

The State of West Virginia Bureau for Medical Services



Request for Proposal MED11002

Third Party Liability RFP

Receipt Location:

WV Department of Health and Human Resources
Office of Purchasing
One Davis Square, Suite 100
Charleston, West Virginia 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: Donna D. Smith
One Davis Square, Suite 100
Charleston, West Virginia 25301
Telephone (304) 957-0218 Fax (304) 558-2892

REQUEST FOR PROPOSAL

PART 1 GENERAL INFORMATION, TERMS AND CONDITIONS

1.1 Purpose

The Bureau for Medical Services hereinafter referred to as “Bureau” or “BMS” within the Department of Health and Human Resources (DHHR), is soliciting proposals from qualified organizations to perform third party liability functions. Qualified organizations are to have a minimum of five years of demonstrated experience with third party liability work. The purpose of this RFP is to ensure that the State is the payer of last resort if any third parties exist that will pay all or part of the cost of a member’s health care.

BMS seeks an organization to provide identification and recovery of third party resources from all possible Third Party Liability (TPL) sources including Federal insurance programs and commercial carriers, provide a process for the purchase of health insurance for Medicaid eligible individuals known as the Health Insurance Premium Payment (HIPP), provide a process for certain disabled working individuals to purchase Medicaid benefits known as the Medicaid-Work Incentive (M-WIN), and provide a tool(s)/system to identify and pay appropriate premiums for eligible Medicare members (Buy-In).

1.2 Project

Medicaid is the payer of last resort, and as such, seeks to fulfill the State and Federal Medicaid requirement for identifying, cost avoiding, and/or recovering from third parties. This RFP includes a variety of automated and manual activities, vendors are encouraged to propose innovative solutions to meet or exceed the requirements of this RFP, and offer solutions predisposed for ease of interoperability.

The purpose of the project has three (3) parts.

The first part is to comply with all applicable State and Federal regulations, including, but not limited to:

1. Federal regulations specified at Title 42 CFR, Part 433, Subpart D, Third Party Liability, 433.36, 433.135 – 433.154;
2. Third Party Liability provisions of the Deficit Reduction Act of 2005;
3. State Medicaid Manual, issued by the Centers for Medicare and Medicaid Services (CMS);
4. West Virginia State Medicaid Plan;
5. Section 1902(a)(25) of the Social Security Act (Act); and
6. Applicable West Virginia Code, Chapter 9, Human Services.

State and Federal regulations require that States take all reasonable measures to ascertain the legal liability of third parties to pay for medical services furnished to a Medicaid member under the State Plan. The goal is to ensure that Medicaid costs are paid by appropriate liable third parties as well as to recover on paid Medicaid claims for which TPL was not shown at the time of payment. The contract resulting from this RFP shall also extend to all other state agencies of the State of West Virginia.

The Federal Code 42 CFR ' 433.136 defines a third party as an individual, entity or

program that is or may be liable to pay all or part of the expenditures for medical assistance furnished under a State Plan.

The second part of this project involves two (2) programs:

1. Health Insurance Premium Payment Program (HIPP); and
2. Medicaid-Work Incentive Network program (M-WIN).

These programs allow the State to put in place a process for the purchase of health insurance for Medicaid eligible individuals. For the HIPP program, this includes data matches for identifying potential insurance buy-in members, case processing, verification of health insurance coverage, determination of cost effectiveness for the Bureau to pay insurance premiums, and enrollment. For M-WIN, this includes the management of premiums and enrollment fees.

The third part of this project involves additional program activities, products, or services, such as:

1. Pharmacy Program and File Maintenance;
2. Cost Avoidance;
3. File Maintenance, and TPL data entry;
4. Automated Data Matching to Identify Commercial Coverage;
5. Credit Balance Audits;
6. Medicaid HMO Recoveries;
7. Casualty-Trauma Recovery;
8. Estate Recovery; and
9. Tool(s)/System to conduct Medicare Buy-In.

