Washington State Medicaid Transformation Project (MTP) Demonstration
Section 1115 Waiver Quarterly Report
Demonstration Year: 1 (January 9, 2017 to December 31, 2017)
Reporting Quarter: October 1, 2017 to December 31, 2017
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Introduction

On January 9, 2017, the Centers for Medicare and Medicaid Services (CMS) approved Washington State’s request for a Section 1115 Medicaid demonstration, entitled “Medicaid Transformation Project.” The activities under the demonstration are targeted to improve the system to address local health priorities, deliver high-quality, cost-effective care that treats the whole person, and create sustainable linkages between clinical and community-based services.

Over the next five years, Washington aims to:

- Integrate physical and behavioral health purchasing and service delivery to better meet whole person needs.
- Convert 90 percent of Medicaid provider payments to reward outcomes instead of volume
- Support provider capacity to adopt new payment and care models.
- Implement population health strategies that improve health equity.
- Provide new targeted services that address the needs of the state’s aging populations and address key determinants of health.

The state will address the aims of the demonstration through three programs:

- Transformation through Accountable Communities of Health (ACHs) and Delivery System Reform Incentive Payment (DSRIP) program
- Long-term Services and Supports (LTSS) – Medicaid Alternative Care (MAC) and Tailored Supports for Older Adults (TSOA)
- Foundational Community Supports (FCS) – Targeted Home and Community-Based Services (HCBS) for eligible individuals

Healthier Washington

The Washington State Health Care Authority (HCA) manages the work of the demonstration under the banner of Governor Jay Inslee’s Healthier Washington initiative. Healthier Washington is a multi-sector partnership working to improve health, transform care delivery, and reduce costs.

To learn more about Healthier Washington, visit www.hca.wa.gov/hw.
Quarterly Report – October 1, 2017 to December 31, 2017

This quarterly report summarizes the Medicaid Transformation Project (MTP) activities from October 1, 2017 through December 31, 2017. This quarterly report includes details pertaining to MTP implementation activities, including stakeholder education and engagement, planning and implementation activities, and development of key policies and procedures.

Summary of key accomplishments of the quarter

Highlights of the quarter described in the report:

- All nine ACHs submitted their Project Plan portfolios
- Independent assessment of Project Plans commenced
- Implementation and enrollment of beneficiaries into MAC and TSOA
- MAC and TSOA provider network development
- Foundational Community Supports services launched
Stakeholder and partner engagement

Demonstration-wide stakeholder engagement

During the reporting quarter, the state continued its robust stakeholder communication strategy:

- Final, CMS-approved protocols were posted to the Medicaid Transformation webpage for public review. Draft protocols and other relevant program documents were updated on the webpage for public review and transparency with stakeholders.
- Program-specific frequently asked questions were routinely updated in response to public interest and inquiry. Questions were generated from a variety of forums, including webinars, presentations and stakeholder interaction, and used to clarify and define programmatic development.
- One-page documents summarizing the three MTP initiatives continue to be available online, and new materials are continually developed for and updated on the webpage.
- Broad communication with stakeholders and the general public was maintained through existing communication channels belonging to Healthier Washington, HCA, the Department of Social and Health Services (DSHS) and partner agencies, including emails to the Healthier Washington “Feedback Network” mailing lists, social media posts and quarterly email newsletter digests.

Tribal partner engagement

Major milestones of tribal partner engagement during the reporting period include:

- November 6, 2017: HCA submitted the Indian Health Care Provider (IHCP) Protocol for CMS approval.
- November 21, 2017: HCA Tribal Affairs facilitated an ACH Tribal Workshop for the Southwest Washington ACH.
- November 21, 2017: HCA and DSHS sent a Dear Tribal Leader letter regarding the state’s intent to pursue waiver amendment(s) to authorize the use of Medicaid dollars to cover substance use disorder (SUD) and mental health services in institutions for mental disease (IMDs) for more than 15 days, as well as technical corrections to the MTP’s Special Terms and Conditions (STCs).
- December 6, 2017: HCA and DSHS held the first tribal round table session regarding the waiver amendment(s) for IMD services and STC technical corrections.
- December 29, 2017: The American Indian Health Commission of Washington State (AIHC) submitted the IHCP Planning Funds Plan to HCA in accordance with the IHCP Protocol. The Plan included Tribal Services profile information for 27 of the 29 tribes in Washington and both Urban Indian Health programs. It was developed over the course of 12 meetings, with contributions from 15 tribes, both UIHPs, the Northwest Portland Area Indian Health Board, and AIHC.
The Aging and Long-Term Support Administration within the Department of Social and Health Services participated in the following tribal engagement activities during the reporting period:

- October 10, 2017: DSHS Indian Policy Advisory Subcommittee meetings for Aging and Developmental Disability Services; discussed the August 4, 2017 Dear Tribal Leader letter on MAC/TSOA contracting.
- October 16, 2017: DSHS/ALTSA worked to create and finalize tribal FAQ’s concerning MTP with CMS.
- October 19, 2017: Discussed MAC/TSOA and other contracting opportunities at the Sauk-Suiattle Tribe meeting.
- October 25, 2017: Discussed Nursing services, residential services and MAC/TSOA services at the Nisqually Tribe meeting.
- October 26, 2017: Presented information on Alzheimer’s disease, caregiver services, tribal initiatives and MAC/TSOA at the South Puget Sound Intertribal Planning Agency tribal gathering (Chehalis, Nisqually, Shoalwater Bay, Skokomish, and Squaxin Island Tribes).
- November 2, 2017: Discussed Kinship Care, respite services and MAC/TSOA at the Port Gamble S’Klallam Tribe meeting.

DSRIP program stakeholder engagement activities
Representatives of HCA have participated in numerous stakeholder engagement activities, including public forums, presentations, emails, webinars, and direct technical assistance.

- October 10, 2017: HCA facilitated joint office hours with the Independent Assessor and the Financial Executor to provide direct technical assistance to ACHs regarding Project Plan assessment and portal development and registration.
- October 18-19, 2017: HCA hosted the Healthier Washington Symposium for ACHs, providers, state partners, and other stakeholders.
- October 26, 2017: Following the public comment period, HCA and the Independent Assessor held a public webinar on the Project Plan assessment and scoring tool.
- November 7, 2017: HCA facilitated and presented at the Medicaid Value-based Payment Action Team meeting. Key topics discussed during the meeting included:
  - Understanding HCA’s VBP Roadmap and its implications for ACHs, providers, and payers
  - Examining the barriers to VBP adoption by providers, and identifying opportunities for support from ACHs
- December 8, 2017: HCA and Cascade Pacific Action Alliance (ACH) staff presented at the Governor’s Interagency Council on Health Disparities regarding current health equity efforts through the MTP.
LTSS program stakeholder engagement activities
The Department of Social and Health Services (DSHS)/Aging and Long-Term Support Administration (ALTSA) held a formal stakeholder meeting on October 23, 2017. At this meeting the state presented:

- Current enrollment numbers
- Summary of MAC and TSOA implementation progress
- Updates on the statewide marketing campaign

DSHS/ALTSA solicited input from stakeholders to gather feedback regarding what they were hearing in their communities about the new programs. Input was limited but positive.

DSHS/ALTSA continues to collaborate with:

- Columbia Legal Services, a client advocacy stakeholder, in efforts to update an informative and easily understood Q&A document for individuals interested in the MAC and TSOA programs.
- Northwest Health Law Advocates (NoHLA) to refine the state rules related to the MAC and TSOA programs.

FCS program stakeholder engagement activities
Supported employment provider Technical Assistance:

- Staff from DSHS/Behavioral Health Administration (BHA) conducted site visits and technical assistance sessions for 10 supported employment providers, and partnered with HCA staff on a regional behavioral health provider presentation in Spokane.

Stakeholder and partner presentations:

- Established an FCS subcommittee of the Health Innovation Leadership network (HILN) Community & Equity Accelerator Committee, charged with exploring opportunities to pursue health equity via the FCS program.
- October 3, 2017: FCS presentation at the Washington Affordable Housing Conference in Spokane. Audience included housing service providers and funders.
- October 7, 2017: FCS presentation at the Washington Workforce Conference. Audience included employment services providers, including behavioral health, vocational rehabilitation, and other community based organizations.
- October 10, 2017: FCS presentation at the Washington College of Emergency Physicians Summit. Audience included physicians and other representatives from hospital emergency departments across the state.
- October 17, 2017: FCS presentation at the Washington Tribal Summit. Audience included representatives from tribes, tribal providers and tribal health systems.
DSRIP program implementation accomplishments

ACH Project Plan submission

On November 16, 2017, all nine Accountable Communities of Health (ACHs) submitted their Project Plan portfolios to the state’s Independent Assessor (IA). The Project Plans describe not only what transformation efforts will be undertaken in each region, but also preliminary thinking on how each ACH will implement the projects. Project Plan submission marks an important milestone on the way to the final implementation plans, which are due in Demonstration Year (DY) 2.

Project Plans contain two key components:

1. ACH-level information
2. Project-level information, including strategies and expected outcomes in their region.

ACHs developed Project Plans that built on Phase I and Phase II certification applications and in collaboration with community stakeholders. The Project Plans were required to respond to community-specific needs, and to support MTP objectives.

ACHs proposed to implement a range of four to eight projects from the Project Toolkit, as shown in the table below:

<table>
<thead>
<tr>
<th>Project Selection by ACH</th>
<th>BHT</th>
<th>CPAA</th>
<th>GCACH</th>
<th>KCACH</th>
<th>NCACH</th>
<th>NSACH</th>
<th>OCH</th>
<th>PCACH</th>
<th>SWACH</th>
</tr>
</thead>
<tbody>
<tr>
<td>2A: Bi-directional Integration of Care</td>
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<td>•</td>
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<tr>
<td>2B: Community-based Care Coordination</td>
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<tr>
<td>2C: Transitional Care</td>
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<tr>
<td>2D: Diversions Interventions</td>
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<td>•</td>
<td>•</td>
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<tr>
<td>3A: Addressing Opioid Use</td>
<td>•</td>
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<td>•</td>
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<tr>
<td>3B: Reproductive and Maternal and Child Health</td>
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<tr>
<td>3C: Access to Oral Health Services</td>
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<tr>
<td>3D: Chronic Disease Prevention and Control</td>
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Project Plans will be assessed by the IA, Myers and Stauffer, LC. Project Plan submissions can be found on the state’s Medicaid Transformation webpage under the “Initiative 1” tab.

