

The State of West Virginia Bureau for Medical Services



Request for Proposal MED10001

Fiscal Employer/Resource Consulting

Receipt Location:

WV Department of Health and Human Resources
Office of Purchasing
One Davis Square, Suite 100
Charleston, WV 25301

WARNING: Prospective Offerors who have received this document from a source other than the Issuing Office should immediately contact the Issuing Office and provide their name and mailing address so that amendments to the RFP or other communications can be sent to them. A prospective Offeror who fails to notify the Issuing Office with this information assumes complete responsibility in the event that they do not receive communications from the Issuing Office prior to the closing date.

Proposals shall be addressed to:

WV Department of Health and Human Resources
Office of Purchasing
ATTN: Bryan Rosen
One Davis Square, Suite 100
Charleston, WV 25301
Telephone (304) 558-0953 Fax (304) 558-2892

REQUEST FOR PROPOSAL
Bureau for Medical Services RFP MED10001

PART 1 GENERAL INFORMATION, TERMS AND CONDITIONS

1.1 Purpose

The Bureau for Medical Services, hereinafter referred to as “Bureau” or “BMS”, is soliciting proposals to provide Fiscal Employer/Agent (FE/A) and Resource Consulting (RC) services on the Bureau’s behalf to Medicaid members who choose the Personal Options self-directed service delivery model. This solicitation serves as notice of the service being sought by BMS and is the template to which interested vendors should respond with a proposal for such service.

1.2 Project:

The mission or purpose of the project is to obtain the services of a qualified vendor that has Medicaid experience and expertise as a Subagent to a Government FE/A or as a Vendor FE/A and as a Resource Consulting agent to provide FE/A and Resource Consulting services on behalf of the Bureau to Medicaid members.

1.3 Legal Basis

The procurement process for this RFP will be conducted in accordance with the procurement policies and procedures established by the Secretary of the Department of Health and Human Resources as provided for in West Virginia State Code 9-2-9b.

1.4 RFP Format

This RFP has four parts. “Part 1” contains general information, terms and conditions; “Part 2” describes the background and working environment of the project; “Part 3” is a statement of the specifications for the services requested pursuant to this RFP, contractual requirements, and special terms and conditions; and “Part 4” explains the required format of the Bidder’s response to the RFP, the evaluation criteria the Bureau will use in evaluating the proposals received, how the evaluation will be conducted and how the award will be made.

1.5 Inquiries

Additional information inquiries regarding specifications of this RFP must be submitted in writing to DHHR Office of Purchasing. The deadline for written inquiries is identified in the Schedule of Events, Section 1.17. All inquiries of specification clarification must clearly identify the RFP MED10001 and be addressed to:

WV Department of Health and Human Resources
Office of Purchasing
ATTN: Bryan Rosen
One Davis Square, Suite 100
Charleston, WV 25301
bryan.d.rosen@wv.gov
Telephone (304) 558-0953 Fax (304) 558-2892

The Vendor, or anyone on the Vendor’s behalf, is not permitted to make any contact whatsoever with any member of the evaluation committee. Violation may result in rejection of the bid. The person named above is the sole contact for any and all inquiries after this RFP has been released.

1.6 **Vendor Registration**

Vendors participating in this process should complete and file a **Vendor Registration and Disclosure Statement** (Form WV-1) with the West Virginia Department of Administration (DOA) Purchasing Division and remit the registration fee. Vendor is not required to be a registered vendor in order to submit a proposal, but the **successful bidder must** register and pay the fee prior to the award of an actual purchase order or contract.

1.7 **Oral Statements and Commitments**

Vendor must clearly understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any State personnel is not binding. Only the information issued in writing and added to the Request for Proposal specifications file by an official written addendum are binding.

1.8 **Economy of Preparation**

Proposals should be prepared simply and economically, providing a straightforward, concise description of Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

1.9 **Labeling of RFP Sections**

The sections within this RFP contain instructions governing how the Vendor's proposal is to be arranged, submitted and to identify the material to be included therein.

1.9.1 *Mandatory Requirements*

Any specification or statement containing the word "must", "shall", or "will" are mandatory. Section 3 contains mandatory deliverables required upon contract execution. By signing and submitting a response to this RFP, the Vendor agrees to all mandatory deliverables described herein. Section 4 describes RFP response requirements, which may be mandatory. The Vendor is required to meet all mandatory requirements in order to be eligible for consideration and to continue in the evaluation process. Failure to meet or agree to mandatory items shall result in disqualification of the Vendor's proposal and the evaluation process will be terminated for that vendor. Decisions regarding compliance with any mandatory requirement shall be at the sole discretion of the Bureau.

1.9.2 *Contract Terms and Conditions*

This Request for Proposals contains all the contractual terms and conditions under which the BMS will enter into a contract.

1.9.3 *Informational Sections*

Informational specifications do not require a response from the Vendor. They are intended to aid the Vendor in structuring an effective proposal capable of meeting the needs of the issuing agency.

1.10 **Proposal Format and Submission**

1.10.1 Each proposal should be formatted as per the outline in Part 4 of this RFP. No other arrangement or distribution of the proposal information may be made by the bidder. Failure on the part of the bidder to respond to specific requirements detailed in the RFP may be the basis for disqualification of the proposal. The BMS reserves the right to waive any informality in the proposal format and minor irregularities.

1.10.2 Bureau procurement policies require that the original technical and the original cost proposal be submitted to DHHR Office of Purchasing. All proposals must be submitted to the DHHR Office of Purchasing **prior** to the date and time stipulated in the RFP as the

opening date. All bids will be dated and time stamped to verify official time and date of receipt.

