

Questions and Answers

1. **Section II-B, Business Organization (page 10)** – The RFP requires "... annual audited financial reports for the past (3) years for the Bidder and any subcontractor." As a privately held company, we are not required to prepare audited financial statements. Would a three-year balance sheet and other evidence of our financial stability be sufficient to meet this requirement?

Yes, a three-year balance sheet or internally prepared financial statements will suffice.

2. **Section II-D, Relevant Experience (page 11)** – The RFP requests a description of "...Bidder's experience with providing consultation related to hospital payment systems." However, the scope of work defined in RFP Section III-A (pages 15 & 16) includes other areas of technical assistance. Could you please clarify whether Bidders should describe their work experience related to the scope of work defined in Section III-A?

Yes, Bidders should describe their work experience related to the scope of work defined in Section III-A

3. **Section II-H, Price/Cost Proposal (pages 12-14)** – The RFP indicates that the price/cost proposal should be configured to include the "cost and amount of time(number of hour) and costs, including salary and fringe benefits, for each individual involved in this project. " The RFP also asks for line item costs associated with all non personnel costs. Would it be acceptable to submit a price proposal that includes the estimated number of hours by project team member, the hourly rate and any additional costs (e.g., travel) that Bidder proposes to invoice in addition to the hourly rates?

Yes, a price proposal that includes the estimated number of hours by project team members would be helpful.

4. **Section III-A, Bidder Response to RFP – General Requirements (page 15)** – Could you please clarify whether the contractor will be responsible for obtaining Groupers or will these be provided to the contractor by the Stat

The contractor will not be responsible for providing the Groupers.

5. **Section III-A, Bidder Response to RFP – General Requirements (page 15)** – The RFP states that “Medicare’s methodology or a Vermont-specific methodology could be developed and modeled” for an inpatient quality payment program. Has the State collected its own quality measures data for a value-based purchasing program? Would the program potentially rely on Medicare data?

Inpatient Quality payments is one area of Rate Setting that the State may explore. It is premature to determine where the source of data would come from that could be used for this potential analysis.

6. **Section III-A, Bidder Response to RFP – General Requirements (page 15)** – Is the State seeking to have the contractor update the Ambulatory Payment Classification (APC) program to reflect current CMS rules and regulations, as the RFP describes for the DRG component?

It is not a requirement of this RFP for the contractor to update the Ambulatory Payment Classification (APC) program.

7. **Section III-A, Bidder Response to RFP – General Requirements (pages 15-16)** – The RFP provides estimated hours of assistance by task area. Could you please confirm that the estimates represent total estimated hours for the two-year contract period?

The total estimated hours are intended to represent the total hours per year. If one wanted to estimate the total hours for the entire 2 year period, the estimated number of hours should be doubled.

8. **Section V-H, Retainage (page 23)** – The RFP indicates that a retainage of up to fifteen percent shall be deducted from the Contractor’s monthly invoice and may be release following “...completion and acceptance of the policy paper...” Could you please confirm whether a retainage will be applied and what event(s) will trigger release of the retainage?

The section on a retainage states that 15% “shall” be deducted. This is an optional condition and subject to final contract negotiations.

9. As a certified public accounting firm, we do not have audited financial statements. Will internally- prepared financial statements and a bank reference letter meet the requirements for Section II-B?

Please see answer to question #1.

10. Section V-H Retainage states that accumulated retainage may be released following completion and acceptance of the policy paper by the State, and with approval of the Contract Administrator. Please provide more details about the required policy paper associated with the retainage clause.

Please see answer to question #8.

11. A bidder's conference is discussed in section I-A of the RFP. However, the procurement timetable in section I-H does not list a scheduled date. Please provide details for the bidder's conference.

There will be no bidders's conference.

12. Will the State provide the budget amount appropriated for this project?

The budget amount appropriated for this project will not be provided.

13. Is there a current contractor performing these services? If so, who is the current contractor and what is the total dollar value of the current contract?

Yes. Burns & Associates. The total dollar amount for the current contract is \$747,220 for a four year contract. Please note that this amount spans a total of four years.

14. Are there any changes in scope from the current contract to the proposed contract? If so, please clarify the scope changes.

No.

15. Are the indicated hours meant to be an estimate of total work hours for the indicated services?

Yes.

16. Is the 300 hour approximation for rate setting meant to include all of the services indicated (e.g., inpatient rebase, outpatient updates, RBRVS update, DSH update, etc.)?

Yes. This is an estimate of all services for Rate Setting.

17. Are the indicated hours meant to include converting the current per diem system into a DRG system, development of a new outpatient methodology, assessment of the current IMD payment methodology and development of regulations or state plan amendments dealing with the utilization of MDS 3.0 data in the rate calculations and the impact of the BIMS on pay for performance for nursing facility rates?

To clarify, the State has already converted its inpatient per diem system into a DRG system and the state has already implemented OPPS as an outpatient methodology. The other items listed in this question are beyond the scope of this contract.

18. Will the state consider extending the proposal deadline in order for the contractor to have time to take into account the responses to questions?

No. The state is not in a position to extend the deadline.

19. Should the Price/Cost Proposal be bound with the Technical proposal submission or should it be bound separately?

The price/cost proposal should be bound with the Technical proposal.