

Count	RFP Page	RFP Section	Question	Response	Submitter
1.	102	6.1.1.1.1	Please clarify if the Medical Director has to be full-time and on-site.	The bidder is to propose the appropriate staffing for this position. The Program Integrity medical director must be on site for the amount of time sufficient to meet the requirements of the contract.	Health Care Excel
2.	101	6.1.1.1.1.a	The Request for Proposals (RFP) states "The bidder must employ the account manager when the bidder submits the proposal." In Figure 4 in that same section the Account manager position row in the table shows the "Start Date" of "Contract signing date." Which is correct?	Both statements are correct. The proposed account manager must be an employee of the bidder when the bidder submits the bid. The bidder must make the account manager available to start work on this contract on the contract signing date.	Health Care Excel
3.	109	6.1.3.4.3 c.1	Are these figures State dollars only or a combined State and Federal figure? Can you provide a breakdown of how much of these figures are expected to be realized from the various components of the contract? SURS, Data Analytics, Medical Necessity Reviews, MVM, Investigations. Was consideration given to CCI editing being in place at the time the contract is awarded when the dollar figures in 6.1.3.4.3 were determined? Some of what CCI editing will catch is being recouped in the current SURS process and counted towards the contract obligation.	6.1.3.4.3.c says "measurable state savings," which refers to state dollars. The Department's expectation is that the contractor will meet the total target using savings from all of the business functions within the Program Integrity component, including SURS, Data Analytics, Medical Necessity Reviews, MVM, and Investigations. The Department expects the CCI implementation to be complete prior to the onset of the IME contracts and anticipates no impact from that project on this contract. CCI is not a part of this contract. As such, the Department does not expect to see CCI savings counted as part of the savings identified for meeting this target.	Health Care Excel
4.	109	6.1.3.4.3.c.1	Do the measurable state savings identified here include the 125% and 200% ROI identified in section 6.2.2.3.a on page 123?	Yes.	Health Care Excel

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5.	115	6.2.1.2.1.a	The RFP states “Provide profiles of health care providers and members through which the quality, quantity and timeliness of services can be identified and assessed.” This appears to require the Program Integrity (PI) contractor to perform member profiling. Is that the State’s intent?	Yes.	Health Care Excel
6.	117	6.2.1.2.3.f.2	The RFP states “Under the direction of the Department, direct the Core MMIS contractor to process refunds to providers who have been identified as having been underpaid.” How will detected and addressed underpayments be counted toward meeting the financial requirements for the PI contractor?	Underpayments are not state savings. The acceptable measures for meeting this requirement will be the identification of the underpayments and the processing and completion of refund transactions.	Health Care Excel
7.	118	6.2.1.2.1.l	Is it IME’s expectation that the new CCI editing provided by Bloodhound Technologies will satisfy this requirement?	No.	Health Care Excel
8.	122	6.2.2.2.c	Please expand on what the expectations may be from the contractor related to “assisting the department in performing budget forecasting.”	The Department expects that the contractor will be able to suggest parameters and reports available through the data analytics tools to identify service utilization and billing trends that will facilitate budget forecasting.	Health Care Excel
9.	122	6.2.2.2.e	Does the State have recommendations about what reports they may want to see or the format?	The Department desires to see the bidder’s recommendations and proposed approach for standard and ad hoc reporting of program integrity data.	Health Care Excel
10.	120	6.2.2.2.h	The RFP Requires “If using Department-approved external tools, provide the capability to use the new tools as fully functional, CMS-certifiable replacements that are proven to meet all federal	Yes. The Department desires to obtain replacements for the legacy SUR and MAR subsystems if the bidder wishes to use external tools. The bidder is to propose the approach to the replacement(s), including the schedule(s)	Health Care Excel

