

**IME PROFESSIONAL SERVICES RFP
 MED-10-001
 AMENDMENT 4**

WHEREAS the Department has determined it is necessary to amend RFP MED-10-001 to include the changes listed in the Revision History for Amendment 4

THEREFORE RFP MED-10-001 is amended as follows. In this amendment document and in the RFP's Revision History, new text added to existing requirements is in boldface font, and deleted text is marked through with a line (~~deleted text~~).

The IME Professional Services RFP is reposted with these changes listed in the revision history. They are not incorporated in the cited sections with the boldface or strike-through markings. Rather, the text is fully and completely updated in the RFP sections.

Amendment 04	
Section	Revision Description
5.12	Add to end of item d: Scheduled for Implementation by July 1, 2010. Delete after item d: This application will be in place by December 2009.
5.15	Update first sentence of third paragraph: The Pharmacy POS system provides for on-line, real time adjudication of pharmacy claims with edits (including application of prior authorization requirements) and audits that support the Department's policies and objectives.
5.15	Update items 13 and 17: 13. Preferred drug list and recommend drug list support enforcement through claims processing 17. Administration of all aspects of federal and supplemental rebates excluding supplemental rebate negotiation and contracting
6.1	To correct a prior numbering omission, renumber items k through r to j through q: j. All professional services contractors will develop, maintain, and provide access to records required by the Department and state and federal auditors. k. All professional services contractors will provide to the Department reports regarding contractor activities for which the contractor will negotiate the content, format and frequency of these reports with the Department. The intent of the reports is to afford the Department and the contractor better information for management of the contractor's activities and the Medicaid program. l. All professional services contractors will prepare and submit to the Department requests for system changes and notices of system problems related to the contractor's operational responsibilities. m. All professional services contractors will prepare and submit for Department approval suggestions for changes in operational procedures, and implement the changes upon approval by the Department.

	<p>n. All professional services contractors will maintain operational procedure manuals in a format specified by the Department and update the manuals when changes occur.</p> <p>o. All professional services contractors will ensure that effective and efficient communication protocols and lines of communication are established and maintained throughout the IME. The contractor will take no action that has the appearance or effect of reducing open communication and association between the Department and contractor staff.</p> <p>p. All professional services contractors will meet regularly with other IME contractors and Department management to review account performance and resolve issues.</p> <p>q. In situations where the Department permits contractors to use external data systems, the contractors must provide electronic interfaces from those external data systems to the IME data systems to support automated performance reporting.</p>
6.1.1.1	<p>Change to Figure 4, Operations Manager: May not serve in any other capacity. May also serve as transition manager.</p>
6.1.3.4.3.6	<p>Change amount in item a, number 1: \$20.4 million \$850,000 in state savings in SFY 2011 (2009 number increased by 10 percent for 2010 and again for 2011)</p>
6.2.3.2	<p>Add item y: y. Maintain the process for prior authorizations of high-tech imaging (such as MRI, MRA, CT, and PET) for radiology services. The process requires prior authorization of high-tech imaging except in hospital and emergency room settings. Perform the medical review process and maintain Department-approved procedures for high-tech imaging that target variation in practice, promote cost-effective clinical decision making and increase the safety of Iowa Medicaid members.</p>
6.3.1.2	<p>To correct a prior numbering error, change second occurrence of item f under 6.3.1.2 to item g: g. Prior Authorization: The DUR commission shall advise the Department regarding criteria development and professional standards for drug prior authorization.</p>
6.3.3	<p>Add new paragraph to end of 6.3.3: The SSDC vendor handles the entire negotiation process with manufacturers/labelers with input from each State member representative, including finalization of the offers (supplemental rebates) accepted. That information is provided to the State, which is responsible to complete the contracting process (that the Pharmacy Medical Services contractor will perform) and then to transmit the details of that contract to the Pharmacy POS contractor, which performs all drug rebate functions as prescribed by federal and state regulations.</p>
6.3.3.3	<p>To change item a:</p> <p>a. Be able to demonstrate annual savings in the total outlay for prescription drugs (including an explanation of the Department-approved methodology for calculating savings). [\$9.3 million in State Savings in SFY 2008 over a SFY 2004 base]. The Pharmacy Medical Services contractor will provide state savings as follows:</p> <ol style="list-style-type: none"> 1. \$12.5 million in state savings in SFY 2011 (2009 number increased by 7 percent for 2010 and again for 2011) 2. In every subsequent base and option year, an increase of 7 percent more than the SFY 2011 state savings or an increase of 7 percent more than the highest overall state savings in any year after SFY 2011, whichever is higher