Independent assessment

The draft Project Plan review tool and scoring criteria were posted publicly from September 28 through October 13, 2017. The IA held meetings with ACHs to discuss scoring criteria and answer
questions. On October 26, HCA and the IA co-facilitated a public webinar to provide additional details on Project Plan scoring, the assessment process, and to address comments and questions raised during public comment. Following the public webinar, the final Project Plan review tool and assessment criteria were posted to the Medicaid Transformation webpage.

After the November submission of Project Plans, the IA started its assessment of Project Plans. The independent assessment includes the following components:

- **Minimum submission requirements review** to confirm that all required information was provided, so that the IA can provide immediate notification to an ACH regarding missing information.
- **Detailed assessments** conducted by IA primary and secondary reviewers. Primary reviewers conducted comprehensive Project Plan assessments for completeness, clarity, specificity, and logic (as outlined in the assessment criteria). Secondary reviewers assessed subsections and projects across all ACH Project Plans to cross verify the content of the Project Plan areas to which they were assigned.
- **Subject matter expert (SME) assessment and quality checks.** SMEs reviewed specific subsections of ACH Project Plans. Quality checks were conducted after primary and secondary assessments to increase consistency and objectivity.
- **Write-back process** to address Project Plan deficiencies. The IA implemented an iterative process through which ACHs could receive up to two rounds of feedback about their Project Plan. The “write-back” allowed for ongoing communication between the IA and ACHs to resolve Project Plan areas with insufficient detail that could cause challenges in further project planning, implementation, and project performance.

The assessment followed the timeline below, as presented by the IA in the October 26 webinar:

![Timeline Image]
As of the end of this reporting quarter the IA and ACHs were engaged in the second write-back process, which lasts through January 5, 2018.

**Financial Executor**

Public Consulting Group (PCG), the state’s DSRIP Financial Executor, continues to work with the state to develop and establish:

- The web portal to facilitate Financial Executor functions
- The provider registration process
- The DSRIP funds distribution plan.

ACHs received training on the Financial Executor portal and registration process on December 5, 2017 in a webinar facilitated by PCG. The state anticipates the Financial Executor portal to go live after conclusion of the Project Plan independent assessment.

**DSRIP performance measurement development**

HCA continued to develop its measurement strategy during the reporting quarter. Key elements were:

- Measurement Guide development
- Pay-for-Performance (P4P) and Pay-for-Reporting (P4R) metric specification
- Definition of standard P4P measurement concepts
- DSRIP dashboard planning

**Measurement Guide.** The guide details how performance will be measured for accountable entities participating in the MTP. It contains technical specifications for performance metrics, and the production and reporting procedures for assessing performance during the DSRIP program. The intended audience of the guide is comprised of interested and/or engaged partners in Medicaid Transformation efforts, including but not limited to ACHs, MCOs, transformation partners, state agencies, and legislative staff. The guide will be updated at least annually and evolve over time.

For the first iteration of the guide, the state is focused on defining the specifications, calculation, and reporting procedures for ACH Project Toolkit P4P metrics. This will comprise the majority of the content in the version released for public review in February 2018. During the reporting quarter, the state conducted various design sessions and development of P4P technical specifications with the Clinical Quality and Care Transformation team at HCA. Forthcoming releases of the guide will define other DSRIP program components, including specifics related to statewide accountability, how funds will be earned based on ACH High Performance metrics, and P4R metric specification. Design work related to these components continued during Q4.

**P4R refinement.** HCA began the process of refining reporting requirements as defined in the STCs, protocols and Project Toolkit. The aim is to simplify the ACH reporting structure and clearly define the documentation that will serve as proof of milestone completion.
A P4R metric collection instrument will be developed into a workbook format. P4R metric workbooks are intended to collect information that cannot easily be obtained through other means (e.g. narrative response) and to provide more detailed information about implementation progress. Refined to capture raw information, P4R metrics are reported at the participating provider site/location level. These data will be aggregated by the state into project monitoring reports for ACHs.

Other DSRIP program activities
DSRIP Support Team
The DSRIP Support Team continued to support the MTP by helping ACHs in the development of Project Plan portfolios, developing technical assistance resources for ACHs, and assisting HCA to develop key MTP policies and procedures. Highlights of the technical assistance provided by the DSRIP Support Team during this quarter included:

- Presentations to ACHs and others regarding Project Plan scoring, Bonus Pool, and the High Performance Fund.
- Updated DSRIP fund allocation and DSRIP calculator tools, providing decision support to ACHs in modeling their potential DSRIP program project incentive revenue under various scenarios.
- Coordination for an ACH peer learning opportunity with the Bronx Partners for Healthy Communities (New York City PPS).

Direct DSRIP Support Team technical assistance to ACHs concluded after the submission of ACH Project Plans in November.

Medicaid Value-based Payment Action Team
A critical component of delivery system reform is the pursuit and achievement of value-based payment goals. The Health and Community Capacity Building component (Domain 1) of the Project Toolkit recognizes the importance of guiding and supporting ACHs and their partnering providers as they work to integrate VBP goals into their transformation projects. The Medicaid Value-based Payment (MVP) Action Team has continued to provide guidance to HCA, ACHs, MCOs and partnering providers, and serve as a learning collaborative to support Medicaid value-based payment targets.

The 20-member Action Team represents all five MCOs, all nine ACH regions, providers from a variety of organizations, behavioral health providers, and tribal health leaders. The MVP Action team met once during this reporting quarter. The meeting covered the following topics:

- Understanding HCA’s VBP Roadmap and its implications for ACHs, providers, and payers
- Examining the barriers to VBP adoption by providers, and identifying opportunities for support from ACHs.
Demonstration waiver amendment
In response to the Washington State Legislature’s direction, HCA started to develop its approach to allow for the full cost of stays in institutions for mental disease (IMDs) for substance use disorder (SUD) services. During this reporting quarter, HCA followed CMS’s guidance in the November 1, 2017 Dear Medicaid Director letter regarding 1115 waiver authority on this topic, and also received direct technical assistance from CMS regarding an amendment to the MTP on this topic. The state anticipates submitting its amendment request to CMS by March 2018 following a public comment period.

Upcoming activities
- Continued ACH Project Plan assessment, *November 2017 through January 2018*
- Measurement Guide public comment period, *February 2018*
- Launch of the Financial Executor portal, *March 2018*
- Continued engagement with stakeholders and tribal partners on waiver amendment, *Ongoing*
Long-term Services and Supports (LTSS) implementation accomplishments
This report summarizes LTSS program development and implementation activities conducted from October 1, 2017 through December 31, 2017. Key accomplishments for this quarter include:

- Staff readiness activities related to implementation were completed.
- On September 11, 2017, MAC and TSOA programs were officially implemented and enrollment of beneficiaries began.
- ALTSA and HCA websites were updated with MAC and TSOA program information including caregiver resource materials and referral/intake guidance.
- Post implementation support for case management staff was activated and completed.
- In November 2017, Governor Inslee recognized these new programs as part of Family Caregiver Month. The availability of the programs has received considerable media attention, including media interviews and articles in local newspapers as well as national interest.
- Caregiver Media campaign launched and two articles were published in business journals.

Network adequacy for LTSS programs, MAC and TSOA
All 13 Area Agencies on Aging (AAAs) have submitted their milestone documentation and statewide are at 92 percent compliance with network adequacy requirements. DSHS/ALTSA will continue to monitor network adequacy and provide technical assistance to the AAAs as requested.

Assessment and systems update
Following implementation in early September, HCA and AAA staff continue to identify, track and prioritize corrections and enhancements necessary in the systems that support MAC and TSOA service delivery.

Staff readiness and training
Post-implementation activities and training for case managers continued throughout this quarter. Following implementation in September, biweekly statewide debrief webinars were held with field supervisors and managers to identify and track any system, policy and training issues. Based upon feedback from these meetings, training and guidance meetings were held weekly with case managers to address identified needs. Additional training webinars were also held every other week with topics focused on key areas like nursing facility level of care (NFLOC) determinations and necessary elements to complete accurate Medicaid authorizations. Post implementation activities and support will continue into the next quarter. Staff have access to a SharePoint site that offers training videos and a mechanism for real-time response from policy staff should questions come up that need to be addressed outside of the established training and meeting schedule.

Data and reporting
Four additional MTP reports were completed and tested this quarter, for a total of seven MAC and TSOA reports. Four new reports have been identified and are under development with completion expected by the end of next quarter. Three dashboard reports are also under development. These...
reports will assist ALTSA to gather necessary information for CMS quarterly and annual reports, and will provide data for ALTSA and AAAs to monitor and manage the MAC and TSOA programs.

<table>
<thead>
<tr>
<th>LTSS Beneficiaries by Program as of 12/31/17</th>
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<tbody>
<tr>
<td><strong>MAC</strong></td>
</tr>
<tr>
<td>10</td>
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</table>

<table>
<thead>
<tr>
<th>Number of New Person-centered Service Plans by Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MAC</strong></td>
</tr>
<tr>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of Beneficiaries Self-directing Services under Employer Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MAC</strong></td>
</tr>
<tr>
<td>At this time, self-directing services are not a part of MAC and TSOA.</td>
</tr>
</tbody>
</table>

There was good response to the new programs since implementation in September, which resulted in many clients being referred. As a result of completed report development and initial data analysis on these initial enrollments, ALTSA found that additional training was needed on completion of care plans. ALTSA will now focus on this work and will report progress in the next quarterly report.

**State rule making**
The programs continue to operate under emergency rule. The state extended the emergency rule based on feedback from stakeholders to allow time to incorporate the necessary changes into the permanent rule. Permanent rule language was posted via the Washington State Register for public review and comment on December 6, 2018. A public hearing is scheduled for January 23, 2018 with the public comment period ending at 5 p.m. on that same date. The permanent rule making process will continue during the next quarter and is anticipated to be complete by March 2018.

**Other LTSS program activities**
Provider billing guides and training materials were finalized and posted on HCA’s website.

The MAC and TSOA outreach campaign was initiated this quarter. Activities included the following:

- Statewide webinar with community health partners explaining MAC and TSOA as well as information on how to make referrals to the new programs.
- Statewide webinar with Health Home Coordinators explaining MAC and TSOA services, how to make referrals and how to identify unpaid caregivers.
- Release of the first radio advertisements and community newspaper articles.
- Completion of the MAC/TSOA brochure to be distributed in the community and for use at events such as caregiver conferences, senior lobby events, etc.
Conflict Free Case Management
CMS provided feedback on the proposed Conflict Free Case Management policy to DSHS/ALTSA in mid-September. The revised Conflict Free Case Management policy was submitted to CMS in early December and DSHS/ALTSA expects to receive final response from CMS next quarter.

