



Request for Proposals

Total Joint Replacement Bundled Episode of Care

RFP No. 15-023

Released on: November 9, 2015

Proposal Due Date: December 3, 2015, **no later than** 2:00 PM, Pacific Time

Proposals must be received via email & electronically date/time stamped on or before the Proposal due date and time in the following inbox:

contracts@hca.wa.gov.

Procurement Coordinator: Cendy Pfortmiller
Contracts Specialist
Phone: (360) 725-5127
Email: contracts@hca.wa.gov

Proposer Eligibility: This procurement is open to those Proposers that satisfy the minimum qualifications stated herein and that are available to work in the state of Washington.

Proposers are responsible for properly registering in the Washington's Electronic Business Solutions (WEBS) system, <https://fortress.wa.gov/ga/webs/> and downloading the solicitation document and all appendices and incorporated documents related to this solicitation. Notification of any RFP addenda, amendments or Proposer questions/HCA answers will only be provided to those vendors who have registered with WEBS and have downloaded the solicitation from WEBS. Failure to do so may result in a Bidder having incomplete, inaccurate, or otherwise inadequate information.

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1 INTRODUCTION

1.1 PURPOSE

The Washington State Health Care Authority (HCA) is soliciting one or more health care provider(s) and/or network of provider(s) to become contracted PEBB Centers of Excellence (COE) to provide a Total Joint (Knees and Hips) Replacement (TKR/THR) Bundled Episode of Care for Uniform Medical Plan (UMP) Classic and Consumer-Directed Health Plan (CDHP) Members, based on Dr. Robert Bree Collaborative (Bree Collaborative) recommendations. The TKR/THR Bundled Episode of Care will be offered to Members who receive care in Washington State starting on January 1, 2017.

Awarded Contractor(s) must have the following capabilities:

- a. Deliver high-quality, evidence based TKR/THR Bundled Episode of Care and Warranty based on Bree Collaborative recommendations, including but not limited to producing and reporting health outcomes; and
- b. Be financially and clinically accountable for the complete TKR/THR Bundled Episode of Care to include physician and hospital care.

Section 5, “DEFINITIONS” can be found at the end of this Response for Proposals (RFP) document. Capitalized terms appearing in this RFP will have the same definition as in Section 5.

In this Request for Proposal, where applicable, references to the singular shall include the plural and references to the plural shall include the singular.

1.2 BACKGROUND

“Paying for Value” is a core strategy of HCA’s State Health Care Innovation Plan (Innovation Plan), also known as the Healthier Washington Initiative. The Healthier Washington Initiative seeks to chart a bold course for transformative change in the way health care is delivered and paid for in Washington State. The Innovation Plan was embraced by the Washington State Legislature in 2014 through the passage of E2SHB 2572, requiring the HCA, “to increase the use of value based contracting, alternative quality contracting, and other payment incentives that promote quality, efficiency, cost savings, and health improvement, for Medicaid and public employee purchasing.” The legislature anticipates this effort will “reduce extraneous medical costs, across all medical programs, when fully phased in by fiscal year 2017 to generate budget savings identified in the omnibus appropriations act.”

As the largest purchaser of health care services in Washington State, HCA is changing how it purchases health care to focus on value, not volume. Through a multi-year phase approach, HCA will drive accountable-care and value-based purchasing strategies statewide in an effort to phase out traditional Fee-For-Service (FFS) payment models; align provider, payer and consumer incentives; and reward value, quality, effectiveness and efficiency. Washington State aims to drive 80 percent of state-financed health care and 50 percent of the commercial market to value-based payment by 2019. This effort also extends through to the PEBB Program, administered by the HCA. The PEBB Program provides medical benefits to over 350,000 members including state and other public employees, pre-Medicare retirees, Medicare retirees, and dependents.

Currently, over 240,000 of the 350,000 PEBB members are enrolled in UMP, making it PEBB’s largest plan.

Joint replacements are one of the most common surgical procedures in the UMP population. Beginning in 2017, Members will be required to receive TKR/THR services through one of PEBB's Centers of Excellence, if the Members want to receive the in-network benefit for those services. Members may also receive TKR/THR services out of network, but will have significant incentives to use the Center(s) of Excellence instead.

To accomplish its purchasing goal, HCA will implement evidence-based purchasing strategies including alternative payment models developed by the Bree Collaborative. A multi-stakeholder group in Washington state, the Bree Collaborative was established in 2011 by the Washington State Legislature (ESHB 1311) "...to provide a mechanism through which public and private health care stakeholders can work together to improve quality, health outcomes, and cost effectiveness of care in Washington State."