6.4.1.1.3	<p>To correct a prior numbering omission, renumber items h through j to e through g:</p> <p>e. If automatic verification not possible, but online verification is available, the contractor will verify 100 percent of all licenses for which no automated updates are available against an appropriate licensing authority (and update the MMIS license end date) within 30 days after an MMIS license expiration date. Note that updated licensure information is not always available for verification prior to expiration.</p> <p>f. If neither automatic nor online verification is available, the contractor will solicit 100 percent of all licenses with both a letter and a phone call within 30 days after an MMIS license expiration date and enter the data within one business day of receipt of the information.</p> <p>g. 95 percent of new enrollment NPI and taxonomy codes are added to the web tool within two business days after a provider file has been added to MMIS. 100 percent of this work must be completed within 10 business days.</p>
6.4.7.2	<p>Add the following information to the end of item h:</p> <p>To navigate directly to the chapter, go to the DHS home page at www.dhs.state.ia.us and select the bullet labeled Rules and Manuals. From the resulting Office of Policy Analysis page, select Policy Manuals. From the resulting DHS Policy and Procedure Manuals page, select the link for the Employee Manual (Titles 1 through 18) that appears beneath the Manual Table of Contents heading. From the resulting Table of Contents page, scroll down to Title 14 and select Chapter M.</p>
6.4.7.2	<p>Add the following information to the end of item i:</p> <p>To navigate directly to the chapter, go to the DHS home page at www.dhs.state.ia.us and select the bullet labeled Rules and Manuals. From the resulting Office of Policy Analysis page, select Policy Manuals. From the resulting DHS Policy and Procedure Manuals page, select the link for the Employee Manual (Titles 1 through 18) that appears beneath the Manual Table of Contents heading. From the resulting Table of Contents page, scroll down to Title 16 and select Chapter K.</p>
6.5.2.2	<p>Change item q:</p> <p>q. Issue notices of decision to members about bill inquiries within 30 20 business days of the initial inquiries, as directed by the Department.</p>
6.5.7.2	<p>Add item r:</p> <p>r. Conduct tele-health disease management program for Medicaid members with diagnosis of congestive heart failure with membership expected to grow beyond 415 members for SFY 2010.</p>
6.5.8.2	<p>Add items n and o:</p> <p>n. Maintain the maternal health care management program to:</p> <ol style="list-style-type: none"> 1. Promote the successful delivery of healthy babies through education and ongoing prenatal support. 2. Promote general prenatal wellness, care coordination with complications and adherence to care plans. <p>o. For the maternal health care management program, provide nurse care managers to:</p> <ol style="list-style-type: none"> 1. Screen, assess, plan, implement, coordinate, monitor and evaluate options and services to meet the member's health needs through communication and coordination of resources to promote quality cost-effective outcomes. 2. Determine level of risk associated with the pregnancy and develop an individual care plan for the member.

