Solicitation Amendment

Third Party Administrator of the Bundled Payment Centers of Excellence Program

RFP No. 15-036
Amendment No. 3

Date Issued: January 13, 2016

Purpose: RFP 15-036 Questions and Answers

Amendment need not be submitted with Proposal. All other Terms, Conditions, and Specifications remain unchanged. The above referenced solicitation is amended as follows:

QUESTIONS AND ANSWERS
The following Questions and Answers apply to RFP 15-036:

Q1: In the Request for Proposal (RFP), it indicates that hospitals will receive payment after the patient is discharged. Please clarify what the time frame is for making payment? **A1:** HCA will discuss how hospitals receive payment in the contract negotiation phase after the Apparent Successful Vendor (ASV) is selected.
Q2: Section 1.3, Statement of Work, discusses bundled billing and payment. Please clarify whether HCA expects the Third Party Administrator (TPA) to make a single lump sum payment to the contracted Center(s) of Excellence (COE) who will then distribute reimbursement to the affiliated COE physicians (i.e. surgeons, anesthesiologists), or that the TPA will distribute payments directly to the physicians? **A2:** HCA's intention is that the TPA will make a single lump sum payment to the contracted COE, who will then distribute reimbursement to the affiliate COE physicians and other providers.
Q3: The Section 1.3, Statement of Work, the Deliverable for Billing/Payment states that the TPA should bill HCA for administrative fees and bundled payments on a monthly basis. Please clarify if providers will be paid soon patient discharge, is the TPA expected to bill HCA in advance (based on the anticipated monthly case volume)?

A3: It is possible to bill HCA in advance based on the anticipated monthly case volume, however this will be discussed more in depth during the contract negotiation phase after the Apparent Successful Vendor has been selected.

Q4: In order to accurately estimate the Deliverable Pricing for the Cost Proposal, please clarify what is the expected provider reimbursement per TKR/THR surgery, or the total provider reimbursement amount for the estimated 600 procedures?

A4: HCA has not yet selected the providers and so has yet to negotiate reimbursement. As there is a broad range of pricing of TKR/THR procedures in Washington State it is difficult to estimate the amount. However, for purposes of this RFP, vendors may assume that the price for the procedure will be $25,000. Please note that the actual negotiated price for the procedures may be very different once contracts are negotiated.

Q5: In regards to Table 2: Other Considerations of the Cost Proposal, will HCA allow the bidder to describe a variable cost methodology based on the number of procedures, number of eligible members or amount of provider reimbursement?

A5: As the Cost Proposal is currently written, HCA is asking bidders to submit a cost methodology for Year 1 Deliverables based on the number of procedures (600) and eligible members (144,000). Other considerations on how Year 1 costs are derived can be explained in Table 2.

Q6: Table 1, Deliverable Pricing in the Cost Proposal, is based on an annual operating fee structure. Can Bidders propose a separate one-time implementation/set up fee?

A6: HCA will accept a separate one-time implementation/set up fee. Please describe this in "Table 2: Other Considerations".

Q7: The RFP states that members will have "significant incentives to use the COE". If members use the COE program, will they be subjected to the in-network deductible/co-insurance of their standard health plan or will those cost sharing mechanism be waived? If they are subjected to the in-network deductible/co-insurance, has the current health plan agreed to integrate with the TPA for the COE program?

A7: HCA has yet to decide the benefit design, but it is HCA's hope that the successful applicant will advise HCA on this situation. Nevertheless, it is likely that members using the COE program will have their cost-sharing waived.

Q8: Please clarify what is meant by provider "referrals" in Question B2 of the Non-Cost Proposal in Appendix A, Submittal Document. Does this mean referrals for members to enter the COE program or referrals after surgery to post-acute care providers?

A8: It is HCA's intention that the applicants will describe how the organization deals with referring members entering the COE program.

Q9: Please clarify if HCA has stop-loss insurance carrier and if so, what are the related integration requirements?

A9: HCA does not purchase stop loss for its self-insured plans.

Q10: Section 3.2 Preparation of Bids or Proposals in RFP 15-036, lists References as required information in the response to the RFP, however, it is not listed as a requirement in Appendix A, Submittal Document. Should reference information be provided in the Submittal Document?

A10: Yes.

Q11: Section 1.3 Statement of Work in RFP 15-036 states that the TPA may need to credential providers. Credentialing of physicians is typically the responsibility of the provider organization. Please clarify if HCA is asking the TPA to maintain credentialing information separately from what the provider, physicians and staff will already have in place at the COE? If so, can HCA please provide more detail about the scope/requirements for this deliverable?

A11: HCA agrees that credentialing, as described here, is the responsibility of the provider organization. However, if the TPA does additional credentialing of the COE(s), we would prefer the TPA to describe it. Additional credentialing could involve requiring documentation on an on-going basis that the provider/COE is meeting the quality requirements defined in the RFP.

Q12: In regards to the Letter of Submittal in Appendix A, Submittal Document, requiring information of each principal officer, please clarify if principal officers of subcontractors should be included or principal officers for the primary bidding entity only?

A12: HCA would like to see the principal officers for the primary bidding entity only.

Q13: Please clarify how the TPA knows who the candidates are for Total Joint Replacement (TJR)?

A13: The Bree Collaborative report (http://www.breecollaborative.org/wp-content/uploads/tkrthr_bundle.pdf[1]) specifies criteria that identifies whether or not a patient is an appropriate candidate for the bundled payment option for TJR.

Q14: Please clarify who will pay for the shared decision making tools.

A14: The provider is responsible for adopting shared decision making tools and including it in their care pathway.

Q15: Please clarify how eligibility is managed.

A15: The Awarded Contractor will need to work closely with HCA's current TPA for the UMP population, Regence BC BS, for this plan.

Q16: Please clarify what are the expectations for open enrollment and communications, and will communications need to be provided in other languages?

A16: HCA anticipates working closely with the Awarded Contractor to develop a communications plan for open enrollment. Communications provided in other languages will be determined during the contract negotiation phase with the Awarded Contractor.

[1] http://www.breecollaborative.org/wp-content/uploads/tkrthr_bundle.pdf

Q17: Please clarify if a claim is to be priced through a system, or simply report encounter information and payment back to the selected hospital system?

A17: This is still to be determined.

Q18: Will the TPA receive a list of CPT codes to include in the bundled TJR payment?

A18: Yes, HCA anticipates that this will be discussed during implementation and in conjunction with our COE(s).