



*Performance. Service. Integrity.*

**Policy Studies Inc.**

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January 29, 2010

Mary Tavegia, Issuing Officer  
Iowa Department of Human Services  
Iowa Medicaid Enterprise  
200 Army Post Road, Suite 2  
Des Moines, IA 50315

Dear Ms. Tavegia:

Policy Studies Inc. (PSI) is pleased to resubmit the pricing schedule as our best and final offer in response to RFP MED-10-001 for the Provider Services component of the Iowa Medicaid Enterprise.

As you will see from our revised pricing schedule, we have decreased our average annual cost below our current rates. PSI truly values our partnership with the Department and our role in the Iowa Medicaid Enterprise, and we recognize the tough financial conditions that the State of Iowa, like many other states, is facing today. We have reduced our margin in order to offer the most competitive bid, which has reduced our cost by over five percent of original bid submission.

We believe our revised pricing for the Provider Services component gives Iowa the best value, based on our solid operations performance during the last five years. Our superior solution and our experienced team are the drivers behind the efficiencies we can offer here and the new ideas for the future.

Our Technology Tools list shows items for which there is no cost to the Department, as we already have this software in place.

We stand ready to take on the new challenges of the IME's goals in a new contract term and are confident our solution and our team will deliver on our promises.

Sincerely,

Carroll Wallace  
Chief Financial Officer



## Attachment N-5

Figure 18: Pricing Schedule for Provider Services

Transition	\$ -						
Line Item Description	Year 1	Year 2	Year 3	Opt 1	Opt 2	Opt 3	Total
Software if approved by the Department	\$	\$	\$	\$	\$	\$	\$
6.4.1 Provider Enrollment							
Salaries and Benefits	\$ 465,825	\$ 488,284	\$ 459,739	\$ 473,532	\$ 487,738	\$ 502,370	\$ 2,877,487
Administrative Overhead	\$ 83,569	\$ 88,462	\$ 87,182	\$ 89,677	\$ 96,270	\$ 99,160	\$ 544,320
Other Costs (itemized in the following rows)							
Office Supplies & Insurance	\$ 10,200	\$ 12,920	\$ 12,483	\$ 13,056	\$ 13,452	\$ 13,860	\$ 75,972
Training & Travel	\$ 15,601	\$ 7,806	\$ 7,580	\$ 7,058	\$ 7,272	\$ 7,493	\$ 52,810
6.4.2 Provider Inquiry and Provider Relations							
Salaries and Benefits	\$ 1,333,953	\$ 1,398,267	\$ 1,402,205	\$ 1,444,271	\$ 1,487,599	\$ 1,532,227	\$ 8,598,523
Administrative Overhead	\$ 239,310	\$ 253,324	\$ 265,904	\$ 273,515	\$ 293,625	\$ 302,439	\$ 1,628,117
Other Costs (itemized in the following rows)							
Office Supplies & Insurance	\$ 29,210	\$ 36,998	\$ 38,074	\$ 39,821	\$ 41,029	\$ 42,272	\$ 227,405
Training & Travel	\$ 44,675	\$ 22,354	\$ 23,118	\$ 21,526	\$ 22,180	\$ 22,855	\$ 156,709



Line Item Description	Year 1	Year 2	Year 3	Opt 1	Opt 2	Opt 3	Total
<b>6.4.3 Stale-Dated Checks</b>							
Salaries and Benefits	\$ 21,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,174
Administrative Overhead	\$ 3,799	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,799
Other Costs (itemized in the following rows)							
Office Supplies & Insurance	\$ 464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 464
Training & Travel	\$ 709	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 709
<b>6.4.4 Provider Outreach and Education</b>							
Salaries and Benefits	\$ 211,739	\$ 221,947	\$ 229,870	\$ 236,766	\$ 243,869	\$ 251,185	\$ 1,395,375
Administrative Overhead	\$ 37,986	\$ 40,210	\$ 43,591	\$ 44,839	\$ 48,135	\$ 49,580	\$ 264,341
Other Costs (itemized in the following rows)							
Office Supplies & Insurance	\$ 4,637	\$ 5,873	\$ 6,242	\$ 6,528	\$ 6,726	\$ 6,930	\$ 36,935
Training & Travel	\$ 7,091	\$ 3,548	\$ 3,790	\$ 3,529	\$ 3,636	\$ 3,747	\$ 25,341
<b>6.4.5 Provider Training</b>							
Salaries and Benefits	\$ 84,695	\$ 88,779	\$ 91,948	\$ 94,706	\$ 97,548	\$ 100,474	\$ 558,150
Administrative Overhead	\$ 15,194	\$ 16,084	\$ 17,436	\$ 17,935	\$ 19,254	\$ 19,832	\$ 105,736
Other Costs (itemized in the following rows)							
Office Supplies & Insurance	\$ 1,855	\$ 2,349	\$ 2,497	\$ 2,611	\$ 2,690	\$ 2,772	\$ 14,774
Training & Travel	\$ 2,837	\$ 1,419	\$ 1,516	\$ 1,412	\$ 1,454	\$ 1,499	\$ 10,136



Line Item Description	Year 1	Year 2	Year 3	Opt 1	Opt 2	Opt 3	Total
<b>6.4.6 IME Support Services</b>							
Salaries and Benefits	\$ 21,174	\$ 22,195	\$ 22,987	\$ 23,677	\$ 24,387	\$ 25,118	\$ 139,537
Administrative Overhead	\$ 3,799	\$ 4,021	\$ 4,359	\$ 4,484	\$ 4,814	\$ 4,958	\$ 26,434
Other Costs (itemized in the following rows)							
Office Supplies & Insurance	\$ 464	\$ 587	\$ 624	\$ 653	\$ 673	\$ 693	\$ 3,693
Training & Travel	\$ 709	\$ 355	\$ 379	\$ 353	\$ 364	\$ 375	\$ 2,534
<b>6.4.6 ISIS Support</b>							
Salaries and Benefits	\$127,043	\$110,974	\$114,935	\$118,383	\$ 121,934	\$ 125,592	\$ 718,861
Administrative Overhead	\$ 22,791	\$ 20,105	\$ 21,795	\$ 22,419	\$ 24,068	\$ 24,790	\$ 135,969
Other Costs (itemized in the following rows)							
Office Supplies & Insurance	\$ 2,782	\$ 2,936	\$ 3,121	\$ 3,264	\$ 3,363	\$ 3,465	\$ 18,931
Training & Travel	\$ 4,255	\$ 1,774	\$ 1,895	\$ 1,764	\$ 1,818	\$ 1,873	\$ 13,380
<b>Grand Total</b>	<b>\$ 2,797,538</b>	<b>\$ 2,851,572</b>	<b>\$ 2,863,270</b>	<b>\$ 2,945,778</b>	<b>\$ 3,053,898</b>	<b>\$ 3,145,560</b>	<b>\$ 17,657,616</b>



### Professional Services RFP, MED-10-001 Technology Tools

This document serves as a list of technologies that you propose to bring to the Iowa Medicaid Enterprise, the sources of data for those tools, and the purposes of the tools.

Please complete the table below. If you are not proposing any technology tools respond with “None”

PSI is proposing to use the following tools in our operation of the Provider Services unit:

Name of Tool	Type of Tool	Description of Tool	COTS or Proprietary
Microsoft Office Access	Database	The outreach representatives use this tool for some MediPASS tracking	COTS
ReadyTalk	Record and present webinars	Used to record training modules on specific subjects that providers access through the IME website	COTS
Surveymonkey	Surveying	Use to gather information both internally and externally	COTS