1.10.3 Vendors mailing proposals should allow sufficient time for mail delivery to ensure timely arrival. The Bureau cannot waive or excuse late receipt of a proposal which is delayed and late for any reason. Any proposal received after the bid opening date and time will be immediately disqualified in accordance with Bureau procurement policies.

Vendors responding to this RFP shall submit:

One (1) original technical and one original cost proposal plus (6) convenience copies, including one copy on CD, to:

WV Department of Health and Human Resources
Office of Purchasing
ATTN: Bryan Rosen
One Davis Square, Suite 100
Charleston, WV 25301
Telephone (304) 558-0953 Fax (304) 558-2892

The outside of the envelope or package(s) should be clearly marked:

RFP # MED10001

All proposals must be received prior to 1:30 pm on March 11, 2010

1.10.4. Standard Format

1.10.4.1 *Proposal Format and Content:* Proposals shall be requested and received in two distinct parts: Technical and Cost. The cost portion shall be sealed in a separate envelope.

1.10.4.2 *Bid Opening:* The DHHR Office of Purchasing will open the proposals based on the Schedule of events.

1.10.4.4 *Evaluation Committee.* The evaluation committee will be made up of no less than 3 and no more than 7 Subject Matter Experts (SMEs). The number and backgrounds of the SMEs will depend on the complexity and size of the project. These SMEs will be drawn from the BMS and other agencies, as appropriate, and will be approved by the BMS Commissioner. The Evaluation Committee then will review and evaluate all technical proposals received in response to this RFP.

1.10.4.5 *Evaluation Criteria:* Each proposal shall be evaluated, measured and ranked using the evaluation criteria described here. The Bureau hereby reserves the right to evaluate, at its sole discretion, the extent to which each proposal received compares to the said criteria. The recommendation of the Evaluation Committee shall be based on the evaluations using the criteria described here.

The following table depicts the scoring methodology that will be used to evaluate proposals.

Area	Description	Maximum Score
Vendor Experience	Vendors should provide credible, detailed evidence of their related experience and capabilities in providing FE/A services and Resource Consulting. At least three vendor	30

	references from work within the last five years should be provided.	
Understanding of the Project Objectives and Timeline	Vendor is to provide a narrative of their understanding of the FE/A and RC tasks. Vendor shall provide a timeline showing how they will be able to meet timelines.	20
Project Work Plan	Vendor shall provide a proposed work plan to demonstrate a clear grasp of the overall project and services to be provided.	20
Cost	This criterion will be used to assess the price of the services solicited by this Request for Proposals. Offerors will be evaluated on their pricing scheme and their price in comparison to other offerors.	30
	Maximum Total Points Awarded:	100

The Bureau may, if necessary, ask vendors for additional information to clarify their proposals. The Bureau reserves the right to accept or reject any or all of the proposals, in whole or in part, without prejudice, if to do so is felt to be in the best interests of the Bureau. Vendor's failure to provide complete and accurate information at any point in the evaluation process may be considered grounds for disqualification.

1.10.4.6 *Evaluation Committee Recommendation:* After the cost proposals have been opened, the Evaluation Committee completes its review and prepares the final vendor evaluation. The Evaluations Committee's final recommendation to the DHHR Office of Purchasing is based on best value. Cost is considered, but is not the sole determining factor for award.

1.10.4.7 *Minimum Acceptable Score:* Vendors must score a minimum of **70%** of the total technical points possible. The minimum qualifying score on the technical portion is 49 points. All vendors not attaining the minimum acceptable score (MAS) shall be disqualified and removed from further consideration.

Vendor's failure to provide complete and accurate information may be considered grounds for disqualification.

1.10.4.8 *Resident Vendor Preference:* DHHR Purchasing Division will make the determination of the Resident Vendor Preference, if applicable. Resident Vendor Preference provides an opportunity for qualifying vendors to request at the time of bid preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the West Virginia Code. A certificate of application is used to request this preference. A West Virginia vendor may be eligible for two 2.5% preferences in the evaluation process.

1.10.4.9 *Oral Presentation:* If included in the Schedule of Events, at the option of the BMS, oral presentations may be required. Vendors will be notified if any oral presentation is

required. Any cost incidental to an oral presentation shall be borne entirely by the vendor and the BMS shall not compensate the vendor.

The vendors should present complete, comprehensive proposals without relying on oral presentations, because the BMS reserves the right to award a contract without further discussions or an oral presentation. Presentations will be recorded and any representations made during the oral presentation will become part of the vendor's proposal and are binding if a contract is awarded.

1.10.4.10 *Site Visits:* The BMS may request to review the vendor's facilities, other vendor clients or its subcontractors' facilities. This may include, but not be limited to, a review of policies and procedures, and any other area of operation that directly or indirectly affects the provisions of the RFP or contract.

Any cost incidental to the site visit by the vendor shall be borne by the vendor. The BMS will be responsible for its own travel and accommodations.

A readiness review may also be conducted on-site at the selected vendor's facilities following execution of the contract and before implementation of any project work.

1.10.4.11 *Contract Approval and Award:* After the cost proposals have been opened, the evaluation committee completes its review and prepares the final evaluation making its recommendation for contract award based on the highest scoring vendor. The final evaluation must be reviewed and approved by the DHHR Office of Purchasing Director.

1.10.4.12 *Vendor Debrief:* As the evaluation and award process has been described and documented, unsuccessful vendors have the opportunity to request a Debrief. That Debrief will be conducted at BMS facilities, privately, with the requesting vendor, the buyer and appropriate members of the evaluation committee. The vendor's proposal will be discussed, and the evaluation committee scoring and contract award will be explained. This will help vendors understand the process, be more competitive by improving their proposals, and will increase their potential for winning bids.

