

# REQUEST FOR PROPOSAL #

**Project Title:** Health Care Authority Procurement for Managed Care Services

**Estimated Contract Period:** July 1, 2012 through December 31, 2013.  
Amendments extending the period of performance, if any, shall be at the sole discretion of HCA.

**Proposal Due Date:** All Proposals whether mailed or hand delivered must arrive by 2:00 p.m. Pacific Standard time on October 28, 2011.

**Faxed bids WILL NOT be accepted.**

**E-mailed bids WILL NOT be accepted.**

**Submit Proposal To:**

**Proposal Delivered by Mail:**

**PLACE HOLDER**

**Proposal delivered by Express / Hand Delivery, Or Courier:**

**Procurement Website:**

**PLACE HOLDER**

**WEBS**

**<http://fortress.wa.gov.ga.webscust>**

If you would like to provide comment for this draft, please send it to [hcabhcomm@hca.wa.gov](mailto:hcabhcomm@hca.wa.gov) by May 27, 2011.

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## Section A. Summary of Project

### 1. Purpose

The State of Washington, Health Care Authority (HCA) is initiating this Request for Proposals (RFP) to solicit proposals from entities interested in operating a managed care program in one or more service areas in the State of Washington. The managed care organization would render services to Medicaid eligible clients via the Healthy Options Program and the Basic Health Program.

Successful bidders will be expected to have in place a network to adequately meet the needs of the individuals in the service area(s) the bidder proposes to serve. Successful bidders will be expected to meet all requirements described in the Joint Healthy Options and Basic Health Contract attached to this document as Exhibit C.

### 2. Minimum Qualifications

(a) Bidders must have a certification of registration from the Washington State Office of the Insurance Commissioner that allows the bidder to provide the services being procured.

(b) The bidder must accept the terms and conditions of the Joint Healthy Options and Basic Health Contract, Exhibit C.

(c) The bidder must have the ability and qualification to meet terms and conditions of the Joint Healthy Options and Basic Health Contract, Exhibit C.

(d) The bidder must be currently contracted in some state to provide Medicaid managed health care services.

### 3. Background

The Healthy Options program currently provides a fully capitated, managed care program serving approximately 700,000 Temporary Assistance to Needy Families (TANF), TANF related Children's Health Insurance Program (CHIP) clients, which is about 60% of Washington's total Medicaid/CHIP population. Basic health serves approximately 40,000 low income clients. HCA intends to add clients who are eligible for Supplemental Security Income (SSI) who are not dually eligible for Medicare to the Healthy Options population.

### 4. Funding

The Administrator of HCA or their delegates are the only individuals who may legally commit HCA to the expenditure of funds for contracts resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

Any contract awarded as a result of this Procurement is contingent upon the availability of funding and execution of contracts within a time that will not compromise the delivery of services.

The Contractor must be legally and financially able to assume risk under a prepaid, capitated arrangement to provide the services described in the terms and conditions of the Joint Healthy Options and Basic Health Contract, Exhibit C.

## 5. Auxiliary Aids and Services

HCA will provide access to this RFP document to individuals with disabilities. Please contact the RFP Coordinator to request auxiliary aids and services for this RFP.

## 6. Minority & Women's Business Enterprises (MWBE)

In accordance with the legislative findings and policies set forth in RCW 39.19, the State of Washington encourages participation in all of its contracts by Minority & Women's Business Enterprises (MWBE) firms either self-identified or certified by the Office of Minority & Women's Business Enterprises (OMWBE). While the State does not give preferential treatment, it does seek equitable representation from the minority and women's business community.

Participation by MWBE contractors may be either on a direct basis in response to this RFP or as a subcontractor to a contractor. However, no preference will be given in the evaluation of Bids, no minimum level of MWBE participation shall be required, and Bids will not be evaluated, rejected or considered non-responsive on that basis.

Bidders may contact the Office of Minority & Women's Business Enterprises (OMWBE) at <http://www.omwbe.wa.gov/index.shtml> to obtain information on certified firms for potential sub-contracting arrangements or for information on how to become certified. Nothing in this section is intended to prevent or discourage participation from non MWBE firms, as well as MWBE firms.

## 7. Definitions

For the purposes of this Procurement, the following terms are used as defined below. For contract definitions see the Joint Healthy Options and Basic Health Contract, Exhibit C.

**"Agency"** – The Health Care Authority is the agency of the State of Washington that is issuing this Procurement.

**"Apparently Successful Bidder"** - A Bidder selected as having submitted a successful Proposal, based on the final determination of HCA management taking into consideration the Bidder's final Proposal score and which Proposal(s) best meet the needs of HCA. The Bidder is considered an "Apparently" Successful Bidder until a contract is finalized and executed.

**"Bidder"** means an individual, organization, public or private agency, or other entity submitting a Proposal in response to this Procurement.

**"Business Days and Hours"** means Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the State of Washington.

**"CFR"** means the Code of Federal Regulations. All references in this Agreement to CFR chapters or sections shall include any successor to the referenced regulation.

**"Enrollee"** means a person who has applied for, is eligible for, or who has received Health services. For a child under the age of 13, or for a child age 13 or older whose parents or legal guardians are involved in the treatment plan, the definition of Enrollee includes parents or legal guardians.

**"Contractor"** means an organization whose proposal has been selected by HCA evaluation process and is awarded a formal written contract to provide the services that are the subject of this RFP.