Upcoming activities
- First internal audit of Presumptive Eligibility screenings will be conducted in early January for enrollments completed from September 11, 2017 through December 31, 2017.
- Systems modifications and additional staff training activities will be completed in order to increase proficiency in development of service plans.
- Continue work on the Conflict Free Case Management policy implementation and monitoring process with AAA.
- Focused activities aimed at increasing enrollment in MAC and TSOA.
Foundational Community Supports (FCS) implementation accomplishments

This report summarizes FCS program development and implementation activities conducted from October 1, 2017 through December 31, 2017. Key accomplishments for the quarter include:

- Final approval of the FCS protocol received from CMS on November 21, 2017.
- January 2, 2018 launch date for FCS services established.

Third Party Administrator procurement

Provider network development initiated in preparation for initial service launch. Third Party Administrator (TPA) Amerigroup is working with approximately 80 providers to establish contracts during the initial months of service delivery. Statewide networks for Community Support Services and Supported Employment services are expected to be established within the first year of program implementation.

State rule making

Emergency rules were established to revise existing WACs to ensure consistency with final FCS protocol language.

Other FCS program activity

HCA and DSHS worked with the Medicaid Forecast Work Group to establish appropriate rates for FCS services, satisfying the legislative requirement.

Upcoming activities

Q1 of DY2 will focus on building the provider network for FCS services and initial enrollment of eligible individuals into the program. HCA anticipates having an initial provider network of approximately 80 providers by the end of the quarter.

In addition, extensive community outreach and provider technical assistance efforts will continue in coordination with DSHS and Amerigroup TPA.
Quarterly expenditures

During the period of October 1 through December 31, 2017, there were no new DSRIP funding expenditures to report. The TSOA and MAC programs each had service expenditures during this reporting quarter, including caregiver assistance services, training and education supports, specialized equipment and supplies, as well as personal assistance services.

<table>
<thead>
<tr>
<th>DSRIP Funding</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>DY1 DSRIP Total</th>
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<tbody>
<tr>
<td>Better Health Together</td>
<td></td>
<td>$1,000,000</td>
<td>$5,000,000</td>
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<td>$6,000,000</td>
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<tr>
<td>Cascade Pacific Action Alliance</td>
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<td>$5,000,000</td>
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<td>Greater Columbia</td>
<td></td>
<td>$1,000,000</td>
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<td>King County</td>
<td>$1,000,000</td>
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<td>North Central</td>
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<td>North Sound</td>
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<td>Pierce County</td>
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<td>Olympic Community of Health</td>
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<td>Southwest Washington</td>
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<td>$6,000,000</td>
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<table>
<thead>
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<th>Service Expenditures</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>DY1 Total</th>
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<tr>
<td>Tailored Supported for Older Adults</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$61,871</td>
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<tr>
<td>Medicaid Alternative Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$2,801</td>
</tr>
<tr>
<td>Foundational Community Supports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Overall demonstration development/issues

Operational/policy issues
Implementation activities for DSRIP, LTSS, and FCS are currently underway.

There are continued challenges with educating DSRIP stakeholders and partners, especially as the program is refined. Given the anticipated reduction in the total amount of available project incentives under Initiative 1 (see Designated State Health Programs (DSHP) section below), the state has been in regular contact with ACHs to discuss the implications and mitigation strategies. During this reporting quarter, the state worked closely with ACHs, the Independent Assessor, and other contracted support to refine the Project Plan scoring methodology and submission requirements in order to better respond to the dynamic nature of the programmatic design of the MTP.

Financial/budget neutrality development/issues

Financial
As questions arise, the state and CMS have leveraged monthly CMS monitoring calls to address technical and operational finance related questions.

Budget neutrality
According to STC 105, a draft working version of the budget neutrality monitoring tool was to be available for inclusion in the state’s first quarterly report. Per CMS guidance, the state is awaiting further direction from CMS with respect to the status of this tool. It is critical that guidance is provided soon to ensure we are able to monitor and analyze actual expenditures subject to budget neutrality. HCA will continue to raise this issue during monthly monitoring calls.

Designated State Health Programs (DSHP)
HCA is still projecting actual realized expenditures authorized under the MTP for the Designated State Health Programs (DSHP) to be lower than originally anticipated. Due to the shortage in DSHP, HCA has communicated a reduction in the total amount of available project incentives under Initiative 1. HCA has been in regular communication with external stakeholders and ACH partners to discuss the impact it will have on the availability of funding for Initiative 1. This will affect how much money ACHs will receive to carry out their planned transformation projects; therefore, regular updates are being provided to ACHs notifying them of any significant changes to the DSHP projections.

Consumer issues
The state has not experienced any major consumer issues for the DSRIP and FCS programs during this reporting quarter, other than general inquiry about benefits available through the MTP.

During the implementation of MAC and TSOA the state became aware that some consumers were choosing to give up their Medicaid medical coverage in order to access the TSOA benefit. Many of these individuals are dual eligible and did not seem to be aware of the coverage and benefits they
would be giving up. To ensure staff had the information and resources to assist consumers in making the best decisions for themselves the state scheduled statewide webinars to educate staff and answer questions on the impacts of such a decision. We also collaborated with the Health Care Authority to develop joint consumer materials outlining the benefits of Medicaid. The state continues to monitor enrollments to ensure it is responding to any needs that arise.

Quality assurance/monitoring activity
Not applicable for DSRIP and FCS during this reporting quarter.

Internal work continued this quarter on development of the Quality Improvement Score (QIS) for the LTSS program. The state’s proposal was submitted to CMS and, based on guidance provided by CMS in November, the state will use this format for future reporting under STC 54. DSHS/ALTSA continues to refine the internal processes that will be used to comply with the QIS activities.

Plans for internal audit of Presumptive Eligibility (PE) screenings by ALTSA Quality Assurance Unit were finalized this quarter. In compliance with STC 56(c)(i) The first PE audit will be completed in early January 2018 focusing on implementation. Results will be included in the next quarterly report.

Demonstration evaluation
After receiving CMS approval for the evaluation design plan, the state began drafting the Request for Proposals (RFP) to procure an independent evaluator. The RFP was released on January 2, 2018, with a target effective date of April 1, 2018.

Health IT
HCA continued to develop and refine its Health IT Strategic Roadmap with CMS and other partners. The Health IT Strategic Roadmap identifies activities necessary to advance the use of interoperable Health IT and HIE across the care continuum in support of the programmatic objectives of the MTP. HCA submitted its Health IT Strategic Roadmap and Operational Plan on December 1, 2017.
Summary of additional resources, enclosures and attachments

Additional resources
More information about Washington’s demonstration is available at:

Interested parties can sign up to be notified of demonstration developments, release of new materials, and opportunities for public comment through the Healthier Washington listserv.

Summary of enclosures and attachments

<table>
<thead>
<tr>
<th>Attachment Reference</th>
<th>Document Title/Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>State Contacts</td>
</tr>
<tr>
<td>B</td>
<td>Independent External Evaluator Request for Proposals</td>
</tr>
</tbody>
</table>
Attachment A: State contacts

Identify the individual(s) that CMS may contact should any questions arise:

<table>
<thead>
<tr>
<th>Area</th>
<th>Name</th>
<th>Title</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTP and quarterly reports</td>
<td>Kali Klein</td>
<td>Manager, Medicaid Transformation</td>
<td>(360) 725-1240</td>
</tr>
<tr>
<td>DSRIP program</td>
<td>Kali Klein</td>
<td>Manager, Medicaid Transformation</td>
<td>(360) 725-1240</td>
</tr>
<tr>
<td>LTSS program</td>
<td>Kelli Emans</td>
<td>Managed Care Program Manager, DSHS</td>
<td>(360) 725-3213</td>
</tr>
<tr>
<td>FCS program</td>
<td>Jon Brumbach</td>
<td>Senior Health Policy Analyst, Medicaid Transformation</td>
<td>(360) 725-1535</td>
</tr>
</tbody>
</table>

For mail delivery, use the following address:

Washington Health Care Authority
Division of Planning, Policy and Performance
Mail Stop 45502
628 8th Ave SE
Olympia, WA 98501
STATE OF WASHINGTON
HEALTH CARE AUTHORITY
REQUEST FOR PROPOSALS (RFP)
RFP NO. 2572

PROJECT TITLE: Independent External Evaluator (IEE) for Washington State Medicaid Transformation Project Demonstration

PROPOSAL DUE DATE: February 9, 2018 by 2:00 PM Pacific Time, Olympia, Washington, USA.

ESTIMATED TIME PERIOD FOR CONTRACT: April 16, 2018 to December 31, 2022.
The Health Care Authority reserves the right to extend the contract for up to two additional one year periods at the sole discretion of the Health Care Authority.

BIDDER ELIGIBILITY: This procurement is open to those Bidders that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

1.1. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue Request for Proposals</td>
<td>January 4, 2018</td>
</tr>
<tr>
<td>Letter of Intent and Questions Due to HCA</td>
<td>January 12, 2018 - 2:00 PM (PT)</td>
</tr>
<tr>
<td>HCA Response to Bidder Questions – Amendment posted via WEBS</td>
<td>January 22, 2018</td>
</tr>
<tr>
<td>Proposals Due</td>
<td>February 9, 2018 - 2:00 PM (PT)</td>
</tr>
<tr>
<td>Evaluate Proposals (approximate timeframe)</td>
<td>February 12 - 21, 2018</td>
</tr>
<tr>
<td>Conduct Oral Interviews with Finalists, (if required)</td>
<td>March 6 - 7, 2018</td>
</tr>
<tr>
<td>Announce “Apparently Successful Bidder (ASB)” and send notification via e-mail to unsuccessful Bidders</td>
<td>March 9, 2018</td>
</tr>
<tr>
<td>Debrief Requests Due</td>
<td>March 14, 2018 5:00 PM (PT)</td>
</tr>
<tr>
<td>Debrief Conferences via Telephone (if requested)</td>
<td>March 19 - 21, 2018</td>
</tr>
<tr>
<td>Begin Contract Work (estimated)</td>
<td>April 16, 2018</td>
</tr>
</tbody>
</table>
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2. INTRODUCTION

2.1. PURPOSE AND BACKGROUND

The Washington State Health Care Authority, hereafter called "HCA," is initiating this Request for Proposals (RFP) to solicit proposals from firms interested in participating on a project to serve as the Independent External Evaluator (IEE) for HCA’s Section 1115 Medicaid Transformation demonstration project (demonstration) with the federal Centers for Medicare and Medicaid Services (CMS). A copy of the demonstration application and related documents can be found at [http://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation](http://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation). The IEE will be responsible for the implementation of the demonstration evaluation WA MTP Draft Design for Evaluation Approved Signed 10.26.17 found at [https://www.hca.wa.gov/assets/program/wa-mtp-draft-design-for-evaluation-approved.pdf](https://www.hca.wa.gov/assets/program/wa-mtp-draft-design-for-evaluation-approved.pdf) as well as any other activities described herein.