These programs and activities allow the state to identify, cost avoid, and/or recover from third parties.

Additional optional program activities are included in the scope of this work, including, but not limited to:

1. Restitution services related to TPL activities refers to the pursuit of court ordered restitution amounts;
2. All-Inclusive Medicare Buy-In Program (tools and personnel to conduct Medicare Buy-In activities); and
3. Additional, optional TPL program activities deemed necessary by BMS.

Under this RFP, the DHHR expects to award one resultant contract to perform third party liability functions.

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 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 MED10006 and be addressed to:

WV Department of Health and Human Resources
Office of Purchasing
ATTN: Donna D. Smith
One Davis Square, Suite 100
Charleston, West Virginia 25301
donna.d.smith@wv.gov
Telephone (304) 957-0218 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: Donna D. Smith
One Davis Square, Suite 100
Charleston, West Virginia 25301
Telephone (304) 957-0218 Fax (304) 558-2892

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

RFP # MED11002

All proposals must be received prior to 1:30 pm on (Date).

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.

1.10.4.3 Evaluation Committee

The evaluation committee will be made up of no less than three (3) and no more than seven (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 organizations, 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.

1.10.4.4 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.

Description	Maximum Score
Understanding of the Project Objectives & Time Lines	20
Vendor Experience	15
Qualifications of Project Staff	25
Project Work Plan	10
Cost	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.

1.10.4.5 Evaluation Committee Recommendation

After the cost proposals have been opened, the Evaluation Committee completes its

review and prepares the final vendor evaluation. The Evaluation 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.

1.10.4.6 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.

1.10.4.7 Resident Vendor Preference

DHHR Purchasing 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.

1.10.4.8 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.

1.10.4.9 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.

1.10.4.10 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.

1.10.4.11 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 five (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	July 30, 2010
Vendor Pre-Bid Conference	August 24, 2010
Vendor's Written Questions Submission Deadline	August 30, 2010
Questions Addendum Issued	September 13, 2010
Vendor Proposal Opening Date	October 5, 2010
Cost Bid Opening	November 12, 2010
Oral Presentation	As needed

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, West Virginia 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 express 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 three (3) years, 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 three (3) 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. At the discretion of the State, upon deliverable approval, a 10% retainage fee may be imposed.

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 (see table below) 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 any other additional remedy to which the State or Bureau may have legal cause for action including further damages against the Vendor.

Performance Measure	Frequency	Penalty/Incentive
Report of the volume of required insurance data matches in a given month within ten (10) days (not calendar month, but state defined month end period (BI pull down)).	Every Month	Penalty: \$50 per day after the 10th working day of state defined month end.
The vendor is to complete 90% of verifications, for example, verifications to maintain the Pharmacy TPL files.	Monthly	Penalty: for each percentage point under 90%, \$100 is to be imposed
The recovered funds are balanced with the invoices. Error rate = 0%.	Monthly	Incentive: Payment approved in following month, once balanced
Accuracy of Invoice reports = 100%.	Monthly	Incentive: Payment approved in following month, once balanced
Mail trauma letters within thirty (30) days of claim paid cycle.	Quarterly	Penalty: \$250 per day after the 30 th working day until mailing is accomplished
Process returned carrier correspondence within ten (10) business days of receipt.	Monthly	Penalty: \$50 per day after the 10th working day.
Members are notified within 10 days of due date of when premiums are due (HIPP or M-WIN).	Monthly	Penalty: \$50 per day after the 10th working day.

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 ten (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

The Bureau for Medical Services, within the West Virginia Department of Health and Human Resources, is the single state agency responsible for statewide administration of the Title XIX Medicaid Program. The nature, extent, and scope of West Virginia Medicaid Program coverage, including reimbursement rates and methodologies, are defined in detail in the federally approved West Virginia Medicaid State Plan, which constitutes the formal contract between West Virginia and the Centers for Medicare and Medicaid Services (CMS). The Bureau also interacts with other interdepartmental divisions as well as with all medical service practitioners, providers and provider organizations.