**"HCA"** means the Health Care Authority.

**"Emerging Best Practice" or "Promising Practice"** means a practice that presents, based on preliminary information, potential for becoming a research-based or consensus-based practice.

**"Evidence-based"** means a program or practice that has had multiple sites, random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population.

**"Health Employer Data and Information Set - (HEDIS®)"** means a set of standardized performance measures designed to ensure that healthcare purchasers and Enrollees have the information they need to reliably compare the performance of managed health care plans. HEDIS® also includes a standardized survey of Enrollees' experiences that evaluates plan performance in areas such as customer service, access to care and claims processing. HEDIS® is sponsored, supported, and maintained by National Committee for Quality Assurance (NCQA).

**"Issue"** - To mail, post or otherwise release this Procurement as a public document to interested parties.

**"Key Personnel"** – means Staff being proposed to do the work under this Proposal.

**"Managed Care"** means a prepaid, comprehensive system of medical and health care delivery, including preventive, primary, specialty and ancillary health services.

**"Managed Care Organization" or "MCO"** means an organization having a certificate of authority or certificate of registration from the Office of Insurance Commissioner that contracts with HCA under a comprehensive risk contract to provide prepaid health care services to eligible HCA clients under the HCA managed care programs (WAC 388-538-050).

**“Procurement”** means this solicitation document and the formal process providing Bidders an equal and open opportunity to respond to the requirements stated. See also definition for RFP.

**“Procurement Coordinator”** means the person named in this RFP as the Procurement Coordinator, or the Procurement Coordinator's designee. The Procurement Coordinator is the sole point of contact within HCA regarding this RFP for potential Bidders and other interested parties.

**“Proposal”** means all material prepared and assembled by a Bidder, and submitted in proposal to this RFP.

**“Protest”** means an objection by the Bidder, in writing, protesting the results of this RFP and which complies with all requirements of this RFP.

**“RFP”** means the Request for Proposals, i.e., this RFP document. The RFP is a documented, formal Procurement process providing Bidders an equal and open opportunity to respond to the requirements Stated in the RFP.

**“RCW”** means the Revised Code of Washington. All references to RCW chapters or sections include any successor to the referenced statute.

**“Recovery”** means the process by which people are able to live, work, learn, and participate fully in their communities.

**“Research-based”** means a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.

**“Risk”** means the possibility that a loss may be incurred because the cost of providing services may exceed the payments made for services.

**“Secretary”** means the Secretary of the Department of Social and Health Services.

**“Service Area”** means the geographic areas of the State of Washington identified by HCA for separate bid.

**“Subcontract”** means a separate contract between the Contractor and an individual or entity (“Subcontractor”) to perform any of the duties and obligations which the Contractor is obligated to perform pursuant to the Contract awarded as a result of this Procurement.

**“Submit”** means to deliver to the Procurement Coordinator any of several documents described in this Procurement and in the manner specified in this Procurement.

**“WAC”** means the Washington Administrative Code. All references to WAC chapters or sections include any successor to the referenced regulation.

## Section B. Procurement Process

Itm	Action	Date
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### 1. Procurement Contact Information

Upon release of this Procurement, all communications concerning this Procurement must be directed only to the Procurement Coordinator listed below. Any communication regarding this Procurement directed to any other State of Washington staff or consultants, other than the Procurement Coordinator, may result in disqualification.

Contact:

Mailing Address:

Physical Address:

Telephone:

FAX:

E-mail Address:

### 2. Acceptance of Procurement Terms

The Bidder acknowledges that the submission of a Proposal which includes a signed Bidder Certification and Assurances Form, attached as Exhibit A, constitutes a binding offer.

### 3. Procurement Schedule

The Procurement Schedule outlines the tentative schedule for important action dates and times. It is the Bidder's sole responsibility to periodically check the HCA Procurement website and/or WEBS for amendments to this document.

**All dates after the proposal submission due date are approximate and may be adjusted as conditions indicate, without amending this document.**

Figure 1. *Procurement Schedule*

1.	Release RFP to Bidders	July 15, 2011
2.	Bidder's Conference and Last Date for Bidders Questions * – <b>Bidder's Conference Attendance is Optional</b>	August 3, 2011
3.	Answers to Bidder Questions Posted to Procurement Website	September 5, 2011
4.	Letter of Intent Due – <b>Required</b>	September 12, 2011
5.	Proposals Due	October 17, 2011 3:00 p.m. Pacific Time
6.	Written Proposal Evaluation Period	October 18, 2011 – December 16, 2011
7.	HCA notifies Apparently Successful Bidders (ASB) and begins contracting process with ASB. Notifies any unsuccessful Bidders and schedules a debriefing conference with unsuccessful Bidders.	December 19, 2011
8.	Debriefing Conference – Any unsuccessful Bidder will be scheduled for a debriefing conference to be held within three (3) business days of the	December 20, 21, or 22, 2011.
9.	Unsuccessful Bidders may submit Protest(s) until 5:00 p.m.	No later than 3:00 p.m. Pacific Time, December 28, 2011.
10.	Contract Execution	Tentatively February 1, 2011
11	Contract Readiness Site Visit	February 1, 2011 – May 31, 2011
12	Begin serving Enrollees under the Contract	July 1, 2011

\* Directions to Bidders Conference are posted on the Procurement Website

#### 4. Contract

HCA intends to award contracts to multiple bidders to provide the services described in this Procurement. The Contractor must be legally and financially able to assume risk under a capitated payment arrangement to provide a managed care program to the clients to be served under the Contracts resulting from this Procurement.