1.11 **Rejection of Proposals**

The Bureau shall select the best value solution according to the evaluation criteria described in this document. However, the Bureau reserves the right to accept or reject any or all proposals, in part or in whole at its discretion. The Bureau reserves the right to withdraw this RFP at any time and for any reason. Submission of, or receipt by the Bureau of proposals confers no rights upon the bidder nor obligates the Bureau in any manner.

A contract based on this RFP and the Vendor's proposal, may or may not be awarded. Any contract resulting in an award from this RFP is not valid until properly approved and executed by the Bureau for Medical Services.

Unsuccessful vendors, who have requested and participated in a Debrief, can protest an award within 5 business days of the date of the notification of an unsuccessful proposal. Protests will be submitted, in writing, to the DHHR Office of Purchasing Director. Protests will contain appropriate information, including grounds for the protest, supporting documentation, if necessary, and resolution or relief sought. The DHHR Secretary (or his/her designee) will review the protest; conduct a hearing (at the Secretary's discretion); and issue a written decision. Any delay of the procurement will be up to, and at the discretion of the DHHR Secretary.

1.12 **Incurring Costs**

The BMS and any of its employees or officers shall not be held liable for any expenses incurred by any bidder responding to this RFP for expenses to prepare, deliver the proposal, or to attend any mandatory pre-bid meeting or oral presentations.

1.13 **Addenda**

If it becomes necessary to revise any part of this RFP, an official written addendum will be issued by DHHR Office of Purchasing to all bidders of record.

1.14 **Independent Price Determination**

A proposal will not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication or agreement as to any matter relating to prices with any competitor unless the proposal is submitted as a joint venture.

1.15 **Price Quotations**

The price(s) quoted in the bidder's proposal will not be subject to any increase and will be considered firm for the life of the contract unless specific provisions have been provided for adjustment in the original contract.

1.16 **Public Record**

1.16.1 *Submissions are Public Record.*

All documents submitted to the Bureau related to purchase orders or contracts are considered public records. All bids, proposals or offers submitted by bidders shall become public information and are available for inspection during normal official business hours at the DHHR Office of Purchasing after the bid opening.

1.16.2 *Written Release of Information.*

All public information may be released with or without a Freedom of Information request, however, only a written request will be acted upon with duplications fees paid in advance. Duplication fees shall apply to all requests for copies of any document. The fees are determined in accordance with DHHR Policy 2510.

1.16.3 *Freedom of Information/Disclosure.*

All documents in this RFP process are subject to West Virginia's Freedom of Information Act (FOIA) and may be disclosed upon request. The vendor must clearly identify which data are considered proprietary. If the BMS receives a FOIA request for data, labeled by the vendor as proprietary, the BMS will notify the vendor (in writing) of the request to allow the vendor time to obtain the appropriate court order to prevent the release of the information. Otherwise, the BMS will be compelled by State law to release such information.

1.16.4 *HIPAA Compliance*

BMS contracts require that vendors agree to become a business associate of the BMS, and therefore the vendor must have policies and procedures in place consistent with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) standards for privacy and security of protected health information (45 CFR Parts 160 and 164) and any other applicable State or Federal law related to the privacy or security of information. The West Virginia Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is hereby made part of the agreement.

1.17 Schedule of Events

The Bureau intends to complete the selection process using the following schedule. However, the BMS reserves the right to modify or reschedule procurement milestones as necessary.

Event	Anticipated Dates
Release RFP to Vendors	01/25/10
Vendor Pre-Bid Conference	02/08/10
Vendor’s Written Questions Submission Deadline	02/16/10
Questions Addendum Issued	02/24/10
Vendor Proposal Opening Date	03/11/10
Cost Bid opening	03/23/10

1.18 Pre-Bid Conference

A mandatory pre-bid conference shall be conducted on the date specified above at: 350 Capitol Street, Room 251, Charleston, WV 25301 at 1:30 pm on the date listed above. All interested bidders are required to be present at this meeting. Any vendor failing to attend the mandatory pre-bid conference will not be considered for award. No one person can represent more than one vendor.

1.19 Purchasing Affidavit

All bidders must submit an affidavit regarding any debt owed to the State. The affidavit must be signed and submitted prior to award. It is preferred that the affidavit be submitted with the proposal.

1.20 Proposal Withdrawal

Prior to proposal due date, a Bidder may withdraw their proposal by submitting a written request for its withdrawal signed by the Bidder’s authorized agent. The written withdrawal request must be directed to the DHHR Office of Purchasing at the address listed.

1.21 General Terms and Conditions

By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this RFP.

1.21.1 Conflict of Interest

Vendor affirms that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect, which would conflict or compromise in any manner or degree with the performance or its services hereunder. The Vendor further covenants that in the performance of the contract, the Vendor shall periodically inquire of its officers, members and employees concerning such interests. Any such interests discovered shall be promptly presented in detail to the Bureau.

1.21.2 Prohibition against Gratuities

Vendor warrants that it has not employed any company or person other than a bona fide employee working solely for the Vendor or a company regularly employed as its marketing agent to solicit or secure the contract and that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gifts or any other consideration

contingent upon or resulting from the award of the contract.

For breach or violation of this warranty, the Bureau shall have the right to annul this contract without liability at its discretion or to pursue any other remedies available under this contract or by law.

1.21.3 Certifications Related to Lobbying

Vendor certifies that no federal appropriated funds have been paid or will be paid, by or on behalf of the company or an employee thereof, to any person for purposes of influencing or attempting to influence an officer or employee of any Federal entity, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the Vendor shall complete and submit a disclosure form to report the lobbying.

Vendor agrees that this language of certification shall be included in the award documents for all sub-awards at all tiers, including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements, and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this contract was made and entered into.

1.21.4 Vendor Relationship

The relationship of the Vendor to the Bureau shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by the parties to this contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents.