In 2013, the Bree Collaborative adopted an evidence-based TKR/THR Bundled Episode of Care and Warranty. The TKR/THR Bundled Episode of Care defines expected components of pre-operative and post-operative care for successful TKR/THR surgery and included both clinical components and quality standards. The Warranty defines complications and time-frames after surgery during which those complications can be attributed to the original surgery. The purpose of the Warranty is to track clinical and financial accountability for the extra care needed to diagnose, manage and resolve those complications.

The Bree Collaborative has defined four distinct stages of a TKR/THR Bundled Episode of Care. They are:

Stage 1: Disability due to Osteoarthritis despite Conservative Therapy

Prior to surgery, candidates for joint replacement therapy should have clearly documented disability and evidence of osteoarthritis according to standardized radiographic criteria. Unless highly disabling osteoarthritis is evident at the time the patient first seeks medical attention, a trial of conservative therapy is appropriate.

Stage 2: Fitness for Surgery

Prior to surgery, candidates for joint replacement therapy should meet minimal standards to ensure their safety and commitment to participate actively in return to function. If a provider chooses to proceed with TKR/THR surgery on a patient who does not meet these standards, then informed consent, patient engagement, individual review, and preauthorization are required.

Stage 3: Surgery and Repair of Osteoarthritic Joint

An experienced surgical team should use evidence-based practices to avoid complications related to implanted hardware; prevent infection, venous thrombosis, and blood loss; manage pain while avoiding side effects; and manage pre-existing medical problems carefully.

Stage 4: Post-Operative Care and Return to Function

A standard process should be in place to support the goals of avoiding post-surgical complications, ensuring rapid return to function, optimizing hospital length of stay, and avoiding unnecessary readmissions. (Please see [Exhibit 1](#) for additional details)

PEBB member demographic data can be found in [Exhibit 2](#) to provide Proposers with information they may need in developing their proposals.

Awarded Contractor(s) will be expected to work with HCA's third party administrator that will perform all the administrative tasks including provider evaluation and network management, billings and payment processing, member care concierge tools, and performance reporting. HCA intends to issue a

separate RFP for the third party administrator of the Contract resulting from this TKR/THR Bundled Episode of Care RFP.

1.3 STATEMENT OF WORK

The Awarded Contractor(s) will provide the services and staff necessary to meet the operational and strategic objectives of the HCA to implement the TKR/THR Bundled Episode of Care, including but not limited to the following:

1. Deliver high-quality, evidence based TKR/THR Bundled Episodes of Care and Warranty based on recommendation of the Bree Collaborative recommendations, including producing and reporting health outcomes. Awarded Contractor(s) will provide expected components of preoperative, intraoperative, and postoperative care needed for successful totally knee and/or total hip replacement surgery, including both clinical components and quality standards outlined in the [Bree Collaborative Recommendations](#)¹, as follows:
 - a. Clinical Components:
 - i. Documentation of disability due to osteoarthritis despite conservative therapy;
 - ii. Documentation of fitness for surgery;
 - iii. Repair of the osteoarthritic joint; and
 - iv. Post-operative care and return to function.
 - b. Quality Standards:
 - i. Appropriateness;
 - ii. Rapid return to function;
 - iii. Patient care experience; and
 - iv. Patient safety.
2. Provide a Warranty according to the Bree Collaborative's recommendations, meaning the Awarded Contractor(s) are willing to be financially accountable for complications attributed to total knee and/or total hip replacement surgery. The Bree Collaborative Warranty defines complications and timeframes after surgery during which those complication be attribute to the original surgery; and to track clinical and financial accountability for extra care needed to diagnose, manage, and resolve those complications. The [Warranty](#)² does not include quality standards other than accountability for complications.
3. Awarded Contractor(s) will participate in quality improvement collaborative through the [Foundation for Healthcare Quality](#)³ to share best practices and evidence-based approaches to improve care for a broader population of patients.
4. Awarded Contractor(s) will provide timely regular data plan and reports at quarterly meetings with HCA.
5. Awarded Contractor(s) will provide appropriate, timely and convenient access to care for Members.

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

² http://www.breecollaborative.org/wp-content/uploads/bree_warranty_tkr_thr.pdf

³ <http://www.qualityhealth.org/>

6. Awarded Contractor(s) will submit bills to the HCA's third party administrator for each TKR/THR Bundled Episode of Care, which will be paid post-discharge within an agreed upon timeline.
7. Awarded Contractor(s) will be responsible for gathering all of the necessary documentation to demonstrate that the Bree Collaborative's recommendations for clinical and quality standards have been met.
8. Awarded Contractor(s) will establish an exception process for the cases in which a provider recommends proceeding with TKR/THR surgery for a patient who does not meet appropriateness standards under the Bree Collaborative's recommendations.