All Apparently Successful Bidders, after executing a Contract with HCA, will be subject to an onsite Contract readiness review to ensure their ability to perform under the Contract before receiving Enrollees under the Contract. In HCA's sole judgment, HCA may either terminate the Contract or require the Contractor to complete corrective action if the results of the readiness review are not satisfactory. If requires corrective action, HCA may at its sole discretion, either withhold or allow enrollment while corrective action is in-process.

The term of the initial Contract will be from February 1, 2011 through December 31, 2012. Extending the period of performance, if necessary, shall be at the sole discretion of HCA. The term of the contract may be extended by amendment or through the execution of a new Contract. Additional services that are appropriate to the scope of this Procurement, as determined by HCA, may be added to the resulting contract by a written amendment mutually agreed to and executed by both parties.

## 5. Ethics

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Bidders should familiarize themselves with the requirements prior to submitting a Proposal.

## 6. Insurance

The Apparently Successful Bidder must comply with the insurance requirements identified in the sample contracts attached as an exhibit.

## 7. Proprietary information/public disclosure

Materials submitted in response to this Procurement shall become the property of HCA. All Proposals, quotes, lists, evaluation documents and other documents that make up this Procurement shall remain confidential until:

- a. HCA makes it available to the public pursuant to RCW 42.56; or,
- b. The contract, if any, resulting from this Procurement is signed by HCA and the Apparently Successful Bidder. After signing of the contract, the proposals shall be deemed public records as defined in RCW 42.56. The Bidder's Proposal must include a statement on the Letter of Submittal identifying any page of its Proposal which contains any information the Bidder considers proprietary. Each page claimed to be proprietary must be clearly marked by printing the word "Proprietary" on the lower right hand corner of each page which contains any proprietary information.

If HCA receives a request to view or copy of a Bidder's Proposal, HCA will respond according to applicable law and HCA policy governing public disclosure. HCA will not disclose any information marked "Proprietary" in a Proposal without giving the owner ten (10) days notice to seek a court injunction against the disclosure.

**Marking the entire proposal exempt from disclosure will not be honored and will, in fact, be grounds for disqualification from the evaluation process.**

## 8. Communications

All communications concerning this Procurement must be directed to the Procurement Coordinator only. Any communication directed to HCA staff or consultants, other than the Procurement Coordinator, may result in disqualification. Proposals should be based on the material contained in this Procurement, any related amendment(s), and any questions and answers directed through the Procurement Coordinator.

## **9. Questions and Answers**

Bidders may fax, e-mail, or mail written questions to the Procurement Coordinator. Questions will be accepted until the date set forth in the Procurement Schedule. Early submission of questions is encouraged. Questions and answers will be posted on the HCA Procurement website. Bidders may only rely on written statements Issued by the Procurement Coordinator. Any oral communications are unofficial and are not binding on HCA.

## **10. Procurement Amendments**

HCA reserves the right, at any time before execution of a contract, to amend all, or a portion, of this Procurement. Amendments will be posted on the HCA Procurements Web site and/or WEBS. If there is any conflict between amendments or between an amendment and this document, whichever document was issued last in time shall be controlling.

## **11. Retraction of this Procurement**

HCA reserves the right to retract this Procurement in whole, or in part, at any time without penalty.

## **12. Submission and Contents of Proposals**

### **a. Submission of Proposal**

Proposals must be prepared and submitted no later than the proposal submission date and time specified in the Procurement Schedule. The Proposal is to be sent to the Procurement Coordinator, either by mail or hand delivery, at the address specified in Section B.1, Procurement Contact Information. HCA will not accept any Proposal submitted by fax. HCA will not accept any Proposal submitted by email.

Bidders should allow sufficient time to ensure timely receipt by the Procurement Coordinator. Bidders assume the risk for the method of delivery and for any delay in the mailing or delivery of the Proposal.

HCA reserves the right to disqualify any Proposal and withdraw it from consideration if it is received after the proposal submission due date and time. All Proposals and any accompanying documentation become the property of HCA and will not be returned.

### **b. Format of Proposal**

The Bidder must Submit Proposals on standard eight and one-half by eleven inch (8 ½" x 11") white paper.

The Bidder must use a font size of 12 or larger.

The Bidder must Submit Proposals in separate three-ring binders as specified in Section 12.c., Contents of Binders. The Bidder must provide tabs separating the

major sections of the Proposal, and must note the name of their company/organization on the front cover.

c. Contents of Binders

Submit [redacted] copies of the proposal with one set marked as the Original. Include one electronic copy in a Microsoft or PDF format on a portable media or electronic readable media with a label identifying the Bidders name and RFP reference number as shown on the cover page of this RFP. Clearly mark the proposal to the attention of the Procurement Coordinator and with the RFP reference number as shown on the cover page to this RFP. The electronic copy must be divided into folder that correspond to and are labeled the same as the hardcopies.

Identify each copy of the proposal by including the RFP reference number as shown on the cover page of this RFP, the title of this RFP, and your name on the front cover. Boxes may not weigh more than 35 lbs each. In the event of any discrepancy between the copies, the hard copy marked Original will control.