The West Virginia Medicaid Program covers the Federal mandatory services and a number of optional services. Benefits available under all programs are considered to be last resource benefits.

The West Virginia Medicaid Program serves approximately 391,000 eligible individuals. Financial and program eligibility are determined by the Bureau for Children and Families in local county offices. This eligibility information is then transmitted on a daily basis to the Bureau's Medicaid Management Information System (MMIS).

The total Medicaid expenditures are approximately \$2.4 billion annually.

M-WIN is affordable health insurance for working West Virginians with a disability. It is a Medicaid funded work incentive program that allows working West Virginians with disabilities, or chronic health conditions, to pay a monthly premium to keep or obtain Medicaid healthcare coverage. M-WIN established two Medicaid eligibility groups that are administered by the WVDHHR: The Basic Coverage Group and the Medically Improved Group.

2.2.1 State of West Virginia

The State's network is operated by the Office of Technology. Their website address is www.state.wv.us/ot.

PART 3 PROCUREMENT SPECIFICATIONS AND DELIVERABLES

3.1 Requirements

3.1.1 Agency Responsibilities

The Bureau for Medical Services is to:

3.1.1.1 Provide TPL program policy clarification when requested by the Vendor.

3.1.1.2 Facilitate access to the Bureau's systems and data as necessary to meet the requirements of the contract.

- 3.1.1.3 Assist the Vendor during the project with establishing communication protocols in order to effectively interact with other needed West Virginia entities.
- 3.1.1.4 Approve Vendor methodology and approach.
- 3.1.1.5 Review and ensure the accuracy of invoices and authorize invoice payment.
- 3.1.1.6 Approve all deliverables for each task before the task in question is to be considered complete.
- 3.1.1.7 Reserves the right to reject any staff proposed or later assigned to the project. BMS may request any Vendor personnel changes it deems necessary with regard to this contract.
- 3.1.1.8 Make available state personnel for consultation in the specifications of the awarded contract.
- 3.1.1.9 Direct the Vendor to cease pursuit of a case or project at any time at the sole discretion of the Agency.
- 3.1.1.10 Conduct a readiness review of the awarded Vendor that includes, at least one (1) on-site review. The readiness review is a Vendor recognized review which occurs within three (3) months of contract award. The Bureau reserves the right to rescind the award should the readiness review indicate substantial deficiencies.
- 3.1.1.11 Conduct performance and/or compliance reviews of specific records or other data as determined by the Bureau. Reviews may include, but are not limited to, reviews of procedures, computer systems, beneficiary records, accounting records, and internal quality control reviews. The Vendor is to work with any reviewing entity selected by the State. The performance and/or compliance reviews will be determined as needed.
- 3.1.1.12 Act as the contract monitor and work closely with the vendor's internal Quality Assurance/Quality Control resources to accomplish the work of monitoring the contract.

3.1.2 Vendor Responsibilities: (Mandatory)

The Vendor must:

- 3.1.2.1 Comply with all applicable State and Federal Regulations.
- 3.1.2.2 Meet certification standards that relate to interfaces with the state's claims processing system.
- 3.1.2.3 Perform the following activities: cost avoidance, file maintenance, post-payment recovery, TPL credit balance audits, HMO recoveries and Medicare Buy-In.
- 3.1.2.4 Establish and administer the following programs: estate recovery, casualty/trauma tort, HIPP, and M-WIN.
- 3.1.2.5 Propose program improvements that are to maximize recovery activities.
- 3.1.2.6 Provide all required electronic transmissions in a format prescribed by the

Bureau.