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			requirements for the SUR and MAR functional areas.” This appears to place substantial additional requirements on bidders who wish to provide the State with the benefits of external tools. Was this the State’s intent? If that was the State’s intent, at what date must these SUR and MAR tools be functional and ready for CMS certification?	for implementation and certification of SUR, MAR or both.	
11.	123	6.2.2.3.a	How is the return on investment determined? Through SURS reviews initiated through data analysis? Through suggestions funneled through MVM. Through provider outreach that may result from the data analysis?	The contractor is to provide the data that substantiates the return on investment. The data must demonstrate how the contractor uses the data analytics tools to obtain the return on investment, whether through reduced expense or cost avoidance. The Department also will expect the contractor to provide the calculations and data used to substantiate the return on investment so that the Department can validate the results independently.	Health Care Excel
12.	123	6.2.2.3.a	We anticipate that the correct coding initiative will identify cost savings that could decrease the potential ROI for the data analytic work of the Program Integrity function. Has any research been done to determine the potential impact of the CCI?	The Department agrees that CCI may result in additional savings. Those savings are not part of the Program Integrity contract or the targeted return on investment for the Data Analytics function.	Health Care Excel
13.	124	6.2.3.2.g	This mentions that it should be a random sample of 200. From an administrative standpoint, we could be sending a large number of letters each month (cost and time involved). Would the State consider another methodology that would request a larger sample from a smaller population	The Department does not wish to change the requirement, which correctly states the Department’s intent for the sample.	Health Care Excel

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			each month? Currently, this resembles PERM or MIC.		
14.	125	6.2.4.2.a	Under Contractor Responsibilities for the MVM, it states that the "IME Medical Director" leads the MVM team. This would indicate that the Medical Services Medical Director would lead this and not the Program Integrity Medical Director. Is that accurate?	Amendment 3 of the RFP modifies this requirement to state that the Program Integrity Medical Director leads the MVM team.	Health Care Excel
15.	140	7.2.9.5	It states that "signed copies of Attachments B through J inclusive..." should be filled out. Does this include Attachment I, Business Associate Agreement?	Yes. The Department's business associate agreement currently is being redrafted to comply with ARRA. Attachment I is the latest iteration and includes a breach notice obligation. The finalized business associate agreement will be incorporated into the contract prior to execution.	Health Care Excel
16.	140	7.2.9.5	Does the requirement for all certifications and guarantees to be signed and complete (includes Attachment B through J) also apply to subcontractors?	No.	Health Care Excel
17.	141	7.4	Are subcontractors required to submit the information needed for this section? (Company Financial Information)	No.	Health Care Excel
18.	130	Section 7	Can appendices, such as resumes, reports, etc. be included in the proposal in a separate appendix section or should they be included in the appropriate tab?	The Department does not wish to receive any appendices in the proposal volumes. Amendment 2 of the RFP modified section 8.3.2 to remove the phrase "including appendices."	Health Care Excel
19.	151	Attachments	Please confirm that Attachment N, Pricing Schedules, can be re-created as either an excel document or a word document.	The Department has added Word versions of the attachments to the Program Integrity RFP web page at this address:	Health Care Excel

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				http://www.ime.state.ia.us/Reports_Publications/RFP/RFPMED_10_013.html	
20.	75	4.1	<ul style="list-style-type: none"> Will the Department consider a solution that includes a replacement for the current SURS? 	Yes.	Ingenix
21.	77	4.3.1.2 and 6.1.1	<ul style="list-style-type: none"> What are the Department's expectations regarding how the contractor will "Leverage current staff experienced in IME operations"? Are there specific Department staff that will be made available? 	The Department encourages contractors to hire local staff who have experience in the IME operations in the event that such staff become available. The Department has no plans to release any of its own staff at this time.	Ingenix
22.	79	4.3.1.3	<ul style="list-style-type: none"> Please provide additional detail regarding the facilities available to the contractor at 100 Army Post Road in Des Moines. How much space in [is] available for the contractor? 	The Department provides space, furnishings and equipment to the IME contractors based on their staffing. The building includes a reception area, secured doors that require a badge for access, bathrooms, reservable conference rooms, a break room with vending machines, two microwave ovens, and two refrigerators for common use. The Department will determine the space available for the contractor based on the contractor's staffing at the time of contract execution.	Ingenix
23.	109	6.1	<ul style="list-style-type: none"> Is it a requirement of the RFP that all data operations be physically located within the IMS [IME] facility? May the successful vendor maintain some data operations in an off-site facility? 	The Department will consider proposals for off-site location of data operations.	Ingenix
24.	105, 106	6.1.3.1	Section 6.1.3.1 specifies the liquidated	No.	Ingenix

