
Solicitation Amendment

COE for Spinal Fusion Bundle

RFP No. 2613

Amendment No. 5

Date Issued: March 28, 2018

Purpose: Revise the Cost Proposal sections, add some specificity to the Best and Final Offer phase of the evaluation, and update questions 1 and 2 of section 7.E of the Appendix A Submittal Document.

Amendment need not be submitted with Proposal. All other Terms, Conditions, and Specifications remain unchanged.

1. Section 4.2.B, Part 2, is hereby deleted and replaced with the following:

1. **COST PROPOSAL (SCORED)**

Bidders who have passed Part 1 will have their Cost Proposals evaluated and scored by the HCA Procurement Coordinator based on the lowest scoring cost bid for each episode phase as described below. The Total Points Possible for the Cost Proposal is 800 points.

2. **COST SCORING**

Each cost scenario in the cost proposal has been assigned a weight. Each bundle cost will be scored individually based on the lowest scoring bid. The lowest cost per phase will receive the maximum points per bundle, using the following formula:

$(\text{Lowest Cost} / \text{Bidders Cost}) \times \text{Weight} = \text{Bidder's Score}$.

The individual bundle totals will be summed for the total points awarded for the Cost Proposal.

Cost Proposal	Maximum Points Possible
• Bundle 1	200
• Bundle 2	300

• Bundle 3	300
Total Maximum Points Possible	800

3. The total points for the Cost and Written Proposals will be combined for a total score. This total score is what HCA will use in determining how to move forward in the evaluation (i.e., if the optional Parts 3 and 4 will be required).

The maximum points possible for the combined total score is 2,640, including the Bonus Questions from the Written Proposal.

2. Section 4.2.D, Part 4, is hereby deleted and replaced with the following:

1. **BEST AND FINAL OFFER (OPTIONAL)**

At its sole discretion, the HCA may elect to direct Bidder(s) to present a "best and final offer." Best and final offers, if requested, will be considered by the HCA in the final selection of the ASB.

If HCA is considering more than one COE after completing the evaluations of the written proposals and onsite visits (if applicable), the Best and Final Offer phase of the evaluation will become mandatory. In this scenario, the remaining Bidders will be given the opportunity to submit an updated Cost Proposal as part of the "best and final offer." HCA understands that respondents put forth their original bids with the understanding they may be the only COE, and wants to provide them the opportunity to adjust their bids based on the potential change in volume if there is more than one COE.

3. Appendix A, Section 7.E) - Quality Measures, questions 1 and 2 are hereby deleted and replaced with the following:

1. Please complete Table 2 in Appendix A2, with the most recent twelve (12) months of data available. In Table 1, spine fusion patients are defined as first-time, single and multi-level lumbar fusions for degenerative disc disease of the spine, or grade 2 or higher spondylolisthesis with associated clinical findings as described in Exhibit 2, excluding patients who have had a prior fusion for trauma, cancer, or inflammatory arthritis. Also, please note that three of the quality measures refer to specific results or scores and therefore have no numerator or denominator. (weight 40)
2. Please complete Table 3 in Appendix A3, with the current annual rates, using the most recent twelve (12) months of data available. In Table 2, spine fusion patients are defined as first-time, single and multi-level lumbar fusions for degenerative disc disease of the spine, or grade 2 or higher spondylolisthesis with associated clinical findings as described in Exhibit 2, excluding patients who have had a prior fusion for trauma, cancer, or inflammatory arthritis. (weight 40)

4. Appendix A, Section 8, Cost Proposal is hereby deleted and replaced with the following:

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Bidder of least cost, but rather to the Bidder whose Proposal provides the overall best value to the Health Care Authority. However, Bidders are encouraged to submit proposals that are consistent with State government efforts to conserve state and federal resources.

Instructions to Bidder: Bidder shall complete Table 1 below by entering their pricing information as specified in the table. If, within your proposed price, there are any deviations or additions to the requirements of this RFP, such as anything you believe would add value to the bundled episode of care requirements, please list those in the section provided below.

DO NOT ADD ANY FURTHER SECTIONS TO THIS TABLE.

The final compensation table will be included as part of the final contract that will incorporate the prices agreed to through the negotiation process. The total cost contained in the Pricing and Delivery Table will not exceed the amounts listed in this Cost Proposal.

Table 1: Deliverable Pricing (800 Maximum Points)

- A. Assume that your organization is the only COE and that your organization will have a combined 15 to 25 single and or two-level lumbar fusion procedures per year, and an additional 15 to 25 evaluations that are not recommended for surgery. What is the minimum price your organization can provide for each Bundled Episode of Care with this volume?
- B. Keeping in mind that the spinal fusion bundles are limited to single and two-level lumbar fusions, the DRG to build a bundled rate around is 460. Please provide all the ICD-10 and CPT codes included in your bundle in the table provided.
- C. Pricing will include all requirements specified in the Scope of Work of this RFP; including a 90-day warranty for complications as defined in Bree.
- D. If there is more than one (1) COE there will be a Best and Final Offer process to allow for adjustments to be made in the final rates to allow for loss in volume.
- E. Outlier thresholds and the associated warranty rates will be negotiated during the contracting phase. For the purposes of a bundled payment, an outlier threshold is reached when the billed charges of an episode of care exceed a previously agreed upon dollar amount. After the threshold is reached, charges will be paid according to the negotiated rate.

DRG 460 Bundled Rates			
Bundled Episode of Care Description	ICD-10/CPT Codes	Total Price for 1 Episode	Maximum Points Possible
1. Evaluation Only (no surgery)		\$_____ total	200
2. Evaluation plus Single Level Lumbar Fusion		\$_____ total	300

3. Evaluation plus Two-Level Lumbar Fusion		\$_____ total	300
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Please describe any deviations or additional items you are proposing within your cost:

Please provide any additional DRGs or other codes you would like to submit with your proposal, in the event you are selected as the ASB, that you would like HCA to consider when going into negotiations and developing the program (**this is for informational purposes only and will not be evaluated**):