6.5.8.3	<p>Add item g:</p> <p>g. For the Medicaid Maternity Care Management (MMCM) program, demonstrate cost avoidance by measuring:</p> <ol style="list-style-type: none"> 1. Decrease rate of low weight births 2. Increase in the number of prenatal care visits 3. Increase the rate of postpartum care visits 4. Increase dental care during pregnancy
7.1	<p>Change item j:</p> <p>Bidders will submit one original, eight copies, and one sanitized copy of the Technical and Cost Proposals and one original of the Company Financial Information – each in a separate binder (or set of binders) – for each bid proposal submitted. As explained above, bidders submitting bid proposals for more than one of the separate contract awards would therefore submit one original, eight copies, and one sanitized copy of the Technical Proposal and Cost Proposal and one original of the Company Financial Information for each separate RFP Component contract under consideration.</p>
7.1	<p>Make the following changes to item n:</p> <p>As much as possible, Technical Proposal sections should be limited to discussion of elements relevant to the proposed solution for Iowa. The “Services Overview,” “Executive Summary” and “Corporate Organization, Experience, and Qualifications,” “Corporate Qualifications” sections of the Technical Proposal allow bidders to expound in greater detail about past or current projects.</p>
7.2.2	<p>Change number 1 in item c:</p> <ol style="list-style-type: none"> 1. All subcontractors should be identified, and a statement included that indicates the exact amount of work to be done by the prime contractor (not less than 60 percent) and each subcontractor, as measured by percentage of total contract price.
7.2.2	<p>Add items p and q:</p> <p>p. A statement that the submitted Bid Proposal Security shall guarantee the availability of the services as described throughout the bid proposal.</p> <p>q. A statement that the bidder acknowledges the acceptance of all term and conditions stated in the RFP.</p>
7.2.6	<p>Change title:</p> <p>Operational Professional Services Requirements (Tab 6)</p>
7.2.8.3	<p>Change first sentence:</p> <p>The bidder must provide resumes and references for all identified key personnel, including the bidder's project account manager who will be involved in providing the services contemplated by this RFP.</p>
7.2.8.4	<p>Remove first sentence from last paragraph:</p> <p>The prime contractor for this contract must perform at least 60 percent of the work awarded as a result of this RFP.</p>
7.2.9.5	<p>Change sentence:</p> <p>The bidder must include a statement that indicates the bidder's agreement to the certifications and guarantees that appear in RFP Section 9 Attachments signed copies of Attachments B through J. Signature must be from an individual authorized to bind the company.</p>

7.3.3	<p>Bidders are to include the appropriate The pricing schedules in RFP Attachment N (which includes parts N-1, N-2 and N-3 through N-7) n include specific format and content instructions. Fields on the pricing schedules are designated for pricing for transition, any additional software that the bidder proposes for Department approval, and operations. For Revenue Collections on Pricing Schedule N-2, fields also are designated for contingency percentage and contingency threshold. For Estate Recovery on Pricing Schedule N-3, a field is designated for contingency fee percentage.</p>
8.1	<p>Change last sentence: Finally, an evaluation committee that maywill consist of members from the Department's Division of Fiscal Management will evaluate the financial stability and viability of the bidder.</p>
8.3	<p>Renumber items as follows: 8.3.1 Executive Summary to 8.3.2 Executive Summary 8.3.2 General Requirements to 8.3.3 General Requirements 8.3.3 Professional Services Requirements to 8.3.4 Professional Services Requirements 8.3.4 Project Management to 8.3.5 Project Management 8.3.5 Corporate Qualifications to 8.3.6 Corporate Qualifications</p>
8.3	<p>Change second paragraph: The evaluation committees will meet at the completion of during their evaluation process to address any technical questions raised by their respective reviews and discuss the relative merits of each bidder's bid proposal. At the conclusion of this discussion, the evaluation committee members may independently reevaluate and rescore any section of any proposal.</p>
8.3.1	<p>Last two sentences of first paragraph: The Technical Proposal will be evaluated first and a minimum score of 4,500 points out of the maximum of 7,500 points must be accumulated for the Technical Proposal to be considered competitive and determines whether the Cost Proposal will be evaluated. If the Technical Proposal receives less than 4,500 points, the Cost Proposal will not be considered.</p>
8.3.1	<p>Last paragraph: After the first round of scoring, the The Department will hold oral presentations for all bidders. Following oral presentations, the evaluation committees will convene to discuss the results of the oral presentations. After the meeting, each member of the evaluation committees may will independently reevaluate and rescore any section of any the proposals. After the final rescore rescoring the proposal, each evaluation committee will convene and average the bidder's scores (from each of its members) for each section of the bidder's technical proposal to facilitate a composite and final technical proposal score for each bidder.</p>
8.5	<p>First sentence: A separate The evaluation committee will review and score the cost proposals, but a separate committee will review and score the cost proposals from all bidders meeting the mandatory requirements.</p>
8.8	<p>First sentence: The Department is likely to will request oral presentations from each bidder and request a subsequent "best and final offer" (BAFO) from those bidders that have demonstrated to the evaluation committee their ability to satisfy the requirements of the RFP.</p>
8.8	<p>Last sentence: Upon completion of oral presentations, individual evaluation committee members may re-score bidder's Technical Proposal score based on any clarifications received during that bidder's oral</p>