The responsibilities of the HCA include, but are not limited to, the following:

1. HCA will make payments to the Awarded Contractor(s).
2. HCA will provide financial incentives to the defined PEBB member population to utilize the contracted Center(s) of Excellence for total knee and/or total hip replacements.
3. HCA will provide performance incentives to the Awarded Contractor(s) in the first year of the Contract.
4. HCA will review the quality performance measures and if HCA determines the requirements are met, the contract will be extended for another period.
5. HCA will require its TPA to advertise and educate Members.
6. HCA will update any PEBB developed materials, such as the Certificates of Coverage.

The HCA reserves the right to add or remove requirements to meet its operational and strategic objectives to implement the TKR/THR Bundled Episode of Care.

1.4 MINIMUM QUALIFICATIONS

Proposers responding to this RFP must meet the following minimum qualifications:

1. Must be licensed to conduct business in the state of Washington. If the Proposer is not currently licensed, Proposer must provide a commitment that it will become licensed within thirty (30) calendar days of being selected as the Apparent Successful Proposer(s).
2. Must be a Washington In-State Provider
3. Must perform all total knee and/or total hip replacement procedures within scope of the Contract in the state of Washington.
4. Must be able to offer a TKR/THR Bundled Episode of Care for total knee and/or total hip replacement.
5. Must have the capacity to manage the volume of total knee and/ or total hip replacement procedures of the Member population; and
6. Orthopedic surgeons, who will be performing TKR/THR Bundled Episodes of Care, must perform a minimum of fifty (50) of either total knee or total hip replacement surgeries per year.

The HCA intends to award the Contract(s) resulting from this solicitation to the responsive responsible Proposer(s) with the highest total score(s) achieved during review of the bids. The HCA reserves the right to award up to five (5) Contract(s) as a result of this RFP.

The Washington State Health Care Authority does not represent or guarantee any minimum purchase. This solicitation does not obligate the Washington State Health Care Authority to contract for the services specified herein. HCA reserves the right to terminate this procurement at any time for any reason that HCA may determine in its sole discretion.

1.5 TERM

The initial term of the Contract resulting from this RFP shall be from date of award through December 31, 2020, with the option to extend for additional term(s) or portions thereof. Extension for additional terms of one (1) year shall be offered at the sole discretion of the HCA and is subject to written mutual agreement. The total Contract term, including the initial term and all subsequent extensions, shall not exceed ten (10) plan years unless an emergency exists and/or special circumstances require a partial term extension.

1.6 FUNDING

Cost of services provided under any Contract that results from this RFP will be made based on the agreed upon amount. Therefore, a maximum level of available funding is not being identified at this time. Any Contract awarded as a result of this RFP is contingent upon the availability of funding.

1.7 CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

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

1.8 ACQUISITION AUTHORITY

This RFP is issued under a delegation of authority from the Department of Enterprise Services (DES), as provided in RCW 39.26.090 and DES Policy Number DES-090-00.

1.9 SOLICITATION STANDARDS

The Solicitation Standards document has been included as [Appendix C](#).

This document contains important information for Proposers applicable to this solicitation. The information in the Solicitation Standards document applies directly to, and is incorporated by reference, into this solicitation and Contracts resulting from this solicitation. As such, Proposers do not need to attach this document with their response to the solicitation. Proposers are responsible for reading and fully understanding the details of all items contained herein prior to submitting a Proposal.

2 GENERAL INFORMATION

2.1 ANTICIPATED PROCUREMENT SCHEDULE

The dates listed below represent the anticipated procurement schedule. The HCA reserves the right to change the schedule. Notification of amendments to the procurement schedule prior to Issuance of the Solicitation Document may be sent electronically to all properly registered users of the Department of Enterprise Services' [Washington's Electronic Business Solution for Government Customers](#)⁴ (WEBS) who downloaded this RFP from WEBS.

⁴ <https://fortress.wa.gov/ga/webs/>

Changes to the Procurement Schedule after the Issuance of the Solicitation Document, according to procurement schedule below, may be communicated to all Proposers reflecting the change.

HCA reserves the right, in its sole discretion, to change the proposed schedule at any time.

