



**REQUEST FOR PROPOSALS # 31786-00148  
AMENDMENT # THREE  
FOR MEDICAL THIRD PARTY ADMINISTRATIVE  
SERVICES**

DATE: January 29, 2021

RFP # 31786-00148 IS AMENDED AS FOLLOWS:

1. This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		November 25, 2020
2. Disability Accommodation Request Deadline	2:00 p.m.	December 2, 2020
3. Pre-response Conference	2:30 p.m.	December 4, 2020
4. Notice of Intent to Respond Deadline	2:00 p.m.	December 7, 2020
5. Written "Questions & Comments" Deadline	2:00 p.m.	December 11, 2020
6. State Response to Written "Questions & Comments"		January 8, 2021
7. 2 <sup>nd</sup> Round Written "Questions & Comments" <b>*NOTE: Vendors may submit no more than 5 questions to the State in the 2nd round of Written Questions and Comments.</b>	2:00 p.m.	January 15, 2021
8. Deadline to Submit Network and Claims Information to Aon		January 28, 2021
9. State Response to 2 <sup>nd</sup> Round Written "Questions & Comments"		January 29, 2021
10. Response Deadline	2:00 p.m.	February 10, 2021
11. State Opening of Cost Proposals	2:00 p.m.	February 10, 2021
12. State Completion of Technical Response Evaluations		March 5, 2021
13. Scoring of Cost Proposals	2:00 p.m.	March 5, 2021
14. State Notice of Intent to Award Released AND RFP Files Opened for Public Inspection	3:00 p.m.	April 22, 2021

15. End of Open File Period		April 29, 2021
16. State sends contract to Contractor for signature		May 3, 2021
17. Contractor Signature Deadline	2:00 p.m.	May 7, 2021

**2. State responses to questions and comments in the table below amend and clarify this RFP.**

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

RFP SECTION	PAGE #		QUESTION / COMMENT	STATE RESPONSE
C.3.F		1.	<p>In Section C.3.f of the ProForma contract regarding Payment Methodology,:</p> <p>The State authorizes the Contractor to retain monies received through subrogation, on a per patient basis, of no more than 5% of the gross recoveries received. The Contractor may retain an additional 20% of the gross recoveries, when such recoveries are made by subrogation subcontractor(s). The Contractor's subrogation processes shall include the recovery of claims paid as a result of work related illnesses or injuries relative to worker's compensation claims.</p> <p>However, in RFP Amendment 1, response 8, the State indicated that "Expert medical opinion services are the only programs/fees not included in the administrative fee. All other services listed in the pro forma contract are inclusive of the administrative fee."</p> <p>Can you please clarify if any services, other than subrogation, are also charged on a percent basis and not included in the administrative fee?</p>	<p>The State's response to RFP Amendment One, question #8 was referencing amounts actively paid by the State to the Contractor which include administrative fees and expert medical opinion fees as noted in contract section C.3.b.</p> <p>The State manages subrogation and recovery retentions separately from monthly invoiced fees noted in C.3.b. Subrogation and recovery allowances (C.3.f) are withheld by the Contractor before remitting recovery funds to the State with detailed subrogation and recovery information, including monies withheld, provided in the monthly Recoveries Report (Attachment C #19). Also reference Contract section A.12.cc.</p> <p>Please review Contract section A.12.v a. The Contractor shall pass directly to the State the payment terms that the Contractor has negotiated with providers. The Contractor shall not receive any differential between the provider contract rate and the payment funded by the State; the Contractor shall ensure that the State and the Member receives the full benefit of any provider payment terms, including, but not limited to, provider fee schedules, contract rates, other payment arrangements, discounts, rebates, refunds, or credits negotiated by the Contractor. All special pricing considerations and financial incentives shall accrue to the State and Plan Members.</p> <p>Contract section A.12.w references Pharmacy Rebates of which 100% is due to the State with no amount</p>

