

Questions and Answers OVHA DSS RFP

1. What is timeline for rendering a final decision?

Response: It is likely that the earliest date when a final decision would be rendered is July 1, 2006.

2. How often do you wish to update the database (e.g. quarterly)?

Response: Please price both monthly and quarterly update cycles.

3. Please describe the type of “what if” calculations you wish to perform.

Response: In requesting “what if” calculations and logic selections the State was not expressly requesting a particular calculation. The State envisions the capability to do any analysis of a single project in a manner that makes it possible to model what happens when varying conditions apply.

4. Please provide a link to the State Medicaid Manual; particularly to Part 11 and 42 CFR 433, Subpart C.

Response: 42 CFR 433, Subpart C is the section of the Code of Federal Regulations that describes the conditions under which state Medicaid agencies can seek funding for Mechanized Claims Processing and Information Retrieval Systems. Pertinent sections are 433.110 through 433.131 and they can be found at http://www.access.gpo.gov/nara/cfr/waisidx_05/42cfr433_05.html. The system requirements and performance standards are found in Part (Chapter) 11 of the State Medicaid Manual found at <http://www.cms.hhs.gov/Manuals/PBM/itemdetail.asp?filterType=none&filterByDI D=-99&sortByDID=1&sortOrder=ascending&itemID=CMS021927>

5. Please provide additional information with respect to the data elements residing within the MMIS production database, and reconfirm the size of the covered population (147,000?). Our company recently implemented a DSS solution for a plan with 150,000 lives with a retention period of 3 years of claims history. If I recall correctly, our company cleansed and consolidated 5-6 GB of data to support this initiative (as opposed to 75Gb referenced within the RFP). At the end of the day, the desired reports and analyses will drive the data feed requirements.

Response: Our current covered population is approximately 147,000, although this could be expanded over time to 250,000. The State wishes to utilize four years of data. The 75Gb is the reference size that was available to us.

6. Will we be able to remotely participate in the bidders conference via a conference bridge?

Response: Yes. Done.

7. Encounter Data (Section 1.2, bottom of page 3)

Today, are any of the 147,000 beneficiaries enrolled in premium-based or capitated programs for which only encounter data are available (not paid claims)? Were there encounter data collected at any time in the past 4 years? Do you anticipate collecting any encounter data in the next 3-4 years?

Response: Encounter data has not been collected and is not anticipated to be collected in the future.

8. Team Approach (Section 2.1, Page 5)

By a “team approach”, does the State mean that State staff are to perform certain tasks during the implementation? Are there certain tasks that you have in mind, or is the vendor free to propose those tasks? In the evaluation process, will a proposal that suggests a large amount of State staff involvement receive a lower or higher technical score on that factor?

Response: State staff need to be involved during the implementation process to fully understand the system. The vendor should propose tasks for state staff which will support that understanding. The State will look for the proposal that puts forth a good plan and score accordingly.

9. Agency Standards and Protocols (Section 2.1, p. 5)

Are these published standards? If so, can the bidders be provided a copy at this time?

Response: There are no published standards.

10. Standards for Documentation etc. (Attachment 1.8.10, Section 2.8, p. 53)

Are these published standards? If so, can the bidders be provided a copy at this time?

Response: There are no published standards.

11. New System Standards and Protocols (Attachment 1.8.10, Section 2.9, p. 53-4)

Are these published standards? If so, can the bidders be provided a copy at this time?

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Response: There are no published standards.

12. Sealed Bids (Section 6, p. 13)

Should the Cost Proposal be sealed in a separate envelope?

Response: Yes.

13. Timeline: 13-week implementation (Attachment 1.8.1, p. 15)

A 13-week implementation is very aggressive for this type of system in Medicaid. Would OVHA share its reasons for requesting such a short timeframe for the implementation?

Response: This timeline is negotiable. The vendor should propose a reasonable implementation plan.