Date	Time	Event
November 9, 2015		Issue Solicitation Document (Available for download at https://fortress.wa.gov/ga/webs/)
November 9 – November 18, 2015	2:00 p.m. (PT)	Question and Answer Period
November 24, 2015	2:00 p.m. (PT)	Complaints Due (see Solicitation Standards)
December 3, 2015	2:00 p.m. (PT)	Proposals Due
December 4, 2015 – January 15, 2016		Proposal Evaluation Period
January 18, 2016		Anticipated Apparent Successful Proposer Announcement
January 20 - January 22 , 2016		Debrief Period (see section 4.6)
January 25 – January 29, 2016		Protest Period (see section 4.7)
February 1 – May 31, 2016		Contract Negotiations
June 1, 2016		Anticipated Award Date

2.2 QUESTION AND ANSWER PERIOD

Proposer questions and/or comments regarding this RFP will be allowed consistent with the respective dates specified in the Procurement Schedule. All Proposer questions and/or comments must be submitted in writing to the Procurement Coordinator at contracts@hca.wa.gov. Official written HCA responses will be provided for Proposer questions received by the respective deadlines.

The Proposer(s) that submitted each question will not be identified. Verbal responses to questions will be considered unofficial and non-binding. Only written responses posted to WEBS will be considered official and binding.

2.3 AUTHORIZED COMMUNICATION

Upon release of this RFP, all Proposer communications concerning this solicitation must be directed to the Procurement Coordinator or Alternate Contact listed below.

Unauthorized contact regarding this solicitation with other State employees, including HCA employees, involved with the solicitation may result in disqualification.

All oral communications will be considered unofficial and non-binding on the HCA. Proposers should rely only on written statements issued by the Procurement Coordinator.

Procurement Coordinator: Cendy Pfortmiller
Alternate Contact: Kimberly French
Email Address: contracts@hca.wa.gov
Address: Washington State Health Care Authority
 626 8th Avenue SE

Olympia, WA 98504

**Please note that the US Postal Service does not deliver to this address.*

2.4 CONTRACT FORMATION

A Proposal submitted in response to the Solicitation is an offer to contract with the HCA. The successful Proposal(s) will become an element of the Awarded Contract(s).

2.5 CONTRACT REQUIREMENTS

A Sample Contract has been included as [Appendix B](#).

To be Responsive, Proposers must indicate a willingness to enter into a Contract substantially the same as the Contract in Appendix B, by signing the Certifications and Assurances located in the Submittal Document located in [Appendix A](#). Any specific areas of dispute with the attached terms and conditions must be identified in the Response and may, at the sole discretion of the HCA, be grounds for disqualification from further consideration in the award of a Contract.

Under no circumstances is a Proposer to submit their own standard contract terms and conditions as a Response to this solicitation. Instead, Proposer must review and identify the language in Appendix B that Proposer finds problematic, state the issue, and propose the language or contract modification Proposer is requesting. All of Proposer's exceptions to the contract terms and conditions in Appendix B must be submitted within the Response, attached to the Submittal Document. The HCA expects the final Contract signed by the Successful Proposer to be substantially the same as the contract located in Appendix B. Proposer's submission of a Response to this solicitation constitutes acceptance of these contract requirements.

The foregoing should not be interpreted to prohibit either party from proposing additional contract terms and conditions during negotiation of the final Contract.

2.6 INCORPORATION OF DOCUMENTS INTO CONTRACT

This Solicitation document, any subsequent Amendments, and the Proposer's Response will be incorporated into the resulting Contract.

The HCA reserves the right to make an award without further discussion of the Response submitted; *i.e.*, there may be no request for a best and final offer. Therefore, the Response should be submitted on the most favorable terms that Proposer intends to offer.

2.7 INSURANCE

The Successful Proposer(s) are required to obtain insurance to protect the HCA should there be any claims, suits, actions, costs, or damages or expenses arising from any negligent or intentional act or omission of the Proposer(s), any Subcontractor(s) of the Proposer(s), or their agents, while performing work under the terms of any Contract resulting from this solicitation. Proposers will find a complete description of the specific insurance requirements in the proposed contract terms in the Sample Contract document located in Appendix B.

3 PROPOSAL SUBMITTALS

Respond to the following requirements in this section.

3.1 SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **December 3, 2015 at 2:00 p.m. (PT)**.

Proposer shall submit one (1) electronic copy of their complete Proposal to contracts@hca.wa.gov in the following manner:

1. Complete entire Submittal Document located in [Appendix A](#), and attach it to the email.
2. Clearly mark the subject line of the email: RFP 15-023, Vendor Name (e.g. RFP-15-023, ABC Company).
3. The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately.
4. It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.
5. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their Responses.