Vendor shall be responsible for selecting, supervising and compensating any and all individuals employed pursuant to the terms of this RFP and resulting contract. Neither the Vendor, nor any employees or contractors of the Vendor, shall be deemed to be employees of the Bureau or the State for any purposes whatsoever.

Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, and licensing fees, etc. and the filing of all necessary documents, forms and returns pertinent to all of the foregoing.

Vendor shall hold harmless the Bureau and the State, and shall provide the Bureau and the State with a defense against any and all claims including but not limited to the foregoing payments, withholdings, contributions, taxes, social security taxes and employer income tax returns.

The Vendor shall not assign, convey, transfer or delegate any of its responsibilities and

obligations under this contract to any person, corporation, partnership, association or entity without expressed written consent of the Bureau.

1.21.5 Indemnification

The Vendor agrees to indemnify, defend and hold harmless the State and the Bureau, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws.

1.21.6 Contract Provisions

After the successful Vendor is selected, a formal contract document will be executed between the Bureau and the Vendor. In addition, the RFP and the Vendor's response will be included as part of the contract by reference. The order of precedence is the contract, the RFP, and the Vendor's proposal in response to the RFP.

1.21.7 Governing Law

This contract shall be governed by the laws of the State of West Virginia. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws and regulations, Federal, State and Local Government.

1.21.8 Compliance with Laws and Regulations

The Vendor shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State or municipal, along with all regulations, and ordinances of any regulating body.

The Vendor shall pay any applicable sales, use or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract, the transaction, or the equipment, or services delivered pursuant here to shall be borne by the contractor. It is clearly understood that the State of West Virginia is exempt from any taxes regarding performance of the scope of work of this contract.

1.21.9 Subcontracts/Joint Ventures

The Vendor is solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered under the terms of this contract. The Bureau will consider the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor may, with the prior written consent of the BMS, enter into written subcontracts for performance of work under this contract; however, the Vendor is totally responsible for payment of all subcontractors.

1.21.10 Term of Contract & Renewals

This contract will be effective (date set upon award) and shall extend for the period of one (1) year, at which time the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to one (1) year, with a maximum of four (4) one year renewals, or until such reasonable time thereafter as is necessary to obtain a new contract. The "reasonable time" period shall not exceed twelve (12) months. During the "reasonable time" period Vendor may terminate the contract for any reason upon giving the Agency ninety (90) days

written notice. Notice by Vendor of intent to terminate will not relieve Vendor of the obligation to continue to provide services pursuant to the terms of the contract.

Unless specific provisions are stipulated in the contract document, the terms, conditions and pricing established are firm for the life of the contract.

Contracts that contain renewal provisions may be renewed upon the mutual written consent of the Medicaid Program and vendor. The renewal(s) will be enacted through the Change Order process, as identified in 1.21.13.

Any change in Federal or State law, or court actions which constitute binding precedent in West Virginia, and which significantly alters the Vendor's required activities or any change in the availability of funds, shall be viewed as binding and shall warrant good faith renegotiation of the compensation paid to the Vendor by the Bureau and of such other provisions of the contract that are affected. If such renegotiation proves unsuccessful, the contract may be terminated by the State upon written notice to the Vendor at least thirty (30) days prior to termination of this contract.

1.21.11 *Non-Appropriation of Funds*

If the Bureau is not allotted funds in any succeeding fiscal year for the continued use of the service covered by this contract by the West Virginia Legislature, the Bureau may terminate the contract at the end of the affected current fiscal period without further charge or penalty. The Bureau shall give the Vendor written notice of such non-allocation of funds as soon as possible after the Bureau receives notice. No penalty shall accrue to the Bureau in the event this provision is exercised.

1.21.12 *Contract Termination*

The Bureau may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The BMS shall provide the Vendor with advance notice of performance conditions which are endangering the contract's continuation. If after such notice the Vendor fails to remedy the conditions contained in the notice, within the time period contained in the notice, the Bureau shall issue the Vendor an order to cease and desist any and all work immediately. The BMS shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may also be terminated by the Bureau with thirty (30) days prior notice.

1.21.13 *Changes*

If changes to the original contract become necessary, a formal contract amendment will be negotiated by the Bureau and the Vendor to address changes to the terms and conditions, and/or costs of work included under the contract. An approved contract amendment is defined as one approved by DHHR Office of Purchasing, encumbered and placed in the U.S. Mail prior to the effective date of such amendment. An approved contract amendment is required whenever the change affects the payment provision or the scope of the work. Such changes may be necessitated by new and amended Federal and State regulations and requirements.

As soon as possible after receipt of a written change request from the Bureau, but in no event more than thirty (30) days thereafter, the Vendor shall determine if there is an impact on price with the change requested and provide the Bureau a written statement to identify any price impact on the contract or to state that there is no impact. In the event that price

will be impacted by the change, the Vendor shall provide a description of the price increase or decrease involved in implementing the requested change.

NO CHANGE SHALL BE IMPLEMENTED BY THE VENDOR UNTIL SUCH TIME AS THE VENDOR RECEIVES AN APPROVED WRITTEN CONTRACT AMENDMENT.

1.21.14 Invoices, Progress Payments, & Retainage

The Vendor shall submit invoices, in arrears, to the Bureau at the address on the face of the purchase order labeled "Invoice To" pursuant to the terms of the contract. Progress payments may be made at the option of the Bureau on the basis of percentage of work completed if so defined in the final contract. Any provision for progress payments must also include language for a minimum 10% retainage until the final deliverable is accepted.

If progress payments are permitted, Vendor is required to identify points in the work plan at which compensation would be appropriate. Progress reports must be submitted to BMS with the invoice detailing progress completed or any deliverables identified. Payment will be made only upon approval of acceptable progress or deliverables as documented in the Vendor's report. Invoices may not be submitted more than once monthly and State law forbids payment of invoices prior to receipt of services.