14. Input Data Files (Attachment 1.8.1, p. 15)

This question is in reference to the following sentence of the RFP: "The contractor's proposed solution must be able to send and receive data in XML, HTML . . ." What kinds of data are intended to be "received" by the decision support system? HTML and XML do not seem to be practical formats for the receipt of large volumes of claim and eligibility data, which would usually be received in fixed formats.

Response: Claims data as well as additional financial or demographic data will be transmitted to/from the decision support system. HTML and XML are formats that are being considered. Our current understanding of the distinctions between XML and HTML is that XML is designed to describe data and to focus on what data is while HTML is designed to display data and to focus on how data looks. The State requires a web based solution for some data for its users. As such, we envision that this data could be retrieved in a web based application in pre-designed forms and formats. Optimally, we are looking for approaches that make such data available in a manner that it requires little further intervention by state staff before it becomes available to users.

15. Data Extraction from the MMIS (Attachment 1.8.1, Section 1.8.1.3, p. 19)

This relates to the requirement that under Alternative 1 (the hosted solution), the contractor will facilitate the extraction of data from the EDS claims system. What does the State consider "facilitation" in this context? Should the contractor assume the responsibility of writing and executing the extract program against the MMIS? Should the contractor assume that EDS staff will perform this function? Or, should the contractor propose a sharing of responsibility between the contractor and EDS?

Response: The vendor should anticipate the extraction of data from the EDS and from the MedMetrics claims' systems. MedMetrics processes drug claims and EDS processes all other claim types. Both use the same beneficiary and provider information. Both maintain reference files related to their claims' types. EDS is the fiscal agent for all claims and captures all payment information. The vendor should propose the most practical approach under these circumstances.

16. Enhancements – Bi-directional Replication (Section 1.8.1.4, p. 20)

This question is in reference to the following sentence of the RFP: “All efforts to synchronize data should attempt bi-directional replication.” Would you explain what is meant in this context by “bi-directional replication?”

Response: The State wants to insure that data elements are consistent across systems.

17. Enhancements – 2000 hours (Attachment 1.8.1, Section 1.8.1.4, p. 20)
Over what span of time are the 2000 hours to be provided – each year of the operational period, or are the 2000 hours to be spread across the 3-year base term of the contract? Also, do you intend for the 2000 hours to be priced as 100% directly applied to this project, or are the 2000 hours to be counted as 1 FTE (approx), in which case some of those 2000 hours would be unapplied (i.e., spent on vacation, sick leave, admin time, etc.)?

Response: The 2000 hours are to be provided over three years. They should be priced as 100% applied to this project.

18. Software Ownership (Attachment 1.8.10, Section 2.10, p. 54)
The first sentence of Section 2.10 is an unusually burdensome clause for companies that are in the business of licensing software like the State is requesting in this RFP. It is normal and expected that software computer programs developed with public funds be the property of the government (as is stated in sentence 2). However, in the first sentence, any software that is used or obtained by the government becomes the property of the government. This sentence is contrary to the essence of a software license, which is a grant of the right to use pre-developed software; actual ownership is retained by the company that developed it (the licensor). Also, a decision support software company typically brings, in addition to software, pre-developed intellectual property to the contract such as analytic methods, manuals, pre-designed reports, and external data such as normative data. The licensor should be able to retain the ownership of all pre-developed material that it owns. Anything that is created anew during the contract (e.g., custom code) should be the property of the government. Would the State agree?

Response: Final resolution of this issue will need to occur during contract negotiations through consultation with the State Attorneys General. The State understands that it does not typically own the source code for pre-developed software not developed with government funds.

19. Software Ownership (Attachment 1.8.10, Section 2.11, p. 54)
(This clause is closely related to Section 2.10, p. 54.) May the licensor assume that it retains ownership of pre-developed materials (software, documentation, and training materials) that it owned prior to the contract?

Response: See the response to Question 18.