Time of receipt will be determined by the e-mail date and time received at the HCA's mail server in the contracts@hca.wa.gov inbox.

The "receive date/time" posted by the HCA's email system will be used as the official time stamp. The HCA is not responsible for problems or delays with e-mail when the HCA's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the HCA and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

3.2 PREPARATION OF PROPOSALS

Proposer(s) shall complete and provide the following information (1-8) and submit together, as a complete Proposal. Incomplete or vague responses may be considered non-responsive and may be rejected. Failure to complete and submit the required items listed in this section may disqualify the Proposer from further participation in this RFP.

1. Letter of Submittal

Proposer shall compose and submit a Letter of Submittal which meets the requirements set forth in the Submittal Document in [Appendix A](#).

2. Proposer's Authorized Offer

Proposer's Authorized Offer, in the Submittal Document of [Appendix A](#), must be signed by the Proposer's Authorized Representative. For the purposes of this solicitation, an email date/time stamp will be accepted as the signature of the legally authorized representative of the proposing firm. Proposer must complete the signature box information on the Proposer's Authorized Offer page.

3. Proposer Information

Using the Submittal Document in [Appendix A](#), the Proposer shall complete the Proposer Profile, Proposer Authorized Representative, Proposer Principal Officer(s), Proposer Certifications and Status, Statement of Conflict of Interest, Statement of Prior Contract Termination, and Statement of Financial Viability and Stability sections. The Proposer may attach additional sheets if necessary

4. Minimum Qualifications

Using the Submittal Document in [Appendix A](#), Proposer is instructed to complete and submit the Minimum Qualifications section. The Proposer may attach additional sheets if necessary.

5. Subcontractor Information

Using the Submittal Document in [Appendix A](#), Proposer is instructed to complete the Subcontractor Information section if the Proposer intends on utilizing Subcontractors. If no information is entered, the HCA will assume that Subcontractors will not be used.

The HCA will accept Responses that include third party involvement only if the Proposer submitting the Response agrees to take complete responsibility for all actions of such Subcontractors. Proposer must state whether Subcontractors are/are not being used.

If applicable, Proposer shall identify all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), and anticipated dollar value of each subcontract. Proposer shall complete this section of [Appendix A](#). The HCA reserves the right to approve or reject any and all Subcontractors that Proposer proposes. Any Subcontractors not listed in the Proposer's Response, who are engaged after award of the Contract, must be pre-approved, in writing, by the HCA, before providing services under the contract.

Specific restrictions apply to contracting with current or former state employees pursuant to [Chapter 42.52 RCW](#). Proposers should familiarize themselves with the requirements prior to submitting a Response.

6. Diverse Business Inclusion Plan

Proposer(s) will be required to submit a Diverse Business Inclusion Plan located in [Appendix A](#), with their Proposal. In accordance with legislative findings and policies, the state of Washington encourages participation in all contracts by firms certified by the office of Minority and Women's Business Enterprises (OMWBE) as set forth in RCW 39.19 by firms certified by the Washington State Department of Veterans Affairs as set forth in RCW 43.60A.200, and for firms that are Washington Small Businesses as set forth in RCW 39.26.005. Participation may be either on a direct basis or on a subcontractor basis. However, no preference on the basis of participation is included in the evaluation of Diverse Business Inclusion Plans submitted, and no minimum level of minority- and women-owned business enterprise (MWBE), Washington Small Business, or Washington State certified Veteran Business participation is required as a condition for receiving an award. Any affirmative action requirements set forth in any federal Governmental Rules included or referenced in the contract documents will apply.

HCA has the following agency goals:

- 10% participation by Minority Owned Business
- 6% participation by Women Owned Business
- 5% participation by Veteran Owned Business
- 5% participation by Small Businesses

7. Non-Cost Proposal

Using the Submittal Document located in [Appendix A](#), Proposer is instructed to complete and submit the Non-Cost Section. The Proposer may attach additional sheets if necessary.

8. Cost Proposal

Using the Submittal Document located in [Appendix A](#), Proposer is instructed to complete and submit the Cost Section. The Proposer may attach additional sheets if necessary.

Prices proposed must be in U.S dollars. All costs associated with the services provided must be incorporated into the Proposer's Cost Submittal. Proposer must complete [Appendix A](#).

Costs for travel will not be reimbursed in any contract resulting from this RFP. HCA will make no payments in advance or in anticipation of goods or services to be provided under any resulting contract. Contractor will only be compensated for performance delivered and accepted by HCA.