1.21.15 Liquidated Damages

The Vendor agrees that liquidated damages shall be imposed at the rate of \$1,000.00 per day for failure to provide deliverables, meet milestones identified to keep the project on target, or failure to meet specified deadlines. This clause shall in no way be considered exclusive and shall not limit the State or Bureau's right to pursue to any other additional remedy to which the State or Bureau may have legal cause for action including further damages against the Vendor.

1.21.16 Record Retention (Access & Confidentiality)

Vendor shall comply with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by Vendor. The Vendor shall maintain such records a minimum of five (5) years and make available all records to Bureau personnel at Vendor's location during normal business hours upon written request by Bureau within 10 days after receipt of the request.

Vendor shall have access to private and confidential data maintained by the Bureau to the extent required for Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the State and Bureau against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors, or individuals permitted access by Vendor.

The Vendor must comply with the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and must comply with any other applicable (current and future) Federal and State laws regarding privacy and confidentiality.

1.22 Right of Inspection

The Vendor shall provide right of access to its facilities to the Bureau or any of its officers at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract on behalf of the Bureau.

All inspections and evaluations shall be performed in such a manner that will not unduly interfere with the Vendor's business or work hereunder.

1.23 Safeguarding of Information

The Vendor shall not use or disclose any:

- Personal Information gained by reason of this contract, or
- Information that may be classified as confidential for any purpose not directly connected with the administration of this contract except (1) with prior written consent of the Bureau or (2) as may be required by law. The Vendor shall safeguard such information and shall return or certify destruction of the information upon contract expiration or termination.

1.24 Business Continuity and Disaster Recovery

As part of the vendor's proposed services, the vendor shall supply, maintain and test disaster recovery and/or a business continuity solution. This will include periodic testing of the proposed solution at intervals as agreed upon by BMS during contract negotiation.

1.25 Contract Administrator

Upon approval of a contract, and following execution of said contract, the BMS shall direct the Vendor to administer the contract on a day-to-day basis during the term of the contract. However, administration of any contract resulting from this RFP implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications of such contract. That authority is retained by the DHHR Office of Purchasing and other authorized representatives and these appointees are subject to change.

PART 2 CURRENT ENVIRONMENT

2.1 Location

The Bureau is located at 350 Capitol Street, Room 251, Charleston, West Virginia 25301-3709.

2.2 Background

Background: In 2001, The West Virginia Bureau of Senior Services in partnership with the Agency began exploring the concept of self-directed services and ways to incorporate the principles of self-direction into the Medicaid Aged and Disabled Waiver Program. Self-direction is a national trend in which members in home and community-based services exercise choice and control over the services they receive and the individuals who provide them. Another feature of self-directed service delivery is the development of a personalized budget for the funds that pay for those services. .

The Bureau submitted its Medicaid Aged and Disabled Waiver renewal application in June 2005 which included the self-directed service delivery option to the Centers for Medicare and Medicaid (CMS). The Bureau received approval of the waiver renewal from CMS in September, 2005. CMS supports the philosophy self-direction and the development of self-directed service delivery options and is urging states to incorporate this philosophy into their home and community-based programs. Self-Direction, will allow members to tailor services to meet their needs. Members will be able to hire, supervise, and terminate their own employees. Members will be the employer of record. Members will have budget authority and will develop an individualized spending plan based on their service needs. The Bureau intends to incorporate the self-direction service delivery model into both of their 1915 (c) Medicaid waiver programs which will also utilize the government FE/A.

PART 3 PROCUREMENT SPECIFICATIONS AND DELIVERABLES

3.1. **General Requirements:** The State of West Virginia, Department of Health and Human Resources (DHHR), Bureau for Medical Services, hereinafter the "Bureau" currently is the Government Fiscal Employer/ Agent for *WV Medicaid Self- Directed option*. The Bureau is soliciting proposals from qualified vendors to select one to contract with as its subagent and Resource Consultant and to provide Fiscal Employer/Agent (FE/A) and Resource Consulting services on the Bureau's behalf to Medicaid members who choose the self-directed service delivery model.

The Vendor will provide a detailed narrative of how it has developed and implemented policies and procedures to perform each of the required FE/A and Resource Consultant tasks, as the Subagent and Resource Consultant, listed in this section and what adjustments will be made to respond to this specific contract. The Vendor will state how it has developed internal controls to ensure that the policies and procedures for each contractor task are performed accurately and within required timeframes. The narrative will demonstrate that the Vendor has experience in providing FE/A services, as the Subagent to a Government FE/A or Vendor FE/A and providing Resource Consultant services, has considered all of the requirements and developed an approach that will support the successful implementation of the self-directed option in West Virginia. The description will correspond to the order of the tasks described herein.

The Vendor will be the Subagent to the Bureau and will perform the FE/A tasks internally without the use of a subcontractor. The Vendor will be wholly responsible for the contract and all activities documented.