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			<p>damages amount where the Contractor fails to meet certain performance standards. Liquidated damages are typically the type of remedy that parties agree upon where it is impossible or difficult to prove actual damages and as such, the liquidated damage remedy is typically the sole and exclusive remedy when it is triggered. Neither this Section nor any portion of Attachment O, the Template Contract, states that when liquidated damages are assessed, they shall be the State's sole and exclusive remedy. If the RFP were to be amended to state that liquidated damages, when assessed, would constitute the sole and exclusive remedy, the State would benefit from lower pricing as bidders would not have to price that risk into their bid.</p> <ul style="list-style-type: none"> • Would the State amend the RFP to state that liquidated damages would constitute the sole and exclusive remedy when assessed? 		
25.	109	6.1.3.4.3.c	<ul style="list-style-type: none"> • Given that data analytics is not operational until November 1, 2010 (i.e., after SFY '11 has already commenced), will the SFY'11 amount of \$20M be pro-rated or will the Contractor truly have to demonstrate \$20M in measurable state savings 	No, the amount will not be prorated.	Ingenix

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			commencing 11/1/10 through 6/30/11?		
26.	113	6.2	<p>Please provide detail on the dollar amount of recoveries and cost avoidances realized by the Department for the past five fiscal years for each of the program areas described in Sections 6.2.1 through 6.2.5 of the RFP:</p> <ul style="list-style-type: none"> • SUR • Data Analytics • Medical Necessity Reviews • Medical Value Management Program • Investigation 	<p>The Department desires to see the bidder's proposed approach to the targeted state savings in 6.1.3.4.3.c and the return on investment in 6.2.2.3.a. Bidders have access to Iowa Medicaid Workload Statistics and IME Quarterly Reports through the IME Resource Library and IME performance reports through the Reports page that is selectable throughout the IME web site. SURS is reported there. Prepayment medical necessity reviews and the Medicaid Value Management program currently are part of Medical Services. The Data Analytics, postpayment Medical Necessity Reviews, and Investigation functions are new business functions for the redesigned Program Integrity component.</p>	Ingenix
27.	113	6.2	<p>For each of the program areas listed in sections 6.2.1 through 6.2.5 of the RFP please describe in more detail:</p> <ul style="list-style-type: none"> • How is that function currently being performed? • Is that function currently being performed by a vendor/contractor? • How many staff are currently utilized to perform the requested functions, with a breakdown that differentiates between Department and State staff? 	<p>The Data Analytics, postpayment Medical Necessity Reviews and Investigation functions are new business functions for the redesigned Program Integrity component. SURS functions are described in the SURS operational procedures in the IME resource library. Prepayment medical necessity reviews (for prior authorization) and the Medicaid Value Management Program currently are part of Medical Services, which has its own operational procedures in the IME resource library. Information about the existing functions and the IME business model is available in RFP Section 3 Program Description. The</p>	Ingenix

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				Department does not provide the contractors' staffing information because the Department desires to see the bidder's approach to staffing to meet the requirements.	
28.	121	Section 6.2.1.3 b	<p>This section requires an annual review of a random minimum sample of 0.5 percent of paid claims including cases from providers who exceed calculated norms and a random sample of providers who do not exceed norms.</p> <ul style="list-style-type: none"> If the successful bidder provides advanced analytical tools that can identify suspect claims, can the sample of .5 percent of paid claims be identified by the tools instead of by a random sample approach for both providers exceeding calculated norms and those not exceeding norms? 	The bidder may use their proposed solution so long as they sample a minimum of .5 percent of paid claims. For purposes of this RFP, the Department will consider the tool-identified selection of suspect claims to be a random sample.	Ingenix
29.	121 and 124	Section 6.2.1.3.b and Section 6.2.3.2.g	<p>There appears to be a conflict. Section 6.2.3.2.g requires review of 200 claims monthly. Section 6.2.1.3.b requires a review of .5 percent of paid claims.</p> <ul style="list-style-type: none"> Which requirement is applicable? 	The requirements are not in conflict. They are two different requirements that reflect the needs of two different business functions — SURS and postpayment Medical Necessity Reviews. Both requirements are applicable.	Ingenix
30.	126	6.2.4.3.c	<ul style="list-style-type: none"> Is the \$1M annual amount measured on a SFY basis or calendar year basis? 	Amendment 3 of the RFP modifies this requirement to specify state fiscal year.	Ingenix
31.	126	6.2.4.3.c	<ul style="list-style-type: none"> When does the obligation to achieve \$1M in cost avoidance begin? 	The obligation begins when the contractor starts work on July 1, 2010.	Ingenix
32.	130	7.1.e	The language in this Section references	No. Amendment 3 of the RFP removes original	Ingenix