RFP SECTION	PAGE #		QUESTION / COMMENT	STATE RESPONSE
				<p>retained by the Contractor, rebate aggregator, or any affiliate.</p> <p>Contract section C.3.c references the Medical Trend Guarantee which, if missed, is a payment due the State.</p> <p>Contract section C.3.d references the funding of Claims Payments (inclusive of A.10.e – PCMH, A.10.m – Telemedicine, A.10.n – Web Based DPP).</p> <p>Contract section C.3.h references additional Value Based Payments which may be approved for costs resulting from any State approved value based initiatives (also reference A.10.k).</p> <p>Contract section C.3.g references the annual ASP Reconciliation which, if missed, is a payment due the State.</p> <p>Please also note Contract section C.3.i regarding Amounts due the State.</p>
C.3		2.	<p>Regarding the following statement in Section C.3...</p> <p>f. Each year, the Contractor shall provide the State with a financial reconciliation to show that they have met the aggregate ASP+ percentage standard for the previous calendar year. ASP+ is calculated for every drug filled with a pharmaceutical HCPCS code where an ASP was published at time of fill. Using ASP as of the date of fill; <math>ASP\% = \text{Sum of Allowed Charges} / \text{Sum of (ASP times quantity)}</math>. This report shall include but is not limited to; National Drug Code (NDC), HCPCS code, drug name, strength, number of units, place of service, paid amount, paid date, ASP, and ASP% and shall be provided each year no later than the last business day in May unless otherwise approved by the State. Refer also to Contract Attachment C, Reporting Requirements.</p>	<p>The actual reports are confidential and proprietary. Please see new Appendix 7.23, amendment item #6 below.</p> <p>It is expected that the respondent will provide the ASP Reconciliation template report (or very similar) for every plan year by the last business day of the following May. The respondent shall provide the billed units compared to the allowed units and be prepared to explain any variance if needed. Reconciliation requires claim level vs. aggregate level detail.</p>

RFP SECTION	PAGE #		QUESTION / COMMENT	STATE RESPONSE
			<p>Regarding Section C.3.f of the Proforma, please provide a copy of the reconciliation (carrier name can be redacted) for the two current vendors for 2018, 2019, and 2020 (if available) for the ASP guarantee. If the actual reconciliation is not available, please provide a template that shows all of the fields included in the reconciliation including if the ASP reconciliation requires the submission of any identifiable provider data vs aggregate data and how facility claims are handled in the reconciliation when submitted units do not represent the true HCPCS units.</p>	
Appendix 7.18		3.	<p>Can you provide an updated version of appendix 7.18 that includes home zip codes?</p>	<p>Yes, the State has updated Appendix 7.18 with ZIP codes.</p>
E.8.a.(3)		4.	<p>With respect to the Proforma section E.8.a.(3)</p> <p>We commission an independent third party to perform penetration tests of our external portals. External vulnerability scans and all internal scans and penetration tests, however, we do ourselves. We engage third parties to perform risk assessments, where they may review our process for internal penetration testing and vulnerability scans, but they do not run the scans themselves.</p> <p>We can share the summary results of a third-party risk assessment (i.e. Hitrust, SOC, etc.), that would not include vulnerability scan results, but rather the third-party's review of our vulnerability management process.</p> <p>We propose changing the revised language (last 2 sentences) to:</p> <p>The Contractor shall provide the summary results of third party penetration testing, and risk assessments to the state.</p>	<p>The State does not agree.</p>

RFP SECTION	PAGE #		QUESTION / COMMENT	STATE RESPONSE
E.8.d.2.i.		5.	<p>Recovery Point Objective (“RPO”). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: one (1) hour.</p> <p>Please confirm that the 1 hour Recovery Point Objective requirement found in Section E.8.d.2 applies to member and provider interactions delivered by the Contractor within the following services:</p> <ul style="list-style-type: none"> <li>• Customer and Provider Service</li> <li>• Utilization Management</li> <li>• Care Management</li> <li>• Claims Submissions</li> <li>• Member and Provider Appeals</li> </ul> <p>Our understanding is that in the event of a technical or system failure that we cannot lose more than one hour of data regarding the provision of these services. If this is not an inclusive list of services subject to the 1 hour Recovery Point Objective, please define additional services in scope to meet this contract provision.</p>	The State’s expectation is that all services where data is collected and maintained under this contract would fall under the requirement in E.8.d(2)i.

**3. Delete Pro Forma Contract D.18 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

Limitation of Contractor’s Liability. The Contractor’s liability for all claims arising under this Contract shall be limited to an amount equal to one times the total Paid Claims, as defined in Contract Section A.2., that have processed throughout the one year of contract performance immediately preceding the breach. If the breach occurs in the first year of the contract, the calculation will be based on processed claims from the beginning of contract performance until the date of the breach, prorated to equal one year, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.

**4. Delete Pro Forma Contract Attachment C, Item #36 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

**SOC 2 Type 2 Report, submitted by Go-Live and** in compliance with contract section E.8.e.

5. Add or replace the following as RFP Appendices and renumber any subsequent sections as necessary:

Replace:

7.18 Enrollment Census Revised

New:

7.23 ASP Reconciliation Template

6. Delete RFP #31786-00148 Release #2 in its entirety, and replace with RFP #31786-00148, Release #3. Revisions of the original RFP document are emphasized within the new release. Any sentence or paragraph containing revised or new text is highlighted.
7. **RFP Amendment Effective Date**. The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.