The demonstration aims to transform the State’s Medicaid delivery system through regional collaborative efforts led by Accountable Communities of Health (ACHs) and new supportive services to address the aging population and to address the social determinants of health.

Over the next five (5) years the demonstration will:

- Integrate physical and behavioral health purchasing and service delivery to better meet whole person needs;
- Convert 90% of Medicaid provider payments to reward outcomes instead of volume;
- Support provider capacity to adopt new payment and care models;
- Implement population health strategies that improve health equity; and
- Provide new targeted services that address the needs of our aging populations and address key determinants of health.

The demonstration consists of three (3) initiatives in support of these goals:

- Initiative 1: Delivery System Reform Incentive Payment (DSRIP) Program – Transformation through ACHs.
- Initiative 2: Long Term Services and Supports (LTSS) – Medicaid Alternative Care (MAC) and Tailored Supports for Older Adults (TSOA).
- Initiative 3: Foundational Community Supports (FCS) – Targeted Home and Community-Based Services (HCBS) for eligible individuals.

HCA intends to award one contract to provide the services described in this RFP. Any contract awarded as a result of this procurement is contingent upon the availability of funding and final approval of the relevant protocols by CMS.

2.2. OBJECTIVES AND SCOPE OF WORK

This section describes the evaluation activities that are required to be provided by the selected IEE. Bidder must be able to provide all of these services throughout the entire contract term. The IEE will have no affiliation with Washington State ACHs or their providers. HCA will act appropriately to prevent a conflict of interest with the successful bidder.
2.2.1. Performance Standards and Expectations

HCA is undertaking an ambitious set of Medicaid innovation initiatives. A thorough evaluation of the initiatives and programs undertaken during this demonstration will be essential to understanding the impact of these programs and making informed decisions about which programs to continue beyond the demonstration.

The IEE will provide impartial expertise, in conducting a sophisticated evaluation that meets all requirements specified in the demonstration’s Special Terms and Conditions (STCs), including specified reporting timeframes. A copy of the full STCs can be found at https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation-resources. HCA is committed to the value of sharing both positive and negative experiences with the attempted innovations in order to inform broader health care transformation efforts.

Evaluation of the demonstration activities will be led by the IEE, and supported by state agency teams with complementary data management and analytic subject matter expertise. In doing so, the IEE will provide an assessment of:

2.2.1.1. Overall Medicaid system performance (related to access, quality, and efficiency of care) under the Delivery System Reform Incentive Payments (DSRIP) program;
2.2.1.2. Progress toward meeting Medicaid Value-Based Payment (VBP) adoption targets;
2.2.1.3. The impact of the demonstration on the development of the workforce; capacity needed to support health system transformation;
2.2.1.4. The impact of the demonstration on provider adoption and use of appropriate health information technology; and
2.2.1.5. The impact of demonstration initiatives and projects at the state and ACH regional level.

The IEE is also expected to provide rapid-cycle implementation and operational support, including formative evaluation activities.

2.2.2. Major Evaluation Activities

This section provides additional detail about the major evaluation activities expected to be undertaken across all three (3) initiatives by the IEE and state agency evaluation support teams. Detailed design elements related to qualitative evaluation and quasi-experimental evaluation of ACH projects will be determined collaboratively with state agency teams and the IEE, and after the approval of detailed project design information from ACH project plans. The evaluation will encompass both an assessment of the impact of the demonstration on the delivery system at large and evaluation of specific projects implemented under all three (3) initiatives WA MTP Draft Design for Evaluation Approved Signed 10.26.17 found at https://www.hca.wa.gov/assets/program/wa-mtp-draft-design-for-evaluation-approved.pdf. The proposed evaluation activities are expected to conform to the CMS-approved evaluation design for the project.
2.2.3. Technical Proposals

Bidder’s Technical Proposals are required to address each of the following components:

2.2.3.1. **Quantitative analysis leveraging integrated administrative data.** The evaluation will leverage the integrated administrative data maintained in the State's integrated client data environment to support quasi-experimental evaluation across all three initiatives, including evaluation at the ACH-project scale. Propensity score matched comparison group designs are expected to be broadly deployed across all project areas that are amenable to impact analysis using administrative data. Administrative data sources will include Medicaid Management Information System (MMIS)-derived health service utilization data, LTSS assessment data, and linked "social determinant" outcome data. Additional detail can be found in the previously referenced evaluation design **WA MTP Draft Design for Evaluation Approved Signed 10.26.17**. A copy of the evaluation design can be found at [https://www.hca.wa.gov/assets/program/wa-mtp-draft-design-for-evaluation-approved.pdf](https://www.hca.wa.gov/assets/program/wa-mtp-draft-design-for-evaluation-approved.pdf).

2.2.3.2. **Qualitative Analysis.** Evaluation activities will include qualitative analysis of program implementation and operations to support both formative evaluation deliverables and quantitative analysis of program impacts. The design and execution of qualitative methods supporting the evaluation will be the lead responsibility of the IEE. This responsibility will include:

- **2.2.3.2.1.** Implementing focus groups;
- **2.2.3.2.2.** Key informant interviews;
- **2.2.3.2.3.** Provider surveys, determining the universes and/or sample frames from which participants will be selected;
- **2.2.3.2.4.** Determining when focus groups, interviews, or surveys will be conducted;
- **2.2.3.2.5.** Aligning data collection instruments to specific research questions and hypotheses; and
- **2.2.3.2.6.** Designing the specific data collection instruments.

Subjects for qualitative data collection and analysis are expected to include beneficiaries, providers, ACH staff/administrators, Managed Care Organization (MCO) staff/administrators, and state agency staff. Individual ACH projects are expected to define strata for sampling of subjects for qualitative analyses, to ensure representation from targeted beneficiaries and providers.

2.2.3.3. **Primary data collection for research questions that cannot be addressed using administrative data:** Evaluation activities are expected to include key informant interviews, focus groups, stakeholder surveys, document review, and other activities as necessary to inform the qualitative analysis of initiative and project design and implementation. Qualitative analysis and primary data collection will be particularly important in evaluating the impact of DSRIP activities on progress toward meeting...
VBP adoption targets, the development of workforce capacity, and provider adoption and use of Health Information Technology (HIT).

2.2.4. Collaboration with HCA and RDA Program and Research Staff

HCA plans to use the evaluation to inform and support implementation of new services and delivery system reforms, to develop internal reporting capability, and to share lessons learned across projects and geography. To ensure that the evaluation work can be fully leveraged by the State of Washington, the IEE will be expected to consult extensively with state agency research staff to ensure agreement on scope, approach, and interpretation of the Washington Medicaid setting. Careful consultation will be essential to develop an evaluation that is responsive to the Washington experience, while identifying generalizable results.

The IEE will lead the evaluation and ultimately be responsible for the validity, reproducibility, and interpretation of the results. The state agency staff’s role will be to provide extensive guidance on unique aspects of the State of Washington's Medicaid delivery system, data availability, analytical methods, and content subject matter expertise. The state agency staff will provide guidance on its needs and use cases for materials and results produced for the evaluation. While all aspects of the evaluation plan outlined here will be the lead responsibility of the IEE, HCA will participate in and conduct its own analyses of impacts across the initiatives of the demonstration.

2.2.5. Collaboration with Other Contractors

HCA has also contracted with a third party Independent Assessor to review ACH project proposals and implementation process (See Special Terms and Conditions Section 21). The Independent Assessor will make recommendations to the state around the funding of the ACH projects. The selected IEE may support this work but the IEE will not make final recommendations related to the continuation and/or funding of ACH projects.

In the event that CMS undertakes an independent evaluation of any component of the demonstration (See Special Terms and Conditions Section 113c), the IEE is expected to cooperate fully with the CMS selected federal evaluator.

2.2.6. Measures and Available Data

The selected IEE will have access to a set of measures drawn from data and reporting systems maintained by HCA, the Washington State Department of Social and Health Services (DSHS), Research and Data Analysis Division (RDA), and the Washington State Department of Health (DOH). Though Bidders are not limited to the use of these measures in their proposed evaluation plans, these measures and reporting systems should be used as applicable for the purposes of the DSRIP evaluation in assessing outcomes.

2.2.7. Tasks/Deliverables

The IEE will provide analyses and reporting to enable Washington to fully leverage the work of evaluation to inform and improve the implementation of the initiatives under the demonstration. For this reason, the evaluation will need to be undertaken in stages,
with reports and information being produced for appropriate use cases and target audiences at each stage (see below). Early work will focus on qualitative data gathered from focus groups, key informant interviews, and surveys.

As the implementation progresses, analysis and reports will move towards monitoring and rapid-cycle quantitative feedback to inform program operations, and finally focus on the evaluation of demonstration impacts and outcomes. HCA will also be interested in an evaluation of the effectiveness of our performance measurement processes and incentive payment structures in promoting effective project selection and implementation, and the extent to which performance payment processes promoted a positive impact on the targeted populations.