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			<p>“separate contract awards”.</p> <ul style="list-style-type: none"> Does the Department envision awarding a contract for less than all of the types of program integrity services described in the RFP or must each bid cover all of the types of program integrity services described in the RFP? 	<p>item e, renumbers original items f through n, and modifies new item i.</p>	
33.	134	7.2.2(q)	<ul style="list-style-type: none"> Will a bidder who submits either supplemental terms or exceptions to the State’s terms set forth in the RFP have its bid automatically rejected for failure to meet a mandatory requirement, even if the supplemental term and/or exception might (a) encourage technically responsive and financially responsible bidders to bid that might not otherwise and/or (b) result in lower priced bids? 	<p>Please refer to RFP Section 2.9, which states “Any ambiguity concerning the RFP must be addressed through the question and answer process, as bidders are prohibited from including assumptions in their bid proposals.” A change in the contract language submitted with a bid would be considered an assumption.</p>	Ingenix
34.	137	7	<ul style="list-style-type: none"> What amount of funding (state seed and federal match) is anticipated to be available for each year of the contract? 	<p>The information is not available to bidders during an active procurement.</p>	Ingenix
35.	140	7.3.2	<ul style="list-style-type: none"> Can the Department provide a copy of a Bond Form that the Department finds acceptable? 	<p>A surety licensed to do business in Iowa will have a bond form acceptable to the Department.</p>	Ingenix
36.	183,	Section 29(d) of the Mandatory Checklist	<ul style="list-style-type: none"> In order to meet the requirement that the bidder has signed Attachment I, does the Department want a bidder to sign Attachment I on Exhibit A, Page 	<p>No. The Department’s business associate agreement currently is being redrafted to comply with ARRA. Attachment I is the latest iteration and includes a breach notice obligation. The finalized business associate</p>	Ingenix

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			174 as this is the only place in Attachment I that has a signature block?	agreement will be incorporated into the contract prior to execution.	
37.	Attachment O, pages 2 and 3	7.1 (of the contract)	Each Bidder's Cost Proposal must specify an "Implementation Price". Section 7.1 of the Template Contract does not include any reference to the Implementation Price nor when it will be paid. <ul style="list-style-type: none"> Can the Department clarify? 	Amendment 3 of the RFP modifies the pricing schedule to reflect the required and optional components of the implementation price. Attachment O is a sample contract. The payment terms and schedule for implementation will be included in the final contract.	Ingenix
38.	Attachment O, pages 8-11	9.2 (of the contract)	This Section contains business associated terms and conditions. <ul style="list-style-type: none"> Are they meant to be supplemental to those in Attachment I or in lieu of them? 	The Department's business associate agreement currently is being redrafted to comply with ARRA. Attachment I is the latest iteration and includes a breach notice obligation. The finalized business associate agreement will be incorporated into the contract prior to execution.	Ingenix
39.	Attachment O, pages 17 and 18	15.2 and 15.3 (of the contract)	Section 15.2 requires a bidder who uses software tools during the term of the Contract to provide services to the Department to then grant a fully paid up, perpetual, source code license to the Department upon contract termination. If the same Contractor uses a third party software tool to provide services to the Department, the requirement is to grant a perpetual license (presumably in object code format) to the Department upon contract termination. Such perpetual rights, and even the requirement to provide a source code license of a proprietary tool act	No. Also please refer to the response to question 33 regarding assumptions.	Ingenix