All pricing shall include the costs of Proposal preparation, servicing of accounts, and complying with all contractual requirements. Failure to identify all costs in a manner consistent with the instructions in this RFP is sufficient grounds for disqualification.

3.3 BIDDER RESPONSIVENESS

Proposer must respond to each question/requirement contained in this RFP. Failure to comply with any applicable item may result in the Proposal being deemed non-responsive and being disqualified.

Failure to provide adequate information demonstrating to the evaluators that your firm meets the requirements may constitute grounds for disqualification. Information may be deemed to be inadequate when, for example:

1. The Proposer states a requirement cannot be met;
2. The Proposer fails to include information requested; or
3. The Proposer fails to include sufficient information to substantiate that a given requirement can be met.

The HCA reserves, in its sole discretion the right to consider the actual level of Proposer's compliance with the requirements specified in this solicitation and to waive minor informalities in any Proposal, including, but not limited to, items that:

- a. Do not affect responsiveness;
- b. Are merely a matter of form or format;
- c. Do not change the relative standing or otherwise prejudice other offers;
- d. Do not change the meaning or scope of the RFP;
- e. Are trivial, negligible, or immaterial in nature;
- f. Do not reflect a material change in the work; or
- g. Do not constitute a substantial reservation against a requirement or provision.

4 EVALUATION AND AWARD

4.1 OVERVIEW

The Proposer who meets all of the RFP requirements and receives the highest number of total points as described in this Section, will be declared the Successful Proposer and enter into contract negotiations with the HCA.

4.2 ALLOCATION OF POINTS

The scores for each Proposal will be assigned a relative importance for each scored section. The relative importance for each section is as follows:

Requirements	Available Points
Non-Cost Proposal:	350 points
Cost Proposal:	225 points
Total Possible Phase 1 Points:	575 points

PHASE 2 EVALUATION

Phase 2 Requirements	Available Points
On-Site Evaluation:	100 points
Total Possible Phase 2 Points	100 points

If HCA deems its best interest is to only complete the Phase 1 Evaluation, there are a maximum of 575 points available. If HCA deems its best interest is to complete both the Phase 1 and Phase 2 Evaluations, there are a maximum of 675 points available.

4.3 EVALUATION PROCESS

1. Initial Determination of Responsiveness (pass/fail)

Proposals will be reviewed initially by the Procurement Coordinator on a pass/fail basis to determine whether they comply with administrative requirements as specified in this RFP. Only Proposals complying with these requirements will move to the next evaluation step.

The HCA reserves the right to determine at its sole discretion whether a Proposal meets the Responsiveness criteria as set forth within this document. If, however, all responding Proposers are determined to be deemed Non-Responsive, the HCA will cancel the solicitation and reject all Proposals.

Only Proposals that pass the Initial Determination of Responsiveness review under this section will be evaluated based on the requirements in this Solicitation.

2. Minimum Qualifications (pass/fail)

The Procurement Coordinator will review each element of the Minimum Qualifications Submittal to determine on a pass/fail basis compliance with the requirements specified in of this RFP. Only responses that meet these requirements will move to the next evaluation step.

The HCA reserves the right to determine at its sole discretion whether the Proposer’s response meets the Minimum Qualification criteria as set forth within this document, and reject any Proposal that does not meet the Minimum Qualifications. If, however, all responding Proposers fail to meet any Minimum Qualification, the HCA reserves the right to delete the Minimum Qualification or cancel this solicitation and reject all Proposals. Only responses that pass the Minimum Qualifications review will be further evaluated based on the requirements in this Solicitation.

3. Evaluation – Non-Cost and Cost Elements (scored)

a) Non-Cost Proposal Evaluation:

Evaluators will score each element of the Non-Cost Submittal. The Procurement Coordinator will tabulate the evaluators’ scoring. A calculation will be performed to establish a single score for the Non-Cost section of each Proposal. There are a maximum of **350 points** available in the Non-Cost Submittal.

b) Cost Proposal Evaluation:

The Procurement Coordinator will calculate the Cost score for the Cost Proposal section of the Response using Proposer’s Cost submittal. The total available points for the Cost Proposal section are **225 points**. Cost scoring will be calculated by combining elements of the Cost Proposal to determine the overall cost to the HCA.

c) Proposer Phase 1 Total Score:

Proposers’ Total Scores will be calculated by summing Cost and Non-Cost factor points (maximum of **100 points**) to determine the Proposer’s total evaluated score.