### Deliverable Tasks and Timelines

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<thead>
<tr>
<th>Calendar Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demonstration Year (DY)</td>
<td>DY 1</td>
<td>DY 2</td>
<td>DY 3</td>
<td>DY 4</td>
<td>DY 5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Responsible Party (from to)</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly progress reports from IEE to include quarterly activities, data analysis, reflections and insight on the implementation of projects drawing on key informant interviews, document review, meetings attended, and activity review.</td>
<td>Independent External Evaluator (IEE) to HCA</td>
<td>One month prior to State quarterly and annual reports.</td>
</tr>
<tr>
<td>Specification for data required from state including a timeline, data gap analysis, and plan to address data gaps.</td>
<td>IEE to HCA</td>
<td>DY 2, Q3</td>
</tr>
<tr>
<td>Focus groups and key informant interviews to create baseline information for qualitative analysis</td>
<td>IEE to HCA</td>
<td>90 days after submittal of implementation plans in DY 2, Q3</td>
</tr>
<tr>
<td>Analysis of (2017) baseline state metrics and data</td>
<td>IEE</td>
<td>DY 3, Q1</td>
</tr>
<tr>
<td>Analysis of VBP materials including existing survey results, data, key informant interviews, and focus groups.</td>
<td>IEE to HCA</td>
<td>DY 3, Q1 90 days after receiving focus group data</td>
</tr>
<tr>
<td>Review and synthesize documents, data, focus groups, and key informant interviews on baseline workforce capacity</td>
<td>IEE to HCA</td>
<td>DY 3, Q1 90 days after receiving focus group data</td>
</tr>
<tr>
<td>Review and synthesize documents, data, focus groups, and key informant interviews on baseline ability and readiness of state HIT/HIE to support health system transformation</td>
<td>IEE to HCA</td>
<td>DY 3, Q1 90 days after receiving focus group data</td>
</tr>
<tr>
<td>Qualitative analysis of other aspects of program implementation and operations</td>
<td>IEE to HCA</td>
<td>DY 3, Q1 90 days after receiving focus group data</td>
</tr>
<tr>
<td>Identification and baseline analysis of high risk populations expected to be significantly impacted by demonstration initiatives.</td>
<td>IEE to HCA</td>
<td>DY 3, Q1</td>
</tr>
<tr>
<td>Deliverable</td>
<td>Responsible Party (from to)</td>
<td>Date</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Quantitative baseline analysis of overall target populations' performance on metrics at the state and ACH levels</td>
<td>IEE to HCA</td>
<td>DY 3, Q2</td>
</tr>
<tr>
<td>Quantitative analysis of project target populations' performance on metrics both within and across ACHs.</td>
<td>IEE to HCA</td>
<td>DY 3, Q2</td>
</tr>
<tr>
<td>Rapid cycle monitoring reports around implementation of projects at the state and ACH levels</td>
<td>Joint IEE/HCA products</td>
<td>To be included in quarterly reports to start 90 days after implementation. Quarterly starting DY 3, Q1</td>
</tr>
<tr>
<td>Quantitative and qualitative evaluation of specific projects implemented under all three initiatives at the state and ACH levels</td>
<td>IEE to HCA</td>
<td>DY 4, Q1 preliminary results DY 5, Q4 final results</td>
</tr>
<tr>
<td>Focus groups and key informant interviews to assess impact of demonstration on all initiatives</td>
<td>IEE to HCA</td>
<td>DY 4, Q2</td>
</tr>
<tr>
<td>Focus groups and key informant interviews to assess impact of demonstration on all initiatives</td>
<td>IEE to HCA</td>
<td>DY 5, Q2</td>
</tr>
<tr>
<td>Analysis of VBP materials including provider survey results, key informant interviews, and focus groups to assess impact of demonstration activities on VBP readiness, adoption, and use in contracting both at the plan and provider level.</td>
<td>IEE to HCA</td>
<td>90 days after receiving focus group data (target date DY 5 Q4)</td>
</tr>
<tr>
<td>Analyze documents, data, focus groups, and key information interviews to assess demonstration impact on healthcare workforce capacity</td>
<td>IEE to HCA</td>
<td>90 days after receiving focus group data (target date DY 5 Q4)</td>
</tr>
<tr>
<td>Analyze documents, data, focus groups, and key information interviews to assess impact of demonstration on HIT/HIE investments, use, and impact on health system transformation</td>
<td>IEE to HCA</td>
<td>90 days after receiving focus group data (target date DY 5 Q4)</td>
</tr>
<tr>
<td>Qualitative analysis of other aspects of program implementation and operations</td>
<td>IEE to HCA</td>
<td>90 days after receiving focus group data (target date DY 5 Q4)</td>
</tr>
<tr>
<td>Draft Interim Evaluation Report</td>
<td>Joint IEE/HCA product</td>
<td>April 3rd, 2021</td>
</tr>
<tr>
<td>– CMS comments</td>
<td>CMS</td>
<td>TBD</td>
</tr>
<tr>
<td>– Final interim evaluation report</td>
<td>Joint IEE/HCA product</td>
<td>60 days from receipt of CMS comments</td>
</tr>
<tr>
<td>Draft Final Evaluation Report</td>
<td>Joint IEE/HCA product</td>
<td>January 30th, 2022</td>
</tr>
<tr>
<td>– CMS comments</td>
<td>CMS</td>
<td>TBD</td>
</tr>
<tr>
<td>– Final evaluation report</td>
<td>Joint IEE/HCA product</td>
<td>60 days from receipt of CMS comments</td>
</tr>
</tbody>
</table>
2.3. MINIMUM QUALIFICATIONS

The following are the minimum qualifications for Bidders:

2.3.1. Must be able to meet and pass all security requirements to handle Category 4 data in accordance with the Washington State Office of the Chief Information Officer (OCIO) 141.10. The OCIO website can be found at: https://ocio.wa.gov/policy/securing-information-technology-assets-standards. Criteria for passing a security design review are included within the standard. Language will be included in any Data Sharing Agreement (DSA), and Business Associate Agreement (BAA).

2.3.2. Licensed to do business in the State of Washington or provide a commitment that it will become licensed in Washington within 30 calendar days of being selected as the ASB.

2.3.3. Minimum 5 years of experience conducting large-scale, multi-year program evaluations, including experience conducting complex, multi-faceted evaluations of large, multi-site health and/or social services programs.

2.3.4. Experience managing and analyzing data from large, complex data systems, including Medicaid claims.

2.3.5. Experience with developing qualitative instruments and in collecting and analyzing qualitative data.

2.3.6. Experience assessing the ability of health IT ecosystems to support delivery system and payment reforms, including issues related to governance, financing, policy/legal issues and business operations.

2.3.7. Designated lead evaluator must have masters level training in statistics, public health, social sciences, or related field.

Failure to meet these Minimum Qualifications will result in a proposal being found non-responsive and eliminated for consideration.

2.4. PREFERRED QUALIFICATIONS

The following are the preferred qualifications for Bidders:

2.4.1. The designated lead evaluator with doctoral level training in statistics, public health, social sciences, or related field.

2.4.2. Research team with multi-disciplinary health services research skills and experience.

2.4.3. Demonstrated knowledge of the Washington State health care landscape and the Washington DSRIP program, including familiarity with Washington State Medicaid programs and populations.
2.5. FUNDING

HCA has budgeted an amount not to exceed five million, and five hundred thousand dollars, ($5,500,000.00) for this project. Proposals in excess of $5,500,000.00 will be considered non-responsive and will not be evaluated.

Any contract awarded as a result of this procurement is contingent upon the availability of funding. The estimated budget amount will cover all evaluation expenses, including salary, fringe, administrative costs, other direct costs such as travel for data collection, conference calls, etc., as well as all costs related to quantitative and qualitative data collection and analysis, and report development. More detail and justification for proposed costs will be provided through the IEE selection process.

2.6. PERIOD OF PERFORMANCE

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on or about April 16, 2018 and to end on December 31, 2022. Amendments extending the period of performance, if any, will be at the sole discretion of HCA.

The Health Care Authority reserves the right to extend the contract for up to two additional one year periods at the sole discretion of the Health Care Authority.

2.7. 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. Bidders should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

2.8. DEFINITIONS

Definitions for the purposes of this RFP include:

**ACH** – Accountable Community of Health, organizations that work regionally to align resources and activities, to improve the delivery of whole-person health and wellness.

**Apparentley Successful Bidder (ASB)** – The bidder selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

**Bidder** – Individual or company interested in the RFP that submits a proposal in order to attain a contract with the Health Care Authority.

**Centers for Medicare and Medicaid Services (CMS)** – means the agency with the United States Department of Health & Human Services that provides administration and funding for Medicare under Title XVIII, Medicaid under Title XIX, and the Children’s Health Insurance Program under Title XXI of the Social Security Act.

**Delivery System Reform Incentive Payment (DSRIP)** – means a strategy designed to help accomplish health care delivery system reform.
HCA – The Health Care Authority, an executive agency of the state of Washington that is issuing this RFP.

Home and Community Based Services (HCBS) - means home and community based services that provide opportunities for Medicaid beneficiaries to receive services in their own home or community rather than institutions or other isolated settings.

Managed Care Organization (MCO) - means an organization having a certificate of authority or certificate of registration from the Washington State Office of Insurance Commissioner that contracts with HCA under a comprehensive risk contract to provide prepaid health care services to eligible HCA Consumers under HCA Managed Care programs.

Proposal – A formal offer submitted in response to this solicitation.

Research and Data Analysis (RDA) – means a division of the Washington State Department of Social and Health Services

Request for Proposals (RFP) – Formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen. The purpose of an RFP is to permit the bidder community to suggest various approaches to meet the need at a given price.

2.9. ADA

HCA complies with the Americans with Disabilities Act (ADA). Bidders may contact the RFP Coordinator to receive this Request for Proposals in Braille or on tape.
3. GENERAL INFORMATION FOR BIDDERS

3.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact in HCA for this procurement. All communication between the Bidder and HCA upon release of this RFP must be with the RFP Coordinator, as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Holly Jones</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-Mail Address</td>
<td><a href="mailto:contracts@hca.wa.gov">contracts@hca.wa.gov</a></td>
</tr>
</tbody>
</table>

Any other communication will be considered unofficial and non-binding on HCA. Bidders are to rely on written statements issued by the RFP Coordinator. Communication directed to parties other than the RFP Coordinator may result in disqualification of the Bidder.

HCA reserves the right to revise the above schedule.
3.2. LETTER OF INTENT TO PROPOSE MANDATORY

To be eligible to submit a Proposal, a Bidder must submit a Letter of Intent to Propose. The Letter of Intent to Propose must be emailed to the RFP Coordinator, listed in Section 3.1., and must be received no later than January 12, 2018 by 2:00 PM (PT) in the Procurement Schedule, Section 1.1.