- 3.1.2.7 Maintain effective audit trails for all system transactions.
- 3.1.2.8 Bear all costs associated with training activities; development and distribution of all educational and training materials.
- 3.1.2.9 Seek Bureau approval for replacement of key staff positions.
- 3.1.2.10 Demonstrate experience in performing TPL services for a minimum of three (3) years.
- 3.1.2.11 Bureau is to be notified by the Vendor within three (3) working days of any checks received in error and Vendor is required to provide a listing which contains the remitter, check number, check date, and check amount. A copy of the check and all documentation received with the check is to be attached.
- 3.1.2.12 Vendor is to produce an electronic copy of all billings to commercial insurance carriers due within two (2) weeks after the billing date to the carriers. The format and media is to be determined within sixty (60) days of project start-up.
- 3.1.2.13 Vendor is to use the current lock box in Bureau's ownership, PO Box 11073, to receive recoveries from third party resources. Vendor is to bear all costs associated with the lock box throughout the duration of the contract.
- 3.1.2.14 Vendor is to establish a trauma/tort recovery case file within thirty (30) calendar days of the date of receipt of a lead and maintain such records as required by statute.
- 3.1.2.15 Vendor is to produce and mail all marketing materials at no cost to the Bureau.
- 3.1.2.16 Vendor is to provide progress reports, weekly, monthly and quarterly status reports for each of the projects under this contract within an agreed upon timeframe between the Bureau and the Vendor.
- 3.1.2.17 Vendor is to respond within 24-48 hours to requests by the Bureau for information requested by any state and/or federal auditors or the Centers for Medicare and Medicaid Services (CMS).
- 3.1.2.18 Vendor is to provide an all-inclusive web-based case tracking system for all the TPL programs.
- 3.1.2.19 Vendor is to have controls in place to ensure appropriate security and integrity of the case tracking system in accordance with applicable federal and state laws.
- 3.1.2.20 Provide disaster recovery plan(s).
- 3.1.2.21 Maintain and staff toll-free telephone service between the hours of 8:00 a.m. to 5:00 p.m. five (5) days a week.
- 3.1.2.22 Provide a before and after hours message advising the caller of the hours of operation.

3.1.2.23 Vendor may use an automated system provided that at each level, the callers can choose to speak with a “live” person, rather than continue through additional prompts. A “live” person is to be available during the required days and hours of operation.

3.1.2.24 Vendor is to assist callers while following all guidelines regarding confidentiality of Medicaid information.

3.1.2.25 Vendor is to build and maintain a TPL website that is to be completed and operational no later than thirty (30) calendar days after the implementation of this contract.

3.1.2.26 Vendor is to prepare articles for publication and speak at professional organization meetings as requested and authorized by the Bureau.

3.1.2.27 TPL activities which are to be performed in the Charleston office are: Provider Relations, HIPP Program, Trauma Program, Estate Recovery Program, M-WIN Program and Quality Control processes.

3.1.2.28 The awarded Vendor is required to develop for BMS review and approval, an end-of-contract Turnover Plan within one (1) year of contract termination. The Vendor is to prepare for turning over responsibilities and operations at the end of the Contract. The Vendor is to cooperate with the successor TPL Vendor, other Vendors and the State in the planning and transfer of operations. The Vendor is to dedicate special additional resources to this phase. BMS retains ownership of any software developed for the use of the Bureau; it remains with the Bureau, and is required to be included in the Turnover Plan.

3.2 **Scope of Work**

Vendor is to comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations. Vendor is to describe in detail, vendor’s approach and end results in a work plan of all functions needed to reduce Medicaid Expenditures via Third Party Liability (TPL) activities. The vendor is to demonstrate a clear understanding of responsibilities, and the timelines for a quick and efficient implementation of TPL recovery services.