Mandatory Requirements:

The vendor will:

- 3.1.1 Maintain an in-state office.
- 3.1.2 Provide qualified staff for instate project management and resource consulting that ensures statewide coverage.
- 3.1.3 Comply with all billing standards both Federal and State
- 3.1.4 Comply with all state and federal tax laws for all FE/A services.
- 3.1.5 Have experience in providing FE/A (either as a Subagent to a Government FE/A or as a Vendor FE/A) and Resource Consulting services to Medicaid members. The vendor shall provide a narrative that demonstrates its experience in providing FE/A services, as the Subagent to a Government FE/A or Vendor FE/A and providing Resource Consultant services, has experience using the Consumer Directed Module (CDM), has considered all of the requirements and developed an approach that will support the successful implementation of the self-directed Personal Options in West Virginia.
- 3.1.6 Utilize the consumer directed module (CDM)
- 3.1.7 Maintain a system for managing members' budgets and billing the bureau for services rendered

- 3.1.8 Maintain a system for administering payroll and filing and payment of related federal and state taxes on behalf of members
- 3.1.9 Maintain a system for managing end of year federal tax processes
- 3.1.10 Maintain a system for paying independent contractors
- 3.1.11 Maintain a system for paying for agency approved participant directed goods and services
- 3.1.12 Ensure that all Resource Consultants are current WV Notary Publics
- 3.1.13 Maintain a process for reconciliation
- 3.1.14 Maintain a process for executing the Medicaid simplified provider agreement
- 3.1.15 Provide timely and accurate reports as requested by the bureau
- 3.1.16 Ensure that copies of information and reports are not distributed to other parties without the written permission and direction of the agency
- 3.1.17 Perform the F/EA tasks without the use of a subcontractor. The Vendor will be the Subagent to the Bureau and will be wholly responsible for all FE/A and RC activities
- 3.1.18 Establish (prior to implementation) and maintain an agency approved Comprehensive West Virginia-specific Government FE/A-Subagent and Resource Consulting Policies and Procedures Manual
- 3.1.19 The Vendors systems and policies must comply with Bureau of Medical Services, Chapter 600, Reimbursement Methodologies of the West Virginia provider manuals. The Vendor will have thirty (30) calendar days to correct any discrepancies or reimburse the Bureau of overpayments, if any, and detail the credit on the next submitted claim
- 3.1.20 Participate in readiness review if requested by the bureau
- 3.1.21 Develop a timeline for implementation and revise based on readiness review if needed
- 3.1.22 Operate a call center for members or members employees to access needed information concerning the program
- 3.1.23 Submit policy and procedures manual changes to the bureau for approval
- 3.1.24 Maintain the capacity to receive funds by electronic funds transfer
- 3.1.25 Not bill the bureau in advance for participant directed goods or services.

3.2 Scope of Work

The vendor should propose:

3.2.2 A plan to implement policies and procedures to perform FE/A and Resource Consultant tasks, as the Subagent, listed in this section and in accordance with state and federal regulations, including how adjustments will be made to respond to Agency needs as well as any changes in state or federal tax regulations.

3.2.3 A plan to implement internal controls/ Quality Management to ensure that the policies and procedures for each task are performed accurately and within required timeframes.

3.2.4 An ongoing staff development plan including best practices in self-directed services

3.2.5 A current member enrollment packet for each member participant and how that packet will be produced, distributed and maintained

3.2.6 A plan to develop and maintain a registry of qualified direct care workers

3.2.7 A plan to provide resource consulting services to member participants statewide.

3.2.8 A direct care worker employment packet for each hire and how that packet will be produced, distributed and maintained.

3.2.9 A plan to produce, distribute, verify and maintain timesheets and documentation of services for all member direct hires.

The vendor should propose a process with written policies and internal controls:

3.2.10 To prevent claims submission exceeding the member budget or services not included in the members budget.

3.2.11 To assure Policies and Procedures are reviewed and updated by the Vendor, whenever changes in Federal and State labor and employment tax rules and/or operations change or as requested by the Agency

3.2.12 To execute a "simplified" Medicaid provider agreement with each member's direct care worker

3.2.13 To collect and maintain a signed informed consent statement regarding the Government FE/As use of a Vendor Subagent from every member in accordance with Internal Revenue Service (IRS) Proposed Notice 2003-70

3.2.14 To obtain a Federal Employer Identification Number (FEIN) for each member enrolled in self-direction and for maintaining copies of the IRS FEIN notification letter (or the FEIN if subagent did not receive a letter from the IRS) and the filed Form SS-4 in each member's file. The proposed system should address the retirement of the FEIN number, monitoring receipt and retirement and maintaining the documentation.

3.2.15 To process all state and Federal required tax forms including but not limited to IRS form 2678, IRS form 8821, West Virginia State Tax Department Form WV/2848, Power of Attorney and Form WV/ARI-001, Authorization to Release.

3.2.16 To perform FE/A services with regards to making claims and payments and maintain compliance with the 42 CFR part 447 including, but not limited to the requirements for timely payment to direct care workers, set forth in 42 C.F.R. § 447.453.1.10

3.2.17 To develop, produce, distribute and maintain enrollment packets

3.2.18 To produce, distribute, process, and maintain direct care worker employment packets for member's direct care workers containing all the required forms including but not limited to applications, agreements and consent documents needed to enroll direct care workers as members' employees

3.2.19 To ensure that the amount claimed does not exceed the members approved appending plan and address over billing occurrences pursuant to policy

3.2.20 To process and maintain direct care workers timesheets

3.2.21 To develop, produce and implement practical skills training curricula and materials that address such issues as hiring, managing and terminating direct care workers, problem solving, and conflict resolution and updating the curricula and materials, as needed

3.2.22 To assist members to develop Resource Management Plans and Spending Plans and to be maintained in members files

3.2.23 To manage employment documentation, payroll, and Federal and State tax requirements for the direct care worker the member (common-law employer) hires directly

3.2.24 To collect, process and maintain the required human resources documentation from members and their direct care workers in order to process payroll for direct care workers, which will include the verification of social security numbers

3.2.25 To verify direct care workers' citizenship and alien status by collecting and maintaining completed United States Citizenship and Immigration Services (USCIS) Form I-9, Employment Eligibility Verification, for every member's direct care worker it processes payroll for in each direct care worker's file

3.2.26 To process a criminal background check for each member's direct care worker(s), tracking the findings, maintaining the information in each direct care worker's file, and provide findings to the Resource Consultant