3.2.1. The Letter of Intent to Propose must be attached to the email as a separate document, in Word or PDF.

3.2.2. The subject line of the email must include:

a. RFP number RFP2572
b. Letter of Intent to Propose
c. Your firm's name

3.2.3. Information in the Letter of Intent to Propose should be placed in the following order:

a. Bidder's Organization Name;
b. Bidder's authorized representative for this Procurement (This representative will also be named the authorized representative identified in the Bidder's Proposal);
c. Title of authorized representative;
d. Address, Telephone number, and Email address;
e. Statement of intent to propose; and
f. A statement and explanation of how you meet ALL of the Minimum Qualifications specified in Section 2.3. of the Procurement.

HCA will use the Letters of Intent to Propose as a pre-screening to determine whether Minimum Qualifications are met.

3.3. SUBMISSION OF PROPOSALS

ELECTRONIC PROPOSALS: E-mailed bids will be accepted. **Faxed bids will not.**

The proposal must be received by the RFP Coordinator no later than the Proposal deadline stated in Section 1.1., Estimated Schedule of Procurement, February 9, 2018 by 2:00 PM Pacific Time.

Proposals must be submitted electronically as an attachment to an e-mail to the RFP Coordinator at the e-mail address listed in Section 3.1. Attachments to e-mail should be in Microsoft Word format or PDF. Zipped files cannot be received by HCA and cannot be used for submission of proposals.

The cover Letter of Submittal, Section 4.1. and the Certifications and Assurances, Exhibit A, must have a scanned signature of the individual within the organization authorized to bind the Bidder to the offer.
3.3.1. HCA does not assume responsibility for problems with Bidder’s e-mail. If HCA e-mail is not working, appropriate allowances will be made.

3.3.2. Proposals may not be transmitted using facsimile transmission.

3.3.3. Bidders should allow sufficient time to ensure timely receipt of the proposal by the RFP Coordinator.

3.3.4. Late proposals will not be accepted and will be automatically disqualified from further consideration, unless HCA e-mail is found to be at fault. All proposals and any accompanying documentation become the property of HCA and will not be returned.

3.4. PROPRIETARY INFORMATION / PUBLIC DISCLOSURE

Proposals submitted in response to this competitive procurement will become the property of HCA. All proposals received will remain confidential until the ASB is announced; thereafter, the proposals will be deemed public records as defined in chapter 42.56 of the Revised Code of Washington (RCW).

Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of chapter 42.56 RCW, or other state or federal law that provides for the nondisclosure of your document, must be clearly designated. The information must be clearly identified and the particular exemption from disclosure upon which the Bidder is making the claim must be cited. Each page containing the information claimed to be exempt from disclosure must be clearly identified by the words “Proprietary Information” printed on the lower right hand corner of the page. Marking the entire proposal exempt from disclosure or as Proprietary Information will not be honored.

If a public records request is made for the information that the Bidder has marked as “Proprietary Information,” HCA will notify the Bidder of the request and of the date that the records will be released to the requester unless the Bidder obtains a court order enjoining that disclosure. If the Bidder fails to obtain the court order enjoining disclosure, HCA will release the requested information on the date specified. If a Bidder obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to chapter 42.56 RCW, or other state or federal law that provides for nondisclosure, HCA will maintain the confidentiality of the Bidder’s information per the court order.

A charge will be made for copying and shipping, as outlined in RCW 42.56. No fee will be charged for inspection of contract files, but 24 hours’ notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

3.5. REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, an amendment will be provided via e-mail to all individuals who have made the RFP Coordinator aware of their interest. Addenda will also be published on Washington’s Electronic Bid System (WEBS). The website can be located at https://fortress.wa.gov/ga/webs/. For this purpose, the published questions and answers and any other pertinent information will be provided as an addendum to the RFP and will be placed on the website.
HCA also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.

3.6. DIVERSE BUSINESS INCLUSION PLAN

Bidders will be required to submit a Diverse Business Inclusion Plan with their proposal. In accordance with legislative findings and policies set forth in RCW 39.19, the state of Washington encourages participation in all contracts by firms certified by the Office of Minority and Women’s Business Enterprises (OMWBE), set forth in RCW 43.60A.200 for firms certified by the Washington State Department of Veterans Affairs, and set forth in RCW 39.26.005 for firms that are Washington Small Businesses.

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, 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.

3.7. ACCEPTANCE PERIOD

Proposals must provide one hundred twenty (120) calendar days for acceptance by HCA from the due date for receipt of proposals.

3.8. COMPLAINT PROCESS

Vendors may submit a complaint to HCA based on any of the following:

3.8.1. The solicitation unnecessarily restricts competition;

3.8.2. The solicitation evaluation or scoring process is unfair; or

3.8.3. The solicitation requirements are inadequate or insufficient to prepare a response.

A complaint may be submitted to HCA at any time prior to five business days before the bid response deadline. The complaint must meet the following requirements:

3.8.4. The complaint must be in writing;

3.8.5. The complaint must be sent to the RFP Coordinator in a timely manner;

3.8.6. The complaint should clearly articulate the basis for the complaint; and

3.8.7. The complaint should include a proposed remedy.

The RFP Coordinator will respond to the complaint in writing. The response to the complaint and any changes to the solicitation will be posted on WEBS. The Director of HCA will be notified of all complaints and will be provided a copy of HCA’s response. The complaint may not be raised again during the protest period. HCA’s action or inaction in response to the complaint will be final. There will be no appeal process.
3.9. RESPONSIVENESS

All proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The Bidder is specifically notified that failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive. HCA also reserves the right at its sole discretion to waive minor administrative irregularities.

3.10. MOST FAVORABLE TERMS

HCA reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the Bidder can propose. HCA does reserve the right to contact a Bidder for clarification of its proposal.

HCA also reserves the right to use a Best and Final Offer (BAFO) before awarding any contract to further assist in determining the ASB(s).

The ASB should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. The contract resulting from this RFP will incorporate some, or all, of the Bidder’s proposal. The proposal will become a part of the official procurement file on this matter without obligation to HCA.

3.11. CONTRACT AND GENERAL TERMS & CONDITIONS

The ASB will be expected to enter into a contract and data share agreement (DSA) which is substantially the same as the draft sample contracts and their general terms and conditions attached as Exhibit C. In no event is a Bidder to submit its own standard contract terms and conditions in response to this solicitation. The Bidder may submit exceptions as allowed in the Certifications and Assurances form, Exhibit A to this solicitation. All exceptions to the contract terms and conditions must be submitted as an attachment to Exhibit A, Certifications and Assurances form. If the Bidder fails to identify or object to any particular term or condition, that term or condition will be deemed agreed to by the Bidder, and will not be further discussed by HCA. HCA reserves the right to discuss any Bidder proposed change to terms or conditions and to clarify and supplement such proposal.

If, after the announcement of the ASB, and after a reasonable period of time, the ASB and HCA cannot reach agreement on acceptable terms for the Contract, the HCA may cancel the selection and Award the Contract to the next most qualified Bidder.

3.12. COSTS TO PROPOSE

HCA will not be liable for any costs incurred by the Bidder in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.
3.13. RECEIPT OF INSUFFICIENT NUMBER OF PROPOSALS

If HCA receives only one responsive proposal as a result of this RFP, HCA reserves the right to either:

a. Directly negotiate and contract with the Bidder; or
b. Not award any contract at all. HCA may continue to have the bidder complete the entire RFP.

HCA is under no obligation to tell the Bidder if it is the only Bidder.

3.14. NO OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or HCA to contract for services specified herein.

3.15. REJECTION OF PROPOSALS

HCA reserves the right, at its sole discretion, to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.

3.1. COMMITMENT OF FUNDS

The Director of HCA or his/her delegate is the only individual who may legally commit HCA to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

3.2. ELECTRONIC PAYMENT

The state of Washington prefers to utilize electronic payment in its transactions. The ASB will be provided a form to complete with the contract to authorize such payment method.

3.3. INSURANCE COVERAGE (ADD OTHER INSURANCE AS REQUIRED)

As a requirement of the resultant contract, the ASB is to furnish HCA with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The ASB must, at its own expense, obtain and keep in force insurance coverage which will be maintained in full force and effect during the term of the contract. The ASB must furnish evidence in the form of a Certificate of Insurance that insurance will be provided, and a copy must be forwarded to HCA within 15 days of the contract effective date.

3.3.1. Liability Insurance

3.3.1.1. Commercial General Liability Insurance: ASB shall maintain commercial general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than $1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit must be at least twice the "each
occurrence” limit. CGL insurance must have products-completed operations aggregate limit of at least two times the “each occurrence” limit. CGL insurance must be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance must cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insureds (cross liability) condition.

Additionally, the ASB is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

3.3.1.2. Business Auto Policy: As applicable, the ASB shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than $1,000,000 per accident. Such insurance must cover liability arising out of “Any Auto.” Business auto coverage must be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

3.3.2. Employers Liability (“Stop Gap”) Insurance

In addition, the ASB shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than $1,000,000 each accident for bodily injury by accident or $1,000,000 each employee for bodily injury by disease.

3.3.3. Cyber-Liability Insurance / Privacy Breach Coverage. For the purposes of this section the following definitions apply:

**Breach** – means the unauthorized acquisition, access, use, or disclosure of Data shared under any resulting Contract that compromises the security, confidentiality, or integrity of the Data.

**Confidential Information** – is information that is exempt from disclosure to public or other unauthorized persons under 42.56 RCW or other federal or state laws. Confidential Information includes, but is not limited to, Personal Information and Protected Health Information.

**Data** – means information that is disclosed or exchanged between HCA and ASB. Data includes Confidential Information.

**Personal Information** – means information identifiable to any person, including but not limited to, information that relates to a person’s name, health, finances, education, business, use, or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver’s license numbers, credit card numbers, any other identifying numbers, and any financial identifiers.

**Protected Health Information (PHI)** – means information that relates to the provision of health care to an individual, the past, present, or future physical or mental health or condition of an individual, the past, present, or future payment for provision of health care to an individual. PHI includes demographic information that identifies the individual or about which there is reasonable basis to believe, can be used to identify the individual. PHI is information transmitted, maintained, or stored in any form or medium. PHI does
not include education records covered by the Family Educational Right and Privacy Act, as amended.

3.3.4. For the term of any resulting Contract and 3 years following its termination or expiration, ASB must maintain insurance to cover costs incurred in connection with a security incident, privacy Breach, or potential compromise of Data, including:

3.3.4.1. Computer forensics assistance to assess the impact of a Data Breach, determine root cause, and help determine whether and the extent to which notification must be provided to comply with Breach notification laws;

3.3.4.2. Notification and call center services for individuals affected by a security incident, or privacy Breach;

3.3.4.3. Breach resolution and mitigation services for individuals affected by a security incident or privacy Breach, including fraud prevention, credit monitoring, and identity theft assistance; and

3.3.4.4. Regulatory defense, fines, and penalties from any claim in the form of a regulatory proceeding resulting from a violation of any applicable privacy or security law(s) or regulation(s).