20. Claim Volumes (RFP section number not applicable)

What is the current volume of claims (line item details) received and adjudicated (monthly average), by claim type?

Response:

| Claim Type | Monthly Average Volume (claims details) |
|--|--|
| DENTAL | 32,349 |
| DRUG | 345,420 |
| HCFA1500 | 307,656 |
| HOME HEALTH | 35,707 |
| HOSPICE | 228 |
| INPATIENT | 14,780 |
| INSTITUTIONAL CROSSOVER | 604 |
| INSTITUTIONAL CROSSOVER (X OVER A) | 8,680 |
| NURSING HOME -TAD | 8 |
| NURSING HOME (TAD) | 9,000 |
| OUTPATIENT | 122,222 |
| PROFESSIONAL CROSSOVER | 10,776 |
| PROFESSIONAL CROSSOVER - PART B | 4,596 |
| PROFESSIONAL CROSSOVER | 102,516 |
| PROFESSIONAL PART B CROSSOVER (X OVER B) | 54,217 |
| VISION | 1,163 |
| Total | 1,049,922 |

21. Contract Period (Section 1.3, p. 4)

The RFP indicates that the contract shall begin on the date that it is approved and signed by the Director of OVHA. What is the approximate date by when the State expects to have a signed contract and have the contractor start work? If the date cannot be approximated at this time, what is the usual time lag between selection of a winning vendor and execution and final approval of the contract?

Response: The timeframe can vary considerably from one month to several months dependent on a number of factors. Actual start of work can be negotiated during contract discussions.

22. Standard Contract Terms (Attachment 1.8.4 and Attachment 1.8.5, pp. 30-37)

Attachment 1.8.5 appears to supersede Attachment 1.8.4. There are significant similarities and dissimilarities between the two. Would the State clarify its intent, including the prevailing sections from both documents, where there is overlap but dissimilarity (for example, in the sections on required insurance coverages and taxes)?

Response: This question will need to be resolved during contract negotiation through consultation with the State Attorneys General.

23. HIPAA Business Associate Agreement (Attachment 1.8.6, Section 15.1, p. 42)

This clause imposes unlimited liability on the contractor for any claims the State might have under the BAA, and makes void/ineffective ANY cap on damages, excluding certain types of damages, limiting of remedies, or shortening of any statutes of limitations. Would the State be willing to negotiate a reasonable cap on damages other than those for breaches of confidentiality? Would the State consider a cap on liability such as the total contract value?

Response: This question will need to be resolved during contract negotiation through consultation with the State Attorneys General.

24. State and Agency Confidentiality and Privacy Provisions (Attachment 1.8.10, Section 2.4, p. 53)

Are these published provisions? If so, can the bidders be provided a copy at this time? Is there a State or Agency mechanism whereby contractors are notified when there are changes to such provisions?

Response: Please refer to section 2.2 – pg. 5 for more detailed information and to reference the pertinent attachments.

25. Order of Precedence (Attachment 1.8.4, Section 6, p. 30)

The documents comprising the State of Vermont Standard Contract Form and attachments appear to have some internal inconsistencies or conflicts. For example, Attachment 1.8.9, which is the Federal Uniform Administrative Requirements for Awards, would appear in part to be inconsistent with certain other provision of the RFP and its attachments. Can the State clarify its approach to determining precedence in such an instance?

Response: This question will need to be resolved during contract negotiation through consultation with the State Attorneys General.

26. State Indemnification, Independence, and Liability (Attachment 1.8.5, Section 5 p. 34)

To the extent permitted by law, is the State willing to indemnify and hold harmless a Contractor who provides conforming products and services against any third party claims arising from the decisions made by the State from its use of the Contractor's decision support products and services?

Response: This question will need to be resolved during contract negotiation through consultation with the State Attorneys General.

27. Would the State specify the initial number of users, to allow all the bidders to size their solution on the same assumption? Does the State want the bidders to assume a certain growth factor for usage over time, or would you prefer to negotiate added capacity with the Contractor if and when the need arises?