	presentation.
9	Remove items P through T from Figure 10 and updated title on item O. Only this table requires the change, as those attachments never appeared in the published RFP.
9, Attachment I	Replace Business Associate Agreement
9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 5.c	Add Professional Services to RFP title: c. RFP title (Iowa Medicaid Enterprise Professional Services Procurement) and RFP reference number (MED-10-001)
9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 11	Update requirement: Is one sanitized copy of the proposal volumes and Company Financial Information included if any bid proposal information is designated as confidential?
9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 13	Remove note: (Note: This status will be determined when Cost Proposals are opened after Technical Proposals have been evaluated.)
9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 15	Insert hyphen: 15. Are all bid proposals also submitted on CD-ROM copies per bid proposal?
9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 16	Specify Technical Proposal and Cost Proposal: Does one submitted CD-ROM contain one full version of each bid proposal part the Technical Proposal and Cost Proposal and the other submitted CD-ROM contain one sanitized version of each bid proposal part the Technical Proposal and Cost Proposal ?
9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 17	Specify PDF files: Are all electronic files in read-only PDF format or in Microsoft Word 2000 format (or a later version)?
9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 18.c	Specify status: Version Status (original, copy or sanitized)

<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 21</p>	<p>Changed item d: d. Identification of all subcontractors and a statement included that indicates the exact amount of work to be done by the prime contractor (not less than 60 percent) and each subcontractor, as measured by a percentage of the total work?</p>
<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 21</p>	<p>Added item q: q. A statement that the submitted Bid Proposal Security shall guarantee the availability of the services as described throughout the bid proposal.</p>
<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 21</p>	<p>Added item r: r. A statement that the bidder acknowledges the acceptance of all terms and conditions stated in the RFP.</p>
<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 26</p>	<p>Change Tab 5 to Tab 3: 26. Is a General Requirements Cross-Reference in Tab 3 included for each Technical Proposal under consideration based upon the sample provided in RFP Section 9?</p>
<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 27</p>	<p>Add Services to cross-reference title: 27. Is a Professional Services Requirements Cross-Reference in Tab 3 included for each Technical Proposal under consideration based upon the sample provided in RFP Section 9?</p>
<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 29</p>	<p>Replace item d: d. Signed Felony Disclosures (Section 7.2.9.4) d. A signed copy of each of Attachments B through J inclusive with signature from an individual authorized to bind the company.</p>
<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 29</p>	<p>Remove items e through k: e. A signed copy of Attachment E (Authorization to Release Information) which authorizes the release of information to the Department f. A signed copy of Attachment D (Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion— Lower Tier Covered Transactions) which certifies that the bidder is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal, department or agency g. A signed copy of Attachment C (Certification of Independence and No Conflict of Interest) which certifies that the bid proposal was developed independently, and also certifies that no relationship exists or will exist during the contract period between the bidder and the Department that interferes with fair competition or is a conflict of interest. h. A signed copy of Attachment B (Proposal Certifications and Declarations) which certifies that the</p>

	<p>contents of the bid proposal are true and accurate.</p> <p>i. A signed copy of Attachment J (Proposal Certification of Available Resources) which certifies that the bidder has sufficient available resources to provide the services proposed in the bid proposal.</p> <p>j. A statement that stipulates that, with the submitted bid proposal, the bidder acknowledges the acceptance of all terms and conditions stated in the RFP. (Note: If the bidder objects to any term or condition, a specific reference to the RFP page, section, paragraph, and line numbers must be made. Objections or responses that materially alter the RFP shall be deemed nonresponsive and disqualify the bidder.)</p> <p>k. A written guarantee regarding the availability of the services offered and that all bid proposal terms, including price, will remain firm for at least 120 days after the date set for completion of contract negotiations and execution of the contract.</p>
<p>9, Attachment L, Bid Proposal Mandatory Requirements Checklist, item 33</p>	<p>Change Pricing Schedule A to Pricing Schedule N: 33. Is a proposal bid bond or proposal guarantee in the form of a cashier's check, certified check, bank draft, treasurer's check, bond or a original letter of credit payable to DHS in an amount equal to five percent of the total implementation and operations costs identified by Pricing Schedule N of the Cost Proposal included in Tab 2?</p>
<p>9, Attachment N, Pricing Schedules</p>	<p>Updated N-1, N-2 and N-3 and added N-4, N-5, N-6 and N-7 to break out pricing by business function within each component, to add a line for transition price; to add a line for any additional proposed software for Department approval; and to provide a place to enter the contingency threshold amount for Revenue Collections.</p>