3.3.5. Additional Provisions

Above insurance policy must include the following provisions:

3.3.5.1. Additional Insured. The state of Washington, HCA, its elected and appointed officials, agents and employees must be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract must be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.

3.3.5.2. Cancellation. State of Washington, HCA, must be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer must give the state 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the state must be given ten days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The state must be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the state must be given ten days advance notice of cancellation.

3.3.5.3. Identification. Policy must reference the state’s contract number and the Health Care Authority.

3.3.5.4. Insurance Carrier Rating. All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best’s Reports. Any exception must be reviewed and approved by the Health Care Authority Risk Manager, or the Risk Manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for
issuing the insurance policies must comply with chapter 48.15 RCW and 284-15 WAC.

3.3.5.5. Excess Coverage. By requiring insurance herein, the state does not represent that coverage and limits will be adequate to protect ASB, and such coverage and limits will not limit ASB’s liability under the indemnities and reimbursements granted to the state in this Contract.

3.3.6. Workers’ Compensation Coverage

The ASB will at all times comply with all applicable workers’ compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsive in any way for claims filed by the ASB or their employees for services performed under the terms of this contract.
4. PROPOSAL CONTENTS

Proposals must be written in English and submitted electronically to the RFP Coordinator in the order noted below:

A. Letter of Submittal **Section 4.1.,** including signed Certifications and Assurances *(Exhibit A to this RFP)*;

B. Technical Proposal;

C. Management Proposal;

D. Cost Proposal; and

E. Diverse Business Inclusion Plan *(Exhibit B to this RFP)*.

Proposals must provide information in the same order as presented in this document with the same headings.

Items marked **“Mandatory” must be included** as part of the proposal for the proposal to be considered responsive; however, these items are not scored. Items marked “scored” are those that are awarded points as part of the evaluation conducted by the evaluation team.

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**4.1. LETTER OF SUBMITTAL (MANDATORY)**

The **Letter of Submittal** and the attached **Certifications and Assurances (Exhibit A)** must be signed and dated by a person authorized to legally bind the Bidder to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship.

Along with introductory remarks, the **Letter of Submittal** is to include by attachment the following information about the Bidder and any proposed subcontractors:

**4.1.1.** A detailed description on how the Bidder meets and/or exceeds each Minimum Qualification listed in **Section 2.3** and any of the listed Preferred Qualifications in **Section 2.4**.

**4.1.2.** Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

**4.1.3.** Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.).

**4.1.4.** Legal status of the Bidder *(sole proprietorship, partnership, corporation, etc.*) and the year the entity was organized to do business as the entity now substantially exists.

- Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department of Revenue. If the Bidder does not have a UBI number, the Bidder must state that it will become licensed in Washington within 30 calendar days of being selected as the ASB.
4.1.5. Location of the facility from which the Bidder would operate.

4.1.6. Identify any state employees or former state employees employed or on the firm’s governing board as of the date of the proposal. Include their position and responsibilities within the Bidder’s organization. If following a review of this information, it is determined by HCA that a conflict of interest exists, the Bidder may be disqualified from further consideration for the award of a contract.

4.1.7. If the Bidder has had a contract terminated for default in the last five years, describe such incident. Termination for default is defined as notice to stop performance due to the Bidder’s non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Bidder, or (b) litigated and such litigation determined that the Bidder was in default.

4.1.8. Submit full details of the terms for default including the other party’s name, address, and phone number. Present the Bidder’s position on the matter. HCA will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience. If no such termination for default has been experienced by the Bidder in the past five years, so indicate.

4.1.9. Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of RCW 42.56 must be clearly designated. The page must be identified and the particular exemption from disclosure upon which the Bidder is making the claim must be listed. Each page claimed to be exempt from disclosure must be clearly identified by the word “Proprietary” printed on the lower right hand corner of the page. In your Letter of Submittal, please list which pages and sections that have been marked “Proprietary” and the particular exemption from disclosure upon which the Bidder is making the claim.

4.2. TECHNICAL (SCORED) (Max 100 points)

The Technical Proposal must contain a comprehensive description of services including the following elements: (up to 30 pages for sections 4.2.1 – 4.2.6.)

4.2.1. Project Approach/Methodology – Include a complete description of the Bidder’s proposed approach and methodology for the project. This section should convey Bidder’s understanding of the proposed project and how the requirements of the CMS-approved evaluation design will be addressed. (25 points - maximum)

4.2.2. Work Plan – Include all project requirements and the proposed tasks, services, activities, etc. necessary to accomplish the scope of the project defined in this RFP. This section of the technical proposal must contain sufficient detail to convey to members of the evaluation team the Bidder’s knowledge of the subjects and skills necessary to successfully complete the project. Include any required involvement of HCA staff. The Bidder may also present any creative approaches that might be appropriate and may provide any pertinent supporting documentation. (25 points - maximum)
4.2.3. **Project Schedule** – Include a project schedule indicating when the elements of the work will be completed. Project schedule must ensure that any deliverables requested are met. *(10 points - maximum)*

4.2.4. **Outcomes and Performance Measurement** – Describe the impacts/outcomes the Bidder proposes to achieve as a result of the delivery of these services including how these outcomes would be monitored, measured, and reported to HCA. *(15 points - maximum)*

4.2.5. **Risks** – The Bidder must identify potential risks that are considered significant to the success of the project. Include how the Bidder would propose to effectively monitor and manage these risks, including reporting of risks to the HCA contract manager. *(15 points - maximum)*

4.2.6. **Deliverables** – Fully describe deliverables to be submitted under the proposed contract. Deliverables must support the requirements set forth in Section 2.2, Objectives and Scope of Work. *(10 points - maximum)*

### 4.3. MANAGEMENT PROPOSAL (SCORED) (Max 45 points)

#### 4.3.1. **Project Management**

4.3.1.1. **Project Team Structure/Internal Controls** – Provide a description of the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Provide an organizational chart of your firm indicating lines of authority for personnel involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Include who within the firm will have prime responsibility and final authority for the work. *(15 points - maximum)*

4.3.1.2. **Staff Qualifications/Experience** – Identify staff, including subcontractors, who will be assigned to the potential contract, indicating the responsibilities and qualifications of such personnel, and include the amount of time each will be assigned to the project. Provide resumes for the named staff, which include information on the individual’s particular skills related to this project, education, experience, significant accomplishments and any other pertinent information. The Bidder must commit that staff identified in its proposal will actually perform the assigned work. Any staff substitution must have the prior approval of HCA. *(15 points - maximum)*
4.3.2. Experience of the Bidder *(15 Points - maximum)*

4.3.2.1. Indicate the experience the Bidder and any subcontractors have in the following areas associated with:

4.3.2.1.1. Receiving, storing, using, and disposing of Category 4 Data, or other similar data.

4.3.2.1.2. Conducting large-scale multi-year program evaluations of complex, multi-faceted health or social service programs.

4.3.2.1.3. Experience managing and analyzing large, complex data bases including Medicaid claims, and experience assessing Health IT ecosystems.

4.3.2.2. Indicate other relevant experience that indicates the qualifications of the Bidder, and any subcontractors, for the performance of the potential contract.

4.3.2.3. Include a list of contracts the Bidder has had during the last five years that relate to the Bidder’s ability to perform the services needed under this RFP. List contract reference numbers, contract period of performance, contact persons, telephone numbers, and fax numbers/e-mail addresses.

4.3.3. References *(MANDATORY AND NOT SCORED)*

List names, addresses, telephone numbers, and fax numbers/e-mail addresses of three business references for the Bidder and three business references for the lead staff person for whom work has been accomplished and briefly describe the type of service provided. Do not include current HCA staff as references. By submitting a proposal in response to this RFP, the vendor and team members grant permission to HCA to contact these references and others, who from HCA’s perspective, may have pertinent information. HCA may or may not, at HCA’s discretion, contact references. HCA may evaluate references at HCA’s discretion.

4.3.4. OMWBE Certification *(OPTIONAL AND NOT SCORED)*

Include proof of certification issued by the Washington State Office of Minority and Women’s Business Enterprises (OMWBE) if certified minority-owned firm and/or women-owned firm(s) will be participating on this project. For information: [http://www.omwbe.wa.gov](http://www.omwbe.wa.gov).

**4.4. COST PROPOSAL (SCORED) (Max 15 points)**

The maximum not to exceed amount for this contract must be five million, five hundred thousand dollars, *(\$5,500,000)* or less to be considered responsive to this RFP.

The evaluation process is designed to award this procurement not necessarily to the Bidder of least cost, but rather to the Bidder whose proposal best meets the requirements of this RFP. However, Bidders are encouraged to submit proposals which are consistent with state government efforts to conserve state resources.
4.4.1. Identification of Costs

Identify all costs in U.S. dollars including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. The Bidder is to submit a fully detailed budget including staff costs and any expenses necessary to accomplish the tasks and to produce the deliverables under the contract. Bidders are required to collect and pay Washington state sales and use taxes, as applicable.

Costs for subcontractors are to be broken out separately. Please note if any subcontractors are certified by the Office of Minority and Women’s Business Enterprises.

4.5. ORAL PRESENTATIONS (OPTIONAL) (100 points – maximum)

Oral Presentations may be conducted for up to the top three (3) scoring Bidders from the written portions of the Proposal and who meet and pass all minimum qualifications stated in Section 2.3. of this RFP.

HCA reserves the right to increase the number of Bidders to interview if the scores are so close together so as to create a cluster of more than two (2) at the top of the scoring range.

The Bidder, and no more than four (4) of their proposed staff, must be available for an in-person, conference call, or Skype Oral Presentation on the days specified in the RFP schedule. The RFP Coordinator will notify the finalists to schedule the exact time and location of the Oral Presentation.

Questions will be provided prior to the presentations. The Bidders will be given up to ninety (90) minutes for their Oral Presentation. This will include a presentation by the Bidder, followed by the evaluation panel asking specific evaluation questions. Commitments made by the Bidder at the oral interview, if any, will be considered binding.

A conference room facility will be provided by HCA. The Bidder is to bring a computer/laptop, handouts, and any other basic presentation equipment. Any other needs for audio/visual equipment for the presentation must be coordinated with the RFP Coordinator no less than one (1) week prior to the presentations.

