Medicare Beneficiaries, Qualifying Individuals and Qualified and Disabled Working Individuals);

Presumptively eligible pregnant women;

Individuals in the Breast and Cervical Cancer Program for Uninsured Women;

Individuals who are presumptively eligible for the Breast and Cervical Cancer Program for Uninsured Women; and

Individuals in the 30-Day Acute Care Hospital Program.

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Exhibit 3.2 List of exemption conditions

- Individuals receiving care in a hospital on the date of enrollment. Such individuals will be enrolled in DSHP or DHCP. Hospital charges will be the responsibility of the State or the covering MCO as of the date of admission. All professional charges will be the responsibility of the new MCO. As of discharge all services are the responsibility of the new MCO.

- Persons determined by the State as exempt from the DSHP.

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Exhibit 3.3 List of valid reasons for transfers within the Diamond State Health Plan.

- Moving to another area of the state where the current health plan does not offer a primary care provider within specified access limits.
- As part of the resolution of a formal grievance.
- The client requires specialized care for a chronic condition, and the client, health plan and State agency agree that reassignment to another health plan is appropriate.
- A persistent refusal of the patient to follow prescribed treatments or comply with health plan requirements that are consistent with State and federal laws and regulations.
- Misuse of the system, abusive or threatening conduct by the client.
- Deliberate falsification of application or enrollment materials by the client may result in transfer or disenrollment.

Note: The State agency and the HBM will work together to ensure that the burden for caring for categorically eligible members who must be transferred because of non-compliance, abusive behavior or misuse of the system is allocated equitably among participating plans. Income eligible members may be disenrolled from the program (see Exhibit 3.4).

- Any other reason that is considered by the State agency to be good cause.

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Exhibit 3.4 List of valid reasons for disenrollments from the Diamond State Health Plan.

- Loss of eligibility, or incarceration or death.
- Placement in a State institution or intermediate care facility for individuals with intellectual disabilities.
- Change of residence that places the client outside of the Diamond State Health Plan's service area (if applicable).
- The client is found to have been enrolled in error.
- Exhaustion of all available health plan choices by an expansion population client due to disruptive behavior.
- Income eligible members may be disenrolled for non-compliance, threatening or abusive behavior, or falsification of application or enrollment material, after a fair hearing.

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Exhibit 4. Statement of Resource Required to Operate Health Benefits Manger Program

By Current Contractor

Health Benefits Manager Staffing

Manager	1
Supervisor	1
Customer Service/Enrollment	10
Quality Assurance & Training	1
DHCP Premium Coordinator	1
Education & Outreach	2
Business Analyst	1
Total HBM Staffing	17

Equipment

Personal Computers	17
Fax machine	Yes
Call Center Phone System	Yes
Printers	Yes

Materials (generated outside DMES)

Benefit comparison sheets	185,000 per year
Enrollment instructions & welcome	185,000 per year
Enrollment packet envelopes	185,000 per year
Standard letter envelopes	100,000 per year

Postage not included

Space (includes storage, meeting, mailroom cubicles and workspace accommodate our current staffing levels.

We have appropriate workspace to

Work Volumes – Calendar 2017

Diamond State Health Plan (DSHP)	185,000
Delaware Healthy Children Program (DHCP)	8,000
Diamond State Health Plan Plus	13,000
Pace	246

Total Incoming Phone Calls

88,000

Outgoing Enrollment Reminder Calls

98,700 (3 calls per client + 1 letter)

DHCP Applications

6

Voluntary Enrollments

27,000

MCO Transfers (including Open Enrollment)

5,500

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Exhibit 5 DSHP Services Grid

Diamond State Health Plan Services
Grid

Service	Covered
<i>Hospital</i>	x
Inpatient	x
Outpatient	x
Ambulatory Surgical Centers	x
Surgery - Inpatient	x
Surgery - Outpatient	x
 <i>Medical</i>	
Primary and preventive	x
routine visit	x
well baby	x
pap smear	x
Specialty Care/ Referral	x
Specialty	x
periodic OB/GYN exams	x
pre/post-natal	covered for 90 days
delivery	x
newborn	x
birthing center	x
home visit for first time mother's/early discharge	x
Laboratory	x
X-ray	x
 <i>Other</i>	
Private Duty Nursing	When medically necessary
Emergency Room	x
Ambulance	x
Home health care (including private duty nursing)	x
Skilled nursing facility	Covered up to 30 days when ordered by a health plan primary care physician
Physical/Occupational/Speech Therapy	x
Family Planning	x
Dialysis	x
Transplants	x
Aphakic lenses	x
Apnea monitors	x
Pneumograms	x
Durable medical equipment	x
FQHC/Rural Health clinics	Covered if individual is enrolled with a network FQHC primary care provider, or if individual is referred to the FQHC by a network primary care physician
Enhanced Services	Covered based on medical necessity, at-risk criteria and/or the requirements of

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the EPSDT program except PPEC

Hospice Care

x

Service

Covered

*Mental Health/Substance Abuse
for adults:*

inpatient

outpatient office visits

Covered

Detoxification

*For children outpatient office visits
Additional services*

*Division of
Prevention and
Behavioral
Health
Services(DPBHS)*

Exhibit 6 Key Terms

Advance Notice – Materials sent prior to the official HBM enrollment package. During the initial conversion of the eligible population into the Diamond State Health Plan, the advance notices will be mailed as individual documents. For subsequent enrollment of new members as they are determined eligible, the advance notice will be mailed with the eligibility notification materials. The purpose of the advance notice is to provide general information about managed care and the Diamond State Health Plan so that members are given prior notification and explanation of the enrollment materials which will be sent by the HBM.