Response: Bidders should provide costs for 2 scenarios: 20 concurrent users with 100 named users and 50 concurrent users with 200 named users. Also identify if there is any break point at which there may be cost advantages to the state.

28. Would the State provide an estimated award date?

Response: See the response to Question One.

29. (Section 1.8.1.2 Functional Requirements (N))

Can the state please quantify the level of 'ongoing analytical and management consulting' support. May we suggest a full time reporting specialist coupled with hourly rates broken out into the following categories that the state may elect to purchase in the future Health Program Manager, Health Care Data Analyst, Pharmacist, Statistician. Without having a defined required level of support it is very difficult to compare one proposal offering to another.

Response: This is an excellent point. Currently the State does not have resident resources that can fully provide all the skills and expertise that might be required in support of this project. At the same time, it is impossible to estimate at this juncture the type and degree of support we might require. Bidders should prepare their bids assuming one full-time reporting specialist and hourly rates for professional services. Bidders should fully describe those services in sufficient detail to provide the State with the ability to assess the comparability of each bidder's services.

30. (Section 1.8.1.3 Inputs)

Would the State expect all current MMIS data elements to be available in the DSS?

Response: No. The State expects the data elements necessary to support functions offered in the proposed software.

31. (Section 1.8.1.3 Inputs)

What is the expected frequency of data loads for each data input?

Response: See the response to Question Two.

32. (Section 1.8.1.4 Enhancements)

What is the timeframe associated with the 2000 hours to be used for enhancements?

Response: See the response to Question 17.

Response to Questions 33 through 40: This question will need to be resolved during contract negotiation through consultation with the State Attorneys General.

33. (Section 1.8.4 Cancellation)

In order to ensure that stated contract requirements are used, the bidder requests deletion of the words “in the opinion of the Commissioner of Buildings and General Services” and “satisfactory or” from this sentence.

34. (Sections 1.8.4 Independence, Liability & 1.8.5, #5)

In order to minimize the cost of contractors’ insurance policies, which cost is ultimately included in the contract price, will the State please modify this provision as follows:

“Independence, Liability. The Contractor will act in an independent capacity and not as officers or employees of the State. The Contractor shall indemnify, defend and hold harmless the State and its officers and employees from third party liability and any third party claims, suits, judgments, and damages arising as a result of the Contractor’s grossly negligent acts and/or omissions in the performance of this contract.”

35. (Sections 1.8.4 Records Available for Audit & 1.8.5, #8)

Since the contract resulting from this award will be fixed price, will the State agree to add the words “with the exception of the Contractor’s proprietary internal cost data,” after the words “agreement and” in the first sentence of this provision?

36. (Section 1.8.10 Contract Attachment I)

1.3 The bidder understands and will comply with the State’s need to ensure retention of qualified personnel to perform the services, but requests softening of the language of this provision by deletion of the fourth and fifth sentences. The bidder also requests addition of the words “, which approval shall not be unreasonably withheld” at the end of this provision.

37. (Section 1.8.10 Contract Attachment I)

2.6 Will the State agree to add the words “at contract inception” after the words “virus free” and “the word “thereafter” at the end of this provision?

38. (Section 1.8.10 Contract Attachment I)

2.10 and 2.11 The bidder requests the addition of language to clarify that ownership of data, work products, deliverables and software is tied to payment for such items.

39. (Section 1.8.10 Contract Attachment I)

2.10 and 2.11 The bidder requests that negotiated language acknowledging the rights of the vendor and its subcontractors to their proprietary intellectual property, and the use of residual knowledge, be included in the contract.

40. Will the State agree to discuss certain additional proposed contract provisions benefiting both the State and the contractor, such as:

- Force majeure provision
- Limitation of contractor's liability, including exclusion of incidental/consequential damages
- Contractor's right to assign its payments for financing purposes