3.2.27 To report new hires per West Virginia requirements (www.newhirereporting.com/wv-newhire/default.asp)

3.2.28 To pay member's direct care workers in compliance with Federal and State Department of Labor wage and hour rules and within maximum payment caps for services established by the Bureau

3.2.28 To determine if the direct care worker is a family member who may be exempt from filing and paying Federal Insurance Contributions Act (FICA), and/or Federal Unemployment Tax Act (FUTA) and State Unemployment Tax Act (SUTA) and maintaining relevant documentation in each direct care worker's file

3.2.29 To determine if a direct care worker resides outside of West Virginia and for maintaining relevant documentation in the direct care worker's file

3.2.30 To pay the members' direct care workers in full for net wages earned, not to exceed

the authorized number of hours approved

3.2.31 To manage Federal Advanced Earned Income Credit (EIC) for each eligible direct care worker in an accurate and timely manner and to maintain the relevant documentation in the direct care worker's files

3.2.32 To file the WV/BUS-APP, Business Registration and obtaining the appropriate State Employer Identification Number from the West Virginia State Tax Department for State income tax withholding filing and payment purposes for all members it represents and maintaining the relevant documentation in the member's files

3.2.33 To retire the member's State Income Tax Withholding Identification Number with the State Tax Department when the member is no longer in the program

3.2.34 To file and monitor the WV/BUS-APP, Business Registration and obtaining the appropriate State employer identification number from the West Virginia State Tax Department for State income tax withholding filing and payment purposes and retiring it, when appropriate, for all members it represents and maintaining the relevant documentation in the member's files

3.2.35 To file the WV/BUS-APP, Business Registration and obtaining the appropriate State Employer Identification Number from the West Virginia State Bureau of Employment Programs for State Unemployment Insurance Tax filing and payment purposes for all members it represents and maintaining the relevant documentation in the member's files

3.2.36 To retire the member's State Unemployment Insurance Tax Identification Number with the State Bureau of Employment Programs when the member is no longer in the program

3.2.37 To manage the application of all garnishments, levies and liens on member direct care workers' payroll checks in an accurate and timely manner and to maintain the relevant documentation in the direct care worker's file

3.2.38 To process all required municipality/ city taxes/fees for members' direct hires

3.2.39 To pay members' direct care workers within the time period required by the State Department of Labor (e.g., per State "Payday" requirement)

3.2.40 To process direct deposit and to maintain the relevant documents in the direct care worker's file

3.2.41 To process wage information requests from federal and state agencies and other qualified entities and to maintain copies of relevant documentation in each direct care worker's file

3.2.42 To fulfill all mandatory reporting requirements

3.2.43 To verify that the employment packet is completed accurately and copies of the required information are processed and maintained in the Vendor's files prior to authorizing payment to a direct care worker

3.2.44 To verify that the member is actively enrolled in Medicaid self-directed waiver

program prior to authorizing payment to a direct care worker, independent contractor or other vendor of approved goods and services

3.2.45 To process the approved payment of direct care workers, independent contractors and other vendors of approved goods and services based on the requirements/ regulations and to maintain relevant documentation in each member's file based on the requirements/ regulations

3.2.46 To investigate and resolve the situation when any check for payment to members' direct care workers (e.g., FICA refunds) are not successfully received by the member's worker(s) and to process any checks undeliverable to the State agency responsible for implementing the West Virginia Unclaimed Property Law

3.2.47 To receive, verify and process invoices for services provided by an independent contractor to a member and to maintain the relevant documentation in each independent contractor's file

3.2.48 To address improperly cashed or issued checks, stop payments on checks, and to re-issue lost checks or improperly issued checks at no expense to the bureau and to maintain relevant documentation in the Vendor's files. The Vendor will maintain a history of these transactions. The bureau will not be liable for any overdrafts or charges that result in the processing of payroll

3.2.49 To reconcile payroll differences and unusual items with designated bureau staff and provide a history of all reconciliation and items discussed with the bureau and maintain relevant documentation in each member's file

3.2.50 To prepare and distribute a copy of the monthly statement from the dedicated payroll bank account to the bureau and to maintain relevant documentation in the Vendor's files

3.2.51 To investigate and resolve the situation when checks have not been cashed. This procedure shall ensure due diligence is exercised in accordance with CFR42 Part 433 Section 40 (Treatment of Uncashed or Cancelled [voided] Medicaid Checks). The Vendor will submit a list of uncashed or cancelled (voided) checks (beyond a period of 180 days after issuance) each quarter to the bureau

3.2.52 To process any unclaimed funds for direct care workers, independent contractors or other vendors of approved goods and services in accordance with WV's Unclaimed Property Act, when appropriate and to maintain relevant documentation in each direct care worker, independent contractor or other vendor of approved goods and services' file

3.2.53 To notify members when the results of a criminal background check do not comply with Waiver Provider Policy and to assist members in acquiring qualified staff

3.2.54 To monitor quality through a minimum of monthly phone contacts and six month face to face visits.

3.3 **Special Terms and Conditions**

3.3.1 *Bid and Performance Bonds:* Non-applicable.

3.3.2 *Insurance Requirements:* The Vendor, as an independent contractor, is solely liable for the acts and omissions of its employees and agents. Proof of insurance shall be provided by

the Vendor at the time the contract is awarded. The Vendor shall maintain and furnish proof of coverage of liability insurance for loss, damage, or injury (including death) of third parties arising from acts and omissions on the part of the Vendor, its agents and employees in the following amounts:

- a) For bodily injury (including death): \$500,000.00 per person, up to \$1,000,000.00 per occurrence.
- b) For property damage and professional liability: Up to \$1,000,000.00 per occurrence.

3.3.3 *License Requirements:*

Provide certification that Vendor is registered with the Secretary of State's Office to do business in West Virginia; provide evidence that Vendor is in good standing with the State Agency of Employment Programs as to Unemployment Compensation coverage and Worker's Compensation coverage or exempt from such coverage.