### **13. Nonresponsive Proposals**

All Proposals will be reviewed by the Procurement Coordinator to determine compliance with administrative requirements and instructions specified in this Procurement. HCA may reject or withdraw a Proposal at any time as nonresponsive for any of the following reasons:

- Incomplete Proposal;
- Submission of a proposal that proposes services that deviate from the program requirements set forth in this document;
- Failure to comply with any part of this Procurement or any exhibit to this Procurement; and/or
- Submission of incorrect, misleading, or false information

### **14. Minor Irregularities**

HCA may waive minor administrative irregularities related to any proposal.

### **15. Cost to Prepare Proposal**

HCA will not be liable for any costs incurred by the Bidder in preparing, submitting or presenting a proposal for this Procurement.

### **16. Joint Proposals**

HCA will not accept joint proposals. Proposals must be submitted by one business entity and that business entity must be solely responsible for performance under any Contract that results from this Procurement.

## **17. Exhibits**

Exhibits to this Procurement are:

Exhibit A – Bidder Certification and Assurances Form

Exhibit B – Sample Contract

Exhibit C – Bidders Checklist

Exhibit D – Information regarding the population to be served. This exhibit will be in multiple parts.

Bidders should download a complete copy of this document and all attached exhibits, as listed above.

The documents can be accessed at: <http://www1.HCA.wa.gov/msa/ccs/> or WEBS at: <https://fortress.wa.gov/ga/webscust>.

Bidders who experience difficulty downloading the documents should contact the Procurement Coordinator.

## **18. Withdrawal of Proposals**

After a Proposal has been submitted, a Bidder may withdraw its Proposal at any time up to the proposal submission date and time specified in the Procurement Schedule. A written request to withdraw the Proposal, signed by an authorized representative of the Bidder, must be submitted to the Procurement Coordinator. After withdrawing a Proposal, the Bidder may submit another Proposal at any time up to the proposal submission date and time.

## **19. Notify Bidders**

HCA will notify the Apparently Successful Bidder in writing of its selection on or about the date and time specified in the Procurement Schedule, via mail, e-mail and/or fax. HCA will also notify unsuccessful Bidders on or about the date and time specified in the Procurement Schedule.

## **20. Bidder Debriefing Conference**

All non-successful Bidders will be scheduled for a debriefing conference within the three (3) business days following the announcement of the Apparently Successful Bidders.

Debriefing conferences will be scheduled by the Procurement Coordinator. A debriefing conference may, at HCA's option, be conducted either in person or by telephone and are limited to a maximum of one hour in length.

Discussion at the debriefing conference will be limited to the following:

Critique of Proposal based on evaluators' comments; and

Review of final score in comparison with other Bidders' final scores without identifying the other Bidders.

HCA will not identify the other Bidders or allow review of their Proposals or evaluations during debriefing.

## **21. Protest**

In order to Submit a Protest under this Procurement, a Bidder must have submitted a Proposal for this Procurement, and must have requested and participated in a debriefing conference.

The Bidder submitting a protest must post a bond or cashier's check in the amount of \$250,000. The bond will be used to cover the costs associated with a protest (for example, cost of processing the protest and any costs associated with the delay to the project that would result from a protest). Any remaining funds will be returned to the protester. If the protest is successful, the entire \$250,000 will be returned.

Protests must be in writing and must be signed. Bidders must mail or hand-deliver their Protest to the Procurement Coordinator. Protests may not be submitted by fax or email. HCA must receive the written Protest no later than 3:00 p.m. Pacific Time, December 28, 2011.

This protest process is the sole administrative remedy available within HCA. The following is the process for filing a Protest:

a. Grounds for Protest. A Protest may be made based on these grounds only:

- (1) Mathematical errors were made by HCA in computing the score;
- (2) HCA failed to follow the procedures established in this Procurement document, or to follow applicable State or federal laws or regulations; or
- (3) Bias, discrimination, or conflict of interest on the part of an evaluator.

b. Protest Form and Content

A Protest must state all of the facts and arguments upon which the Protest is based, and the grounds for the Protest. It must be in writing and signed by a person authorized to bind the Bidder to a contractual relationship. At a minimum, the Protest must include:

- (1) The name of the protesting Bidder, mailing address and phone number, and the name of the individual responsible for submission of the Protest;
- (2) The Procurement number and title;
- (3) A detailed and complete statement of the specific action(s) by HCA under protest;
- (4) The grounds for the Protest;
- (5) Description of the relief or corrective action requested.

(6) Bidders may attach to their Protest any documentation they have to offer in support.

c. Protest Process

The Procurement Coordinator will forward the Protest to the HCA designated Protest Coordinator with copies of the following:

- (1) The Procurement and any amendments,
- (2) The protesting Bidder's Proposal,
- (3) The Evaluation Team's scoring documentation

HCA will follow these procedures in reviewing a Protest:

- (1) HCA will conduct an objective review of the Protest, based on the contents of the written Protest and the above materials provided by the Procurement Coordinator.
- (2) HCA will send the Protestor a written decision within five (5) business days after HCA receives the Protest, unless more time is required to review the Protest and make a determination. The protesting Bidder will be notified by the Procurement Coordinator if additional time is necessary.

HCA will make a final determination of the Protest and will either:

- (1) Find that the Protest lacks merit and uphold HCA's actions;
- (2) Find that any errors in the Procurement process or in HCA's conduct did not influence the outcome of the Procurement, and uphold HCA's actions; or
- (3) Find merit in the Protest and provide options for corrective action by HCA which may include:
  - (a) That HCA correct any errors and re-evaluate all Proposals affected by its determination of the Protest;
  - (b) That HCA reissue the Procurement document; or
  - (c) That HCA make other findings and take such other action as may be appropriate.