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			<p>as disincentives to bidders who might otherwise provide services using these tools, either because the requirement is not consistent with most vendors' business models and/or because the contractor does not have these rights from a third party. Yet, if the Department were to amend these post contract termination rights to the point where a contractor could license its or a third party's tool to the Department consistent with the way such commercially available software is typically licensed, the Contractor would likely use such tools and generate greater recoveries and cost avoidance amounts to the Department.</p> <ul style="list-style-type: none"> • Would the Department amend the RFP to permit a contractor to license either its proprietary or third party tool to the Department upon contract termination on license terms used by such contractor or third party in the commercial marketplace? 		
40.	Attachment O, page 23	Section 18 (of the contract)	<p>The Contract template does not contain a mutual exclusion of consequential damages nor any contractual limitation on the amount of a Contractor's liability for actual damages. The presence of either or both of these provisions often has the following benefits to the State:</p> <ol style="list-style-type: none"> 1. Financially responsible and technically responsive bidders are 	No. Also please refer to the response to question 33 regarding assumptions.	Ingenix

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			<p>encouraged to bid where they might not otherwise out of concerns for the open ended nature of their liability;</p> <p>2. Lower pricing often results as a bidder does not have to try to 'price' the unlimited liability risk into their bid; and</p> <p>3. In so far as the exclusion of consequential damages would be mutual in nature, the State's own liability would be limited.</p> <ul style="list-style-type: none"> • Would the Department consider amending the RFP to contain a mutual exclusion of consequential damages and/or a contractual cap on a Contractor's liability for actual damages or a proposal that indicates that the Contractor is willing to negotiate something mutually acceptable that addresses these issues? 		
41.	5.3	86	Please provide technical details regarding the existing Data Warehouse/Decision Support (DW/DS) system, including system configuration, record layouts, and data volumes.	Please refer to the IME Resource Library for data warehouse documentation and record layouts.	Thomson Reuters
42.	6.2.2	121	The RFP indicates that the Department will supply data for analytic purposes from its existing data warehouse/decision support	Yes, this understanding is correct.	Thomson Reuters

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			(DW/DS) system. We understand this to mean that the interface to receive data for data analytics will be from the DW/DS and not directly from the MMIS. Is this understanding correct? If there are any other specific data sources besides the DW/DS system for the data analytics under section 6.2.2, please provide details regarding the sources, data types and volumes of additional data.		
43.	6.2.2.2.h	122	The RFP states "If using Department-approved external tools, provide the capability to use the new tools as fully functional, CMS-certifiable replacements that are proven to meet all federal requirements for the SUR and MAR functional areas." During the bidders' conference on November 17, 2009, Medicaid Director Jennifer Vermeer stated that proposals to replace the current SUR and MAR subsystems would be very desirable but only optional and not specifically required as part of the base proposal. Please clarify the requirements for SUR and MAR capabilities. Is the contractor required to provide CMS-certifiable replacements for the current IME SUR and MAR functionalities? If so, what specific MAR reporting and other federal reporting will be required?	Correct, the Department desires to replace the legacy SUR and MAR subsystems, but the opportunity to do so is optional in response to this RFP. If the bidder desires to provide the replacement SUR and MAR functions, they must meet all federal reporting and certification requirements, which are detailed on the CMS web site.	Thomson Reuters

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44.	6.2.4.3.b	126	Are there any specific projects being performed under the current MVM contract work that will be ongoing and will need to be continued under this IME Program Integrity contract? If so, what are the specific projects that will need to be continued?	The Department would expect that the bidder would review current projects and make recommendations to the Department as to whether continuing them will provide further value. Please refer to the 2008 and 2009 MVM reports that are on the IME Resource Library.	Thomson Reuters
45.	6.1.3.4.3.c. 1 6.2.4.3.c	109 126	Is the \$1 million specified in the Section 6.2.4.3.c in addition to or included in the multi-million dollar amounts specified in Section 6.1.3.4.3.c.1?	Included.	Thomson Reuters