4. Phase 2 Evaluation – On-Site Readiness (scored)

The HCA reserves the right to schedule On-Site Evaluations determined to be in the best interest of the HCA. The HCA will contact the top five (5) scoring Proposer(s) to schedule the date and time for the On-Site Evaluation. A score of up to **100** additional points may be awarded for the On-Site Evaluation. The Proposer’s score for the On-Site may be added to the Proposer’s total score described in Step 3 above.

a) **On-Site Evaluation**

The HCA will perform an On-Site evaluation of the organization’s facility and its’ administrative capabilities. The organization will be scored on the following criteria:

1. Care Management Process
2. Quality Improvement Process
3. Case Study Interview

There is a maximum of **100 points** available for the On-Site Evaluation.

Commitments made by the Proposer during the Oral Presentation, if any, will be considered binding.

5. Determination of Proposer Responsibility (pass/fail)

After Proposal submittal, the HCA reserves the right to make reasonable inquiries and/or requests for additional information, to assist in determining the overall responsibility of any Proposer.

Requested information may include, but is not limited to, educational degrees, business licenses, financial statements, credit ratings, record of past performance, criminal background check, clarification of Proposer’s offer, access to the Proposed System, and on-site inspection of Proposer's or Proposer's subcontractor's facilities. Failure to respond to said request(s) may result in the Proposer being deemed non-responsive and thus disqualified.

4.4 SELECTION OF APPARENT SUCCESSFUL PROPOSER(S)

The responsive, responsible Proposer(s) with the highest total score who represents the overall best value to the HCA will be declared the Apparent Successful Proposer(s). The HCA may enter into contract negotiations with the Apparent Successful Proposer(s).

Should contract negotiations fail to be completed within six (1) months after initiation, the HCA may immediately cease contract negotiations and declare the Proposer with the next highest score as a new Successful Proposer and enter into contract negotiations with that Proposer. This process will continue until the Contract(s) are signed or no qualified Proposers remain.

The Successful Proposer(s) will be expected to execute the final Contract within ten (10) Business Days of its receipt. If the selected Proposer fails to sign the Contract within the allotted ten (10) Business Day timeframe, the HCA may consider the Successful Proposer to be non-responsive and elect to cancel the award and award the Contract to the next ranked Proposer, or cancel or reissue this solicitation.

4.5 NOTIFICATION OF APPARENT SUCCESSFUL PROPOSER

All Responsive Proposers responding to this solicitation will be notified when the HCA has determined the Apparent Successful Proposer(s).

The date of announcement of the Apparent Successful Proposer(s) will be the date of the notification from the HCA.

4.6 DEBRIEFING OF UNSUCCESSFUL PROPOSERS

Only Proposers who submit a Proposal may request an optional debriefing conference to discuss the evaluation of the Proposal. The request for a debriefing conference must be made in writing and be received by the Procurement Coordinator listed in this RFP within three (3) business days after notification of the Apparent Successful Proposer(s).

The optional debriefing will not include any comparison between the Proposer's Proposal and any other Proposals submitted. However, the HCA will discuss the factors considered in the evaluation of the requesting Proposer's Proposal and address questions and concerns about Proposer's performance with regard to the solicitation requirements.

4.7 PROTEST PROCEDURES

Only Proposers who have submitted a Proposal to this solicitation and have had a debriefing conference may make protests. Upon completion of the debriefing conference, a Proposer is allowed five (5) business days to file a formal protest of the solicitation with the Procurement Coordinator. Further information regarding the grounds for filing and resolution of protests are contained in the Solicitation Standards located in Appendix C.

4.8 POST AWARD CONFERENCE

The Awarded Contractor(s) may be required to attend a post award conference scheduled by the Procurement Coordinator to discuss contract performance requirements. The time and place for this conference will be scheduled following Contract award.

5 DEFINITIONS

The following terms when appearing in this document will have the following definitions throughout when appearing and capitalized in this document.

“The Dr. Robert Bree Collaborative” or “Bree Collaborative” means the multi-stakeholder collaborative that was established in 2011 by the Washington State Legislature to provide a mechanism through which public and private health care stakeholders can work together to improve quality, health outcomes and cost effectiveness of care in Washington State.

“Bree Collaborative Member” means one of twenty individuals appointed by the Governor of Washington State who are currently, or have had an affiliation with health care or health care purchasing.

“Business Days” means Monday through Friday except federal and/or state holidays.

“Calendar Year” means starting January 1 and ending December 31.

“Center(s) of Excellence” means a health care provider that is identified as the most expert and cost efficient and produces the best outcomes.