## **22. Execution of the Contract**

The Apparently Successful Bidders are expected to sign a Contract with HCA that is the same as the Sample Contract, Exhibit B. The Bidder must accept the terms and conditions of the Contract as part of its Certifications and Assurances and those terms and conditions are non-negotiable. The Bidders proposal will be included as an exhibit to the Contract that results from this procurement, but in any conflict between the proposal and Contract, the Contract will have precedence. The Contract will include a Rates exhibit that will reflect the Rates Section of this procurement and the Bidder's response to that Rates Section.

If an Apparently Successful Bidder fails or refuses to sign the contract or any subsequent amendment within ten (10) business days of delivery, HCA may elect to cancel the award and may award the contract to the another finalist.

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## **Section C Proposal Contents**

The Bidder must answer all questions and must include all items requested in the order requested for the Proposal to be considered responsive. The Bidder must address every section of the Procurement, even though certain items may not be scored.

### **1. Administrative Requirements (Binder 1)**

The Bidder must respond to each item in the same order in which they appear.

#### **a. Letter of Submittal**

Bidders must include a signed Letter of Submittal on Bidder's official business letterhead stationery as the first page of Section 1. Signing the Letter of Submittal indicates that the Bidder accepts the terms and conditions as established in this Procurement document.

The Bidder's Letter of Submittal must include the following:

- 1) Name, address, principal place of business, telephone number, fax number, and e-mail address of legal entity or individual with whom contract would be written;
- 2) The name of the contact person for this Procurement;
- 3) A detailed list of all materials and enclosures included in the Proposal;
- 4) A list of all Procurement amendments downloaded by the Bidder from the HCA Procurements Web site and/or WEBS, if applicable, and listed in order by amendment number and date. If there are no Procurement amendments, the Bidder must include a statement to that effect;
- 5) A statement substantiating that the person who signs the letter is authorized to contractually bind the Bidder's firm; and
- 6) Identification of the page numbers on the Bidder's Proposal that are marked "Proprietary or Confidential" Information.

#### **b. Bidder Certification and Assurances Form**

Bidders must submit a completed Bidder Certification and Assurances Form, Exhibit A. Please sign and include any attachments that are necessary.

## 2. Program Requirements

**Form of Responses.** Provide six (6) hardcopies of each binder. Identify and Number the binders as they are identified and numbered herein. Within each binder, present responses in the order as they appear in these requirements, title and label to make clear what you are answering and separate responses with tabs. Each binder is limited to one hundred (100) pages, including attachments, except where noted. Clarity in the response is fully the Bidders responsibility. Do not cross-reference to any other binder.

**Attachments.** Attachments must be labeled and tabbed in a manner that makes it easy for evaluators to find and relate it to the question to which it relates. Each binder must stand alone, so attachments included in one binder may not be referenced from another binder.

**Knowledge of Bidder.** It is the expectation of this Procurement that the Bidder has comprehensive knowledge of the federal and state requirements that are relevant to the services that are the subject of this Procurement. It is not the intent or purpose of this Procurement to educate the Bidder regarding regulatory requirements. Rather it is the Bidders responsibility to convincingly demonstrate its knowledge and understanding of those requirements in its responses.

**Contract Readiness Review and Site Visit.** After executing the contract resulting from this Procurement, but prior to the contractors providing any services to enrollees, HCA will review the contractors' readiness to begin providing services. The review will be to determine whether the contractors are carrying-out their implementation plans as submitted in response to this procurement. If HCA determines that any contractor will not be ready to begin services on July 1, 2012, it may, at its sole discretion, withhold enrollment and require corrective action or terminate the contract.

**Note to Current HCA Managed Care Contractors.** To allow for fair comparison between Bidders currently contracted with HCA for managed care services and Bidder's not currently contracted with HCA, but with experience in other states, currently contracted Bidders should assume no evaluator knowledge of their specific business or practices. Evaluators will be relying only on what is submitted except where noted.

### **a. Quality Assurance and Performance Improvement (Binder 2)**

Review the Sample Contract, Quality Assurance and Performance Improvement (QAPI) requirements. Review federal requirements at 42 CFR 434.34 and 42 CFR 438.240 and 42 CFR 456.

- 1) Submit a comprehensive QAPI Implementation and Operations Plan that describes in detail how the Bidder would have in-place and operate a fully compliant QAPI Program beginning July 1, 2012. The plan must address all aspects of QAPI requirements in a manner that allows evaluators to be assured that the Bidder understands the requirements and is fully capable of implementing those requirements.

- 2) Submit a staffing plan for the QAPI program. For persons currently on staff with the Bidder, provide names, title, qualifications and resumes. For staff to be hired, describe the hiring process and the qualifications for the position.
- 3) Fully describe your QAPI experience in all states in which you have provided managed care services to low income populations.
- 4) Provide at least five examples of successful QAPI activities either in Washington's or other states' managed care programs for low-income populations.
- 5) Provide all results of any state, federal or other independent monitoring for the last three years, 2008, 2009 and 2010, of the Bidders QAPI programs in managed care program serving low-income populations in other states. Evaluators will have past monitoring reports for Washington for evaluation.
- 6) If the Bidder has been a participant in External Quality Review (EQR) in any state besides Washington, provide all EQR Reports. Evaluators will have past EQR Reports for Washington available for evaluation.
- 7) Provide all quality measures, such as HEDIS®, CAHPS, consumer and provider surveys, for any low income managed care program in which the Bidder is a participant. Provide a narrative describing the quality measures, any analysis of the results and a description of how the results and analysis were used.
- 8) Present anything other information that you believe will enhance your response.