3.3.4 *Litigation Bond:* Non-applicable.

3.3.5 *Debarment and Suspension:*

Vendor will not be considered in proposal process if debarred or suspended. Vendor must certify that they are not debarred or suspended. Successful Vendor must certify that no entity, agency or person associated with the Vendor is debarred or suspended.

PART 4 PROPOSAL FORMAT AND RESPONSE REQUIREMENTS

4.1 Technical Proposal Format.

Only proposals meeting the Mandatory Proposal Requirements will have their Technical Proposals reviewed. This review includes:

- Vendor Capacity, Qualifications and Experience
- Qualified Personnel and Location
- Approach and Methodology
- Scope of Work Specifications and Deliverables

The proposal should be formatted in the order shown here, providing the information specified as follows:

Title page. Should state the RFP Subject and number, the name of the Vendor, Vendor's business address, telephone number, name of authorized contact person to speak on behalf of the Vendor, dated and signed by a person authorized to commit the vendor. Such authorization to commit will be included in writing, such as Board of Directors minutes, Delegation of Authority, etc.

Transmittal Letter. A transmittal letter signed in blue ink by an official authorized to bind the Vendor to proposal provisions must accompany the proposal. The transmittal letter must be placed immediately behind the Title Page of the General Technical section. The letter must include a statement that the RFP terms are accepted. Vendors must also include a statement in the letter certifying that the price was arrived at without any conflict of interest.

Table of Contents. Clearly identify the material by section and page number.

Executive Summary. Provide a brief summary of the proposal's contents, emphasizing any unique aspects or strengths of the proposal. The Executive Summary should not exceed three pages.

Location. Indicate the site or sites from which the Vendor and subcontractors, if any, will perform the relevant tasks listed in the proposal.

Relevant Experience. Proposals shall include at least three (3) business references that demonstrate the Vendor's prior experience in areas for which services are being offered. Each reference shall include the contact name, address and telephone number of the client, organization, and the responsible project administrator familiar with the firm's performance. Include a description of the services the Vendor is providing to these clients. The Bureau reserves the right to request additional references.

Project Approach and Solution. Provide a detailed proposal for providing the services as described in Section 3 (Statement of Work). The purpose of this summary information is to provide the Bureau with a high-level understanding of the Vendor's proposed solution. This narrative should be written for the end user community.

Vendor Staffing. The Vendor is responsible for providing all resources necessary to fulfill the mandatory requirements as specified in this RFP.

Special Terms and Conditions. Describe any special terms and conditions required to fulfill this contract. The Bureau must be informed of any terms, conditions, and/or limitations of the Vendor prior to entering into contract negotiations.

Signed Forms. Complete and sign all necessary forms, such as the affidavit and the cost summary

Cost Summary

The Vendor must complete the attached Cost Summary Form. Vendors should not alter the Cost Summary Form in any way without explicit acceptance by the Bureau. This section of the RFP response should be no more than one page in length. The Cost Summary must be submitted in a sealed envelope, separate from the Technical Proposal.

Cost Summary

The specific administrative percentage will be determined before implementation and will be the same specific percentage for all self-directed participants. (See attached Informational Page.)

FIRM PRICING ONLY WILL BE ACCEPTED

**Estimated number of Aged and Disabled Waiver participants:
(Estimate is for bidding purposes only and is not a guarantee of any volumes.)**

Level	Monthly Budget	Estimated Participants	Administrative Percentage	Monthly Cost
A	\$1087.37	1		
B	\$1521.37	176		
C	\$1955.37	236		
D	\$2389.37	90		
TOTAL MONTHLY COSTS				
TOTAL MONTHLY COST multiplied by 12 months				
ADD Start-up and Implementation Costs				
TOTAL ANNUAL COSTS				

OPTIONAL SERVICES IMPLEMENTED AT BMS OPTION

**ESTIMATED NUMBER OF MR/DD WAIVER PARTICIPANTS is for BID PURPOSES
THIS RATE WILL BE A FLAT PER MEMBER PER MONTH (PM/PM) AND WILL NOT BE
BASED ON THE INDIVIDUALIZED MR/DD WAIVER BUDGETS**

All inclusive PM/PM rate for MR/DD waiver participants (Fiscal Employer Agent only: 100 participants x PM/PM=	
All inclusive PM/PM rate for MR/DD waiver participants (Fiscal Employer Agent and Resource Consulting 100 participants x PM/PM=	
TOTAL OF OPTIONAL SERVICES	
GRAND TOTAL of TOTAL ANNUAL COSTS and OPTIONAL SERVICES	

Bidder

Signature

Date

Title

Information Only

Participants in the self-directed option will receive the monetized value of homemaker services at the highest amount of hours for their respective level of care.

All service levels receive the same number of units for nursing. All participants in the Aged and Disabled Waiver are afforded 6 units of nursing per month and an annual nursing assessment. The participant in the self directed option will receive the monetized value of these services every month.

All service levels receive a monthly flat rate for case management. The participant in the self directed option will receive the monetized value of this service every month.

All service levels receive transportation. There is no cap on transportation in the aged and disabled waiver. The self-directed monetized value of transportation will be based on the average utilization of transportation in the Aged and Disabled Waiver program.

The individualized budget will be determined utilizing the following formula:

The administrative cost will be deducted to determine the individualized budget.

For example:

Level A: Cost per month – administrative cost = individual budget
 $\$1087.37 - \108.74 (10% administrative cost) = $\$978.63$

The specific administrative percentage will be determined before implementation and will be the same specific percentage for all self-directed participants.

Each participant is notified of their monthly budget by the financial management entity and receives monthly reports on their budget amount and expenditures.