“Clinician and Group Consumer Assessment of Healthcare Providers and Systems” or “CGCAHPS” means a survey instrument and data collection methodology for measuring patients' perceptions of their experience in an office setting with clinicians and their staff.

“**Health Technology Assessment Program**” means the Washington State mandated program, overseen by the Health Care Authority, which uses evidence to make coverage determinations for participating state agencies that purchase health care (WAC 182-55).

“**Health Care Authority**” or “**HCA**” means the Washington State Health Care Authority, any division, section, office, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

“**Hospital Consumer Assessment of Healthcare Providers and Systems**” or “**HCAHPS**” means a survey instrument and data collection methodology for measuring patients’ perceptions of their hospital experience.

“**Member(s)**” means a PEBB subscriber or dependent that is in PEBB’s non-Medicare risk pool, and enrolled to receive Covered Services under either the UMP Classic or Consumer-Directed Health Plan (CDHP) at the time such services are rendered in which UMP is the primary payor.

“**Public Employees Benefits Board Program**” or “**PEBB Program**” means the program that purchases and coordinates health benefits for eligible public employees and retirees.

“**Plan Year**” means the twelve (12) month period beginning on January 1 of each year and ending December 31 of the same year.

“**Total Joint Replacement Bundled Episode of Care**” means the evidence-based clinical components and quality standards identified by the [Bree Collaborative](#)

“**Total Knee and Total Hip Replacement Warranty**” means the Awarded Contractor’s guarantee that they have full financial accountability for any complications attributed to the TKR/THR procedures. The full Warranty can be found in the [Bree Collaborative](#)⁵, “Warranty for Elective Total Knee & Total Hip Replacement Surgery.”

“**TPA**” means third party administrator.

“**Uniform Medical Plan**” and “**UMP**” means the state of Washington’s self-insured Uniform Medical Plan Classic and CDHP.

“**Washington In-State Provider**” means the Awarded Contractor whose physical place of business is in Washington State.

⁵ http://www.breecollaborative.org/wp-content/uploads/bree_warranty_tkr_thr.pdf

EXHIBIT 1
WARRANTY DEFINITIONS

For the purposes of this RFP, the TKR/THR [Warranty](#) entails the following:

Warranty Definition

- a) Represent significant complications attributable to the TKR/THR procedure
- b) Are identifiable in administrative claims data
- c) Are fair to hospitals and physicians

1. Surgical Complications

- a. Mechanical Complications
- b. Peri-prosthetic joint complications⁶
 - i. Incision
 - ii. Revision
 - iii. Removal
- c. Wound Infection
 - i. Incision and drainage
 - ii. Revision
 - iii. Removal
- d. Surgical site bleeding requiring readmission for incision and drainage
- e. Pulmonary embolism

2. Medical complications

- a. Acute myocardial infarction
- b. Pneumonia
- c. Sepsis/septicemia

Warranty Period

The warranty is valid only at the hospital performing the surgery. Therefore, patients experiencing complications are strongly encouraged to seek treatment at that hospital.

1. DRGs

469, 470

2. Diagnostic codes

The diagnostic code for osteoarthritis for either total knee or total hip replacements:
ICD-9 (or applicable ICD-10) diagnostic code =

⁶ http://www.breecollaborative.org/wp-content/uploads/bree_warranty_tkr_thr.pdf

3. Procedure codes

Total hip replacement: ICD-9 (or applicable ICD-10) procedure code = 81.51 (CPT procedure code = 27130 (total hip replacement)

Total knee replacement: Associated ICD-9 (or applicable ICD-10) procedure code = 81.54 (CPT procedure code = 27447 (total knee replacement)

4. Age limits

>=18 years old (no upper limit)

EXHIBIT 2
MEMBER DEMOGRAPHICS

The member demographic charts include member's residence county, age by county, and data that shows where member have having their TKR/THR procedures done. This is provided as a reference for Proposers when developing their proposal response.



15-023 Exhibit
1_Membership Demog

APPENDIX A
PROPOSAL SUBMITTALS

Submittal Document: Proposers must complete and submit the below document with their Proposal.

APPENDIX B
SAMPLE CONTRACT

Sample Contract Document: The HCA expects the final Contract signed by the Successful Proposer to be substantially the same as this Contract. This document does not need to be submitted, however Proposers are instructed to be familiar with it.

APPENDIX C
SOLICITATION STANDARDS

Solicitation Standards: This document contains the Standard Definitions, Instructions to Proposers and Terms and Conditions. This document does not need to be submitted, however Proposers are instructed to be familiar with it as it governs this solicitation and will be incorporated into the resulting Contract.