**b. Access to Care and Provider Network (Binder 3)**

Review the Sample Contract, Access to Care and Provider Network Requirements, relevant Office of the Insurance Commissioner regulations at RCW 48 and WAC 284 and relevant federal requirements in 42 CFR 438 regarding development and maintenance of a provider network of sufficient size and quality to provide access the health care services required under the contracts resulting from this procurement.

- 1) (Note: Response excluded from page count.) HCA will provide each Bidder that submits a Letter of Intent with an electronic copy of files that have de-identified location information for all current clients who would be eligible for enrollment under the contract resulting from this procurement and a list of zipcodes in each Service Area. Bidders are reminded that they may not bid for part of a Service Area. The Bidder will complete and submit a GeoAccess or equivalent geographical analysis for each Service Area for which the Bidder is submitting a proposal. Submitting a proposal for a Service Area means proposing a rate for that Service Area in response to the Section D, Rates. The analysis will meet the following requirements:
  - a) By zipcode
  - b) Include all eligibles residing in the Service Area

- c) Show the number of providers and percentage of eligibles that have a contracted or committed provider within 5 miles, 10 miles, 15 miles, 25 miles, 35 miles and 50 or more miles.
- d) Separate analyses for PCPs, Pharmacies, Hospitals, Obstetricians, ENTs, Mental Health Specialists, Cardiologists, Orthopedic Specialists and Neurologists.

Committed providers means providers with whom the Bidder has a written commitment to enter into a contractual relationship if the Bidder is award a contract. The written commitments must be made available to HCA upon request.

- 2) (Note: Response excluded from page count.) HCA will provide each Bidder that submits a Letter of Intent with an electronic copy of files that lists the providers with claims in the previous twelve months, sorted by Service Area, for potential enrollees in populations that will be transitioning from HCA's fee-for-service program to managed care. The Bidder will produce a Provider Overlap Report that compares the list provided with the Bidders contracted and committed providers. The report must list the overlap providers by name and contact information and provide the number and percentage of provider overlap. The identifying the percentage, number and a list of providers. The report must be prepared for each Service Area bid.
- 3) Submit a comprehensive Access to Care and Provider Network Implementation and Operations Plan that describes in detail how the Bidder would have in-place and operate a network of providers that meets all contractual and regulatory requirements and is sufficient to fully meet the needs of the population to be served beginning July 1, 2012. The plan must address all aspects of Access to Care and Provider Network requirements in a manner that allows evaluators to be assured that the Bidder understands the requirements and is fully capable of implementing those requirements.
- 4) (Note: Attached reports excluded from page count.) Provide all results of any state, federal or other independent monitoring for the last three years, 2008, 2009 and 2010, of the Bidder's performance in the development, maintenance and monitoring of Access to Care and Provider Networks for managed care programs serving low-income populations in other states. Evaluators will have past monitoring reports for Washington for evaluation.
- 5) Present anything other information that you believe will enhance your response.

**c. Care Coordination (Binder 4)**

Review the Care Coordination requirements in the Sample Contract and relevant federal requirements in 42 CFR 438.

- 1) Submit a comprehensive Care Coordination Implementation and Operations Plan that describes in detail how the Bidder would have in-place and operate Care Coordination that meets all contractual and regulatory requirements and fully meet the needs of the population to be served beginning July 1, 2012.

The plan must address all aspects of Care Coordination requirements in a manner that allows evaluators to be assured that the Bidder understands the requirements and is fully capable of implementing those requirements.

- 2) (Note: Attached reports excluded from page count.) Provide all results of any state, federal or other independent monitoring for the last three years, 2008, 2009 and 2010, of the Bidder's performance in Care Coordination for managed care programs serving low-income populations in other states. Evaluators will have past monitoring reports for Washington for evaluation.
- 3) Present anything other information that you believe will enhance your response.

**d. Grievance System (Binder 5)**

Review the Grievance System requirements in the Sample Contract, relevant Office of the Insurance Commissioner regulations at RCW 48 and WAC 284 and relevant federal requirements in 42 CFR 438.

- 1) Submit a comprehensive Grievance System Implementation and Operations Plan that describes in detail how the Bidder would have in-place and operate Grievance System that meets all contractual and regulatory requirements and fully meet the needs of the population to be served beginning July 1, 2012. The plan must address all aspects of Grievance System requirements, including the incorporation Grievance System results in decision making, in a manner that allows evaluators to be assured that the Bidder understands the requirements and is fully capable of implementing those requirements.
- 2) (Note: Attached reports excluded from page count.) Provide all results of any state, federal or other independent monitoring for the last three years, 2008, 2009 and 2010, of the Bidder's Grievance System performance in managed care programs serving low-income populations in other states. Evaluators will have past monitoring reports for Washington for evaluation.
- 3) Present anything other information that you believe will enhance your response.

**e. Utilization Review and Authorization of Services (Binder 6)**

Review the Utilization Review and Authorization Services requirements in the Sample Contract, relevant Office of the Insurance Commissioner regulations at RCW 48 and WAC 284 and relevant federal requirements in 42 CFR 438.