Automatic Assignment Algorithm – If a client (or his/her representative) does not make a voluntary selection of a managed care organization within thirty (30) days of the enrollment documents being mailed, that client will be enrolled in a geographically accessible managed care organization. The process used to enroll that client into a managed care organization is called the automatic assignment algorithm.

Basic Benefit Package – The set of health care related services that the health plan will be responsible to provide and for which the health plan will receive reimbursement through a per member per month pre-determined capitation rate.

Bidder – A party submitting a proposal under this RFP.

Choice Counseling - The provision of information and services designed to assist beneficiaries in making enrollment decisions; it includes answering questions and identifying factors to consider when choosing among managed care plans and primary care providers. Choice counseling does not include making recommendations for or against enrollment into a specific MCO, PIHP, or PAHP.

Client – Eligible enrollee who is enrolled in the Diamond State Health Plan (DSHP) and for whom an applicable monthly contribution has been paid.

CMS – The Center for Medicare and Medicaid Services, United States Department of Health and Human Services. CMS is the federal agency responsible for administering Medicare and overseeing the states' administration of Medicaid.

Contractor – The vendor that contracts hereunder with the State of Delaware to provide the services specified by this Contract to DSHP and DSHP Plus members in accordance with Contract requirements

Default Selection Process – See automatic assignment algorithm.

Deliverable – Those documents, records and reports required to be furnished to the Department for review and/or approval pursuant to the terms of this RFP.

Delaware Healthy Children Program (DHCP) – Delaware's Title XXI SCHIP program. The DHCP provides a health care benefit package equivalent to Medicaid with two (2) exceptions (Non-Emergency Medical Transportation and Prescribed Pediatric Extended Care Centers) for children at or below 212% of the Federal Poverty level. A premium is charged per eligible household per month based on the household's income level.

DHSS – The Delaware Department of Health and Social Services, the contracting agency, is an umbrella agency responsible for most of the State's health related services.

Disenrollment – The administrative process that removes members who no longer receive services under the Diamond State Health Plan from their health plan.

DMMA – Division of Medicaid & Medical Assistance - The Division within the Department of Health and Social Services responsible for administering the Delaware Medical Assistance Program.

Enrollment Broker – An individual or entity that performs choice counseling or enrollment activities, or both. The broker and its subcontractors are independent of any MCO, PIHP, PAHP, PCCM, PCCM entity or other health care provider in the State in which they provide enrollment services. The entity must also be free of conflict. A broker or subcontractor is not considered free from conflict of interest if

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any person who is the owner, employee, or consultant of the broker or subcontractor or has any contract with them: 1) Has any direct or indirect financial interest in any entity or health care provider that furnishes services in the State in which the broker or subcontractor provides enrollment services; 2) Has been excluded from participation under Title XVIII or XIX of the Act; 3) Has been debarred by any Federal agency; or 4) Has been, or is now, subject to civil money penalties under the Act.

Effective Date of Enrollment – The date from which an individual is covered by the health plan.

Eligibility Roster – List of newly determined Diamond State Health Plan eligible members. This list will be generated on a daily basis by the Division of Social Services for use by the Health Benefits Manager.

Exclusion Process – Prior to sending the eligibility roster to the Health Benefits Manager, the Division of Social Services will identify those *categories or groups* of Medicaid eligible members who do not qualify for enrollment in the Diamond State Health Plan (e.g., are residing in a nursing home) Stockley Center and Mary Campbell Center.

Exemption Process – A process by which individual members may remain in the fee-for-service Medicaid system instead of being enrolled in the Diamond State Health Plan. The purpose of the exemption process is to address very specific individual client situations that are time limited in nature.

Grievance – A written request of resolution by a client who is dissatisfied with services received from the contractor. This could include dissatisfaction with appropriateness, timeliness, availability, delivery, denial or termination of services, or any other performance that is considered unsatisfactory.

Health Plan or MCO – Any organization that is licensed as an HMO by the Delaware Bureau of Insurance and contracts with the State to provide services pursuant to Title XIX of the Social Security Act to Diamond State Health Plan enrollees.

Managed Care Organization (MCO) – See Health Plan above.

Medicaid (Title XIX) – The medical assistance program authorized by Title XIX of the Social Security Act. The program provides medical benefits for certain low- income persons. It is jointly administered by the Federal and state governments.

Potential enrollee - A Medicaid beneficiary who is subject to mandatory enrollment or may voluntarily elect to enroll in a given MCO, PIHP, PAHP, PCCM or PCCM entity, but is not yet an enrollee of a specific MCO, PIHP, PAHP, PCCM, or PCCM entity.

Primary Care Provider or PCP – The individual practitioner or team selected by, or assigned to the enrollee to provide and coordinate all of the enrollee’s health care needs and to initiate and monitor referrals for specialized services when required. PCPs shall be medical Doctors and Doctors of Osteopathy in the following specialties: family and general practice, pediatrics, obstetrics and gynecology and internal medicine. Primary Care Providers also shall meet the credentialing criteria established by the plan and approved by the State.

State – the State of Delaware.

Subcontract – Any agreement entered into by a plan for any services necessary to meet the requirements of their original contract. A “subcontractor” is one who agrees to perform part of a contract for the principal contractor or another subcontractor.

Temporary Assistance to Needy Families (TANF) – A public assistance program that rewards work and provides Medicaid to families, children and eligible relatives.

Transfer – The administrative process used when members leave one health plan (MCO) to enroll in another health plan (MCO), all within the Diamond State Health Plan.