5. EVALUATION AND CONTRACT AWARD

5.1. EVALUATION PROCEDURE

Responsive proposals will be evaluated strictly in accordance with the requirements stated in this RFP and any addenda issued. The evaluation of proposals will be accomplished by an evaluation team(s), to be designated by HCA, which will determine the ranking of the proposals. Evaluations will only be based upon information provided in the Bidder’s Proposal.

All proposals received by the stated deadline, Section 1.1., Estimated Schedule of Procurement Activities, will be reviewed by the RFP Coordinator to ensure that the Proposals contain all of the required information requested in the RFP. Only responsive Proposals that meet the requirements will be evaluated by the evaluation team. Any Bidder who does not meet the stated qualifications or any Proposal that does not contain all of the required information will be rejected as non-responsive.
The RFP Coordinator may, at his or her sole discretion, contact the Bidder for clarification of any portion of the Bidder’s Proposal. Bidders should take every precaution to ensure that all answers are clear, complete, and directly address the specific requirement.

Responsive Proposals will be reviewed and scored by an evaluation team using a weighted scoring system, Section 5.2, Evaluation Weighting and Scoring.

5.2. EVALUATION WEIGHTING AND SCORING

The maximum number for the written evaluation points available is 160. The Mandatory Requirements are evaluated on a pass/fail basis. The following weighted points will be assigned to the Proposal for evaluation purposes.

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Maximum Weighted Points Possible</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFP Compliance</td>
<td>P/F</td>
</tr>
<tr>
<td>Technical Proposal</td>
<td>100</td>
</tr>
<tr>
<td>Management Proposal</td>
<td>45</td>
</tr>
<tr>
<td>Cost Proposal</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>160</strong></td>
</tr>
<tr>
<td>Oral Presentations (if required)</td>
<td>100</td>
</tr>
</tbody>
</table>

The score for cost/price will be computed by dividing the lowest total cost received by the Contractor’s total cost. Then the resultant number will be multiplied by the maximum possible points for the cost section.

Example: (Lowest Bidder Total Cost ÷ Bidder’s Total Cost) x 15

HCA reserves the right to award the contract to the Bidder whose proposal is deemed to be in the best interest of HCA and the state of Washington.

5.2.1. Evaluation Process

Responses that pass all Mandatory requirements will be further evaluated and scored. Evaluators will evaluate and assign a score to each Scored requirement based on how well the Bidder’s response matches the requirement.

Evaluators will assign scores on a scale of zero (0) to ten (10) where the end and midpoints are defined as follows:

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>No Value</td>
<td>Response is missing, totally inadequate or does not fully comply with the requirement.</td>
</tr>
<tr>
<td>1, 2</td>
<td>Poor</td>
<td>Response has not fully established the capability to perform the requirement or has marginally described its ability.</td>
</tr>
<tr>
<td>3, 4</td>
<td>Below Average</td>
<td>Response only minimally addresses the requirement and the Bidders ability to comply with the requirement or simply has restated the requirement.</td>
</tr>
<tr>
<td>------</td>
<td>----------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>5, 6</td>
<td>Average</td>
<td>Response shows an acceptable capability to meet the requirement and has shown sufficient detail to be considered as meeting the expectation stated in the requirement.</td>
</tr>
<tr>
<td>7, 8, 9</td>
<td>Good</td>
<td>Response is thorough and complete and demonstrates firm understanding of concepts and requirements.</td>
</tr>
<tr>
<td>10</td>
<td>Excellent</td>
<td>Response demonstrates far superior capability and clearly exceeds expectations.</td>
</tr>
</tbody>
</table>

A score of zero (0) on any Scored requirement may cause the entire Proposal to be eliminated from further consideration.

5.2.2. References (pass/fail)

The HCA reserves the right to check references after Proposal submittal, to assist in determining the overall responsibility of the Bidder(s). The HCA reserves the right to reject any Proposal submittal if the Bidder receives neutral or unfavorable references.

5.3. ORAL PRESENTATIONS ASB DETERMINATION

The oral presentation scores will not be added to the written scores. **The oral presentation score will determine the ASB.**

5.4. SUBSTANTIALLY EQUIVALENT SCORES

Substantially equivalent scores are scores separated by two percent or less in total points. If multiple Proposals receive a Substantially Equivalent Score, HCA may leave the matter as scored, or select as the ASB the one Proposal that is deemed by HCA, in its sole discretion, to be in HCA’s best interest relative to the overall purpose and objective as stated in **Section 5.2** of this Procurement.

If applicable, HCA’s best interest will be determined by HCA managers and executive officers, who have sole discretion over this determination. The basis for such determination will be communicated in writing to all Bidders with equivalent scores.

5.5. NOTIFICATION TO BIDDERS

HCA will notify the ASB of its selection in writing upon completion of the evaluation process. Individuals or firms whose proposals were not selected for further negotiation or award will be notified separately by e-mail.

5.6. DEBRIEFING OF UNSUCCESSFUL BIDDERS

Any Bidder who has submitted a proposal and been notified and was not selected for contract award may request a debriefing. The request for a debriefing conference must be received by the RFP Coordinator no later than **March 14, 2018 by 5:00 PM (PT)**, within three business days after the
Unsuccessful Bidder Notification is e-mailed to the Bidder. The debriefing will be held within three business days of the request, or as schedules allow.

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

5.6.1. Evaluation and scoring of the firm’s proposal;
5.6.2. Critique of the proposal based on the evaluation; and
5.6.3. Review of Bidder’s final score in comparison with other final scores without identifying the other firms.
5.6.1. Debriefing conferences will be conducted via telephone and will be scheduled for a maximum of thirty (30) minutes.
5.6.2. Comparisons between proposals, or evaluations of the other proposals will not be allowed.

5.7. PROTEST PROCEDURE

Protests may be made only by Bidders who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Bidder is allowed five business days to file a protest of the acquisition with the RFP Coordinator. Protests must be received by the RFP Coordinator no later than 4:30 p.m., local time, in Olympia, Washington on the fifth business day following the debriefing. Protests may be submitted by e-mail or by mail.

Bidders protesting this procurement must follow the procedures described below. Protests that do not follow these procedures will not be considered. This protest procedure constitutes the sole administrative remedy available to Bidders under this procurement.

All protests must be in writing, addressed to the RFP Coordinator, and signed by the protesting party or an authorized agent. The protest must state the RFP number, the grounds for the protest with specific facts, and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included.

Only protests alleging an issue of fact concerning the following subjects will be considered:

5.7.1. A matter of bias, discrimination, or conflict of interest on the part of an evaluator;
5.7.2. Errors in computing the score; or
5.7.3. Non-compliance with procedures described in the procurement document or agency protest process or HCA requirements.

Protests based on anything other than those items listed above will not be considered. Protests will be rejected as without merit if they address issues such as: 1) an evaluator’s professional judgment on the quality of a proposal; or 2) HCA’s assessment of its own and/or other agencies needs or requirements.

Upon receipt of a protest, a protest review will be held by HCA. The HCA Director, or an HCA employee delegated by the HCA Director who was not involved in the procurement, will consider the record and all available facts. If possible, a final HCA decision will be issued within ten business days of receipt of the protest. If the HCA Director delegates the protest review to an HCA employee, the
Director nonetheless reserves the right to make the final agency decision on the protest. If additional time is required, the protesting party will be notified of the delay.

If HCA determines in its sole discretion that a protest from one Bidder may affect the interests of another Bidder, then HCA will invite such Bidder to submit its views and any relevant information on the protest to the RFP Coordinator. In such a situation, the protest materials submitted by each Bidder will be made available to the other Bidder upon request.

The final determination of the protest will:

5.7.4. Find the protest lacking in merit and uphold HCA’s action; or

5.7.5. Find only technical or harmless errors in HCA’s acquisition process and determine HCA to be in substantial compliance and reject the protest; or

Find merit in the protest and provide options which may include:

5.7.6. Correct the errors and re-evaluate all proposals; or

5.7.7. Reissue the solicitation document and begin a new process; or

5.7.8. Make other findings and determine other courses of action as appropriate.

If HCA determines that the protest is without merit, HCA will enter into a contract with the ASB, assuming the parties reach agreement on the contract’s terms. If the protest is determined to have merit, one of the alternatives noted in the preceding paragraph will be taken.
6. RFP EXHIBITS

Exhibit A  Certifications and Assurances
Exhibit B  Diverse Business Inclusion Plan
Exhibit C  Draft Sample Contract (*attached as a separate document*)
Exhibit D  Draft Data Share Agreement and Business Associate Agreement (*attached as a separate document*)
CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:

1. I/we declare that all answers and statements made in the proposal are true and correct.

2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.

3. The attached proposal is a firm offer for a period of 120 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 120-day period.

4. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.

5. I/we understand that HCA will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of HCA, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.

6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by him/her prior to opening, directly or indirectly, to any other Bidder or to any competitor.

7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.

8. No attempt has been made or will be made by the Bidder to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

9. I/we grant HCA the right to contact references and other, who may have pertinent information regarding the ability of the Bidder and the lead staff person to perform the services contemplated by this RFP.
10. If any staff member(s) who will perform work on this contract has retired from the State of Washington under the provisions of the 2008 Early Retirement Factors legislation, his/her name(s) is noted on a separately attached page.

We (circle one) are / are not submitting proposed Contract exceptions. (See Section 2.12, Contract and General Terms and Conditions.) If Contract exceptions are being submitted, I/we have attached them to this form.

On behalf of the Bidder submitting this proposal, my name below attests to the accuracy of the above statement. If electronic, also include: We are submitting a scanned signature of this form with our proposal.

________________________________________________________
Signature of Bidder

Title ___________________________ Date ___________________________
DIVERSE BUSINESS INCLUSION PLAN

Do you anticipate using, or is your firm, a State Certified Minority Business? Y/N
Do you anticipate using, or is your firm, a State Certified Women’s Business? Y/N
Do you anticipate using, or is your firm, a State Certified Veteran Business? Y/N
Do you anticipate using, or is your firm, a Washington State Small Business? Y/N

If you answered No to all of the questions above, please explain:

_____________________________________________________________________________

Please list the approximate percentage of work to be accomplished by each group:

Minority ___%  
Women ___%  
Veteran ___%  
Small Business ___%

Please identify the person in your organization to manage your Diverse Inclusion Plan responsibility.

Name: __________________  
Phone: __________________  
E-Mail: __________________