- 1) Submit a comprehensive Utilization Review and Authorization Services Implementation and Operations Plan that describes in detail how the Bidder would have in-place and operate Utilization Review and Authorization Services that meets all contractual and regulatory requirements and fully meet the needs of the population to be served beginning July 1, 2012. The plan must address all aspects of Utilization Review and Authorization Services requirements in a manner that allows evaluators to be assured that

the Bidder understands the requirements and is fully capable of implementing those requirements.

- 2) (Note: Attached reports excluded from page count.) Provide all results of any state, federal or other independent monitoring for the last three years, 2008, 2009 and 2010, of the Bidder's Utilization Review and Authorization Services performance in managed care programs serving low-income populations in other states. Evaluators will have past monitoring reports for Washington for evaluation.
- 3) Present anything other information that you believe will enhance your response.

**f. Program Integrity (Binder 7)**

Review the Program Integrity requirements in the Sample Contract, and relevant federal requirements in 42 CFR 438).

- 1) Submit a comprehensive Program Integrity Implementation and Operations Plan that describes in detail how the Bidder would have in-place and operate a Program Integrity system that meets all contractual and regulatory requirements beginning July 1, 2012. The plan must address all aspects of Program Integrity requirements in a manner that allows evaluators to be assured that the Bidder understands the requirements and is fully capable of implementing those requirements.
- 2) (Note: Attached reports excluded from page count.) Provide all results of any state, federal or other independent monitoring for the last three years, 2008, 2009 and 2010, of the Bidder's Program Integrity performance in managed care programs serving low-income populations in other states. Evaluators will have past monitoring reports for Washington for evaluation.
- 3) Present anything other information that you believe will enhance your response.

**g. All Other Contractual and Regulatory Requirements (Binder 8)**

Review all other Sample Contract and relevant state and federal requirements not separately addressed in this Procurement.

- 1) Submit a comprehensive Implementation and Operations Plan that addresses all requirements not separately addressed and describe in detail how the Bidder would have in-place and operate a managed care program that meets those contractual and regulatory requirements beginning July 1, 2012. The plan must address requirements in a manner that allows evaluators to be assured that the Bidder understands the requirements and is fully capable of implementing those requirements.
- 2) (Note: Attached reports excluded from page count.) Provide all results of any state, federal or other independent monitoring for the last three years, 2008, 2009 and 2010, that has not been already separately provided, of the

Bidder's performance in managed care programs serving low-income populations in other states. Evaluators will have past monitoring reports for Washington for evaluation.

- 3) Present anything other information that you believe will enhance your response.

**h. Understanding of the Changing Landscape of Managed Care (Binder 9)**

The health care world is experiencing change and transformation. It is important for Bidders for the services that are the subject of this Procurement to understand, be adaptable to and be innovative leaders in that change. Convince us that you are that Bidder! (Limited to 10 pages)

**3. Rates Requirements (Binder 10)**

**(UNDER DEVELOPMENT)**

DRAFT FOR COMMENT

## **Section E**

### **Assignment Methodology**

In this section the Bidder will find a description of the methodology by which HCA will assign enrollees that do not make a choice to a contracted managed care organization. This methodology will be in-place through December 31, 2013. Thereafter, HCA will determine assignment methodology based on its cost and quality improvement goals.

For each Service Area assignment will be calculated as follows:

If a Bidder enters a new Service Area, that Bidder, if awarded a contract, will receive 50% of the assignments in the Service Area. If more than one Bidder enters a new Service Area the assignment will be apportioned evenly. Entering a new Service Area means that the Bidder has not contracted with HCA and provided managed care services to enrollees in that Service Area in the previous twelve months prior to the execution of the contract resulting from this Procurement.

The remainder of the assignments (100% if there are no new entries) of assignments will be made as follows:

- 40% will be made based on Rates scores
- 20% will be made based on QAPI scores
- 20% will be made based on Access to Care and Provider Network scores
- 15% will be made based on Care Coordination Scores
- 5% will be made based on all other Program Section Scores combined

## **Section D. Evaluation**

### **1. Evaluation Procedure**

HCA shall select Evaluation Teams to evaluate Bidder Proposals.

### **2. Evaluation of Administrative Requirements**

HCA will initially screen each Proposal to determine if the Bidder has complied with the stated Administrative Requirements and Submittal Instructions. If a Proposal does not meet all Administrative Requirements for this Procurement, HCA may consider the Proposal non-responsive and may withdraw it from consideration at any time.

### **3. Scoring Of Program Sections**

Pass/Fail. Each program subsection will be first scored as Pass/Fail. If the evaluators fail a section it will not receive a score. If the Bidder's proposal receives a failing score in any section, the Bidder's proposal will not be considered for contract award under this Procurement. A section will be failed by the Evaluation Team if it is considered non-responsive in form, does not provide required information or what is being proposed would be a violation of contractual or regulatory requirements.

Subsection Scoring. Programs subsections receiving a passing score will be evaluated by an Evaluation Team and receive a consensus score from 1 – 100 for the subsection. If the Bidder's proposal receives a score of less than 60 for any section, the Bidder will be required to complete a corrective action to fully meet the requirements of that section prior to providing services under a resulting Contract. If the Bidder receives a score of less than 60 in two or more sections, HCA may, at its sole discretion, require corrective action for the subsections or reject the Bidder's proposal for consideration for contract award under this Procurement.

#### **4. Final Determination of Apparently Successful Bidder**

HCA management shall make the final determination as to which Bidder(s) shall be officially selected and notified as the Apparently Successful Bidder(s).

In doing so, HCA management shall be guided, but not bound, by the scores awarded by the evaluators. HCA management shall determine which Proposals reviewed during this final selection process will best meet the needs of HCA.

Any Bidder who would be an Apparently Successful Bidder based on the scores awarded by the evaluators, and who is not selected, shall be provided, upon request, the reasons why HCA did not select the Bidder for award of a Contract.

**Exhibit A - Bidder Certifications and Assurances Form**  
**RFP # XXXXXX**  
**Health Care Authority Procurement for Managed Care Services**

Completion of this Information form is a mandatory requirement for contracting with the Washington Department of Social and Health Services (HCA). The certifications and assurances contained herein are a required element of the proposal.

Failure to submit this Certifications and Assurances or any required attachments with a proposal may result in a proposal being rejected as non-responsive.

Please Type or Print Legibly:

Bidder's Name			
Bidder's Address			
Bidder's UBI Number			
Bidder's Federal Identification Number			
Telephone:		Fax Number:	
Contact Person for the Bidder's proposal:			

1. We declare that all answers and statements made in the Proposal are true and correct.
2. We certify that the prices and/or cost data contained in our proposal: (a) have been determined independently, without consultation, communication or agreement with others for the purpose of restricting competition, and (b) have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before contract award, except to the extent that we have joined with other individuals or organizations for the purpose of preparing and submitting a joint proposal or unless otherwise required by law.
3. Has the Bidder had a contract or work order terminated for default during the last five years?

Yes       No

If yes, attach a signed statement describing the contract, the circumstances surrounding the termination, and the name, address and telephone number of the other party to the contract. HCA will evaluate the facts and may, at its sole discretion, reject the Bidder's proposal on the ground of its past performance. For the purpose of this question, "termination for default" means notice was given to the Bidder to stop contract work due to nonperformance or poor performance, and the performance issue was either (a) not contested by the Bidder or (b) litigated, finding the Bidder in default.

4. Our Proposal is a firm offer for a period of 180 days following receipt, and it may be accepted by HCA without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 180-day period. In the case of a protest, the Bidder's Proposal will remain valid for 210 days or until the protest is resolved, whichever is later.
5. We have not been assisted by any current or former HCA employee whose duties relate (or did relate) to this Procurement and who assisted in other than his or her official, public capacity. If there are any exceptions to these assurances or we have been assisted, we will identify on a separate page attached to this document each individual by: (a) name, (b) current address and telephone number, (c) current or former position with HCA, (d) dates of employment with HCA, and (e) detailed description of the assistance provided by that individual.
6. Is any Manager or Employee of the Bidder a past or current State of Washington employee?  
 Yes       No If yes, list names, positions, and dates of employment with the State of Washington in an attachment to this form.
7. Is any employee of the Bidder who will perform work under a contract between the Bidder and HCA a past or current State of Washington employee?  
 Yes       No If yes, list names, positions, and dates of employment with the State of Washington in an attachment to this form.
8. We acknowledge that HCA will not reimburse us for any costs incurred in the preparation of our Proposal. All Proposals become the property of HCA and we claim no proprietary right to the ideas, writings, items or samples.
9. We accept the terms and conditions of the Sample Contract, Exhibit B.
10. We acknowledge that if awarded a contract with HCA, we are required to comply with all applicable state and federal civil rights and other laws related to the services to be performed. Failure to comply may result in contract termination. We agree to submit additional information about our nondiscrimination policies, at any time, if requested by HCA
11. We certify that we have a current Washington Business License, and agree to promptly provide a copy of the license if we are awarded a contract.

12. We are currently certified by the State of Washington, Office of the Insurance Commissioner to provide the services being proposed in response to this Procurement.
13. We made no attempt, nor will make any attempt, to induce any other person or firm to submit, or not submit, a proposal for the purpose of restricting competition.
14. We acknowledge and authorize HCA to conduct a financial assessment and/or background check of our organization if HCA considers such action necessary or advisable.
15. We grant HCA full, unfettered permission to contact any party, whether named in the Proposal or not, regarding our past performance of similar services to those being proposed.

The undersigned is authorized to bind the Bidder to a contract. Under the penalties of perjury of the State of Washington, the undersigned affirms the truthfulness of the statements made herein. The undersigned certifies that the Bidder is now, and shall remain, in compliance with the certifications and assurances contained herein, and agrees that such compliance is a condition precedent to the award and continuation of any related contracts. The undersigned acknowledges the Bidder's obligation to notify HCA of any changes in the statements, certifications and assurances made herein.

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Signature

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Title

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Organization

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Date

## Insert Exhibit B, Sample Contract

### Exhibit D - Bidder Checklist

#### CHECKLIST FOR RESPONSIVENESS

- Proposal was submitted on or before 3:00 p.m. on the due date.
- Required numbers of copies were submitted.
- Proposal is placed in binders for each section of the proposal. The five major sections shall include:
  - Section 1. Administrative Requirements
  - Section 2. Program Requirements
  - Section 3. Rates Requirements
- Proposal is placed in binders with tabs separating the major sections and subsections of the proposal.
- Proposal is complete, i.e. the Bidder responded to all requirements.
- The proposal does not impose conditions that would modify the RFP.
- Letter of Submittal and Certifications and Assurances were signed by an individual authorized to bind the Bidder to a contractual relationship.