Vendor requirements and work plan are to include, but are not limited to, the following:

3.2.1 *Minimize Medicaid Expenditures*

Vendor is to minimize Medicaid expenditures through cost avoidance and any functions in order to pursue post payment recovery, including but not limited to:

3.2.1.1 *Cost Avoidance*

Vendor should propose a method to identify Medicaid members with third party commercial health insurance, validate and upload this information to the MMIS for cost avoidance; thereby increasing the cost avoidance of claims and reduction of payments made by Medicaid. The contractor is responsible for contacting the insurance organizations and arranging for data matches. BMS is to assist and endorse the contractor’s efforts.

Vendor Deliverables:

3.2.1.1.1 Vendor is to provide Quality Assurance Methodology within sixty (60) days of contract start-up for BMS review and approval.

3.2.1.1.2 The Verification Matrix is to be determined within sixty (60) days of contract start-up.

3.2.1.2 File Maintenance and TPL Data Entry System

Vendor should propose a method to provide maintenance of TPL policy and carrier information including, but not limited to, term dates, changes in coverage, group information, and carrier information. Mass TPL/Carrier updates required due to changes in carrier status (i.e., office relocations, mergers, or acquisitions) or sponsor changes or group number and/or policy number changes. File maintenance activities are not considered new adds.

The proposal should address:

- a) Tracking Mechanisms.
- b) Interfaces with the MMIS.
- c) Reporting Capabilities.

3.2.1.3 Post Payment Recovery

Vendor should propose a method to identify Medicaid members with other insurance, including, but not limited to: Medicare, Tricare and commercial insurance and submit claims to the appropriate resource for recovery. The Vendor should describe its plan and approach to accomplish the work of Post Payment Recovery, including compliance with requirements for filing claims with third party resources (Prescription Benefits Managers, Plan Administrators, etc.), approach for handling Medicare Parts A, B & D recoveries, and a methodology which generates a posting transaction to the MMIS contractor. The Vendor should explain the plan to establish, maintain, and update an accounts receivable file for claims which the contractor identifies and bills to other insurance carriers. The accounts receivable file should be sufficient to provide an audit trail for State and Federal documentation requirements and is to be transferred to BMS at its request or at the termination of the contract resulting from this RFP.

3.2.1.4 TPL Credit Balance Audits

The Vendor should propose a method for performing specific functions for identifying and recovering overpayments (credits owed to Medicaid) from providers via on-site audits and desk reviews.

The proposal should address:

- a) The methodology for identifying abnormalities (such as spikes in activities of other carriers, influx of calls of children with health insurance from other sources, unusual amount of changes in coverage in a certain insurance plan, etc.) relating to TPL activities and recovering any monies owed to the Bureau through a focused review.
- b) Reporting.

3.2.1.5 Medicaid HMO Recoveries

Vendor should propose methods to maximize recovery for services covered in the Medicaid Managed Care benefit package that the HMO determines it would not pursue. The Vendor is to have the right to pursue, and collect recoveries on behalf of the state

for these HMO third party payments. The vendor is to use a methodology that is approved by the state.

The proposal should address:

- a) Coordination Efforts with the Managed Care Organizations (MCO).
- b) Tracking Capabilities.

3.2.2 Casualty-Trauma/Tort Program

Vendor should propose a plan to develop, host and manage a Trauma/Tort Program including, but not limited to, Workers Compensation, DMV Match, and Trauma Diagnosis Codes. The Trauma/Tort Program methodology is to be approved by the State within sixty (60) days of contract award.

The proposal should address:

- a) A methodology to identify Casualty/Tort cases prior to, or during litigation, and provide notice to the BMS to join the underlying litigation and pursue potential TPL lien recoveries and subrogation.
- b) Tracking Capabilities.
- c) Reporting.
- d) Communication Plan.

3.2.3 Estate Recovery Program

Vendor should propose a methodology and approach to develop, host and manage an Estate Recovery Program including, but not limited to, filing proofs of claim, determining estate values, referring cases to the Bureau for state resolution, producing and mailing all marketing materials at no cost to the Bureau. The estate recovery program is to be in accordance with the State Plan.

The proposal should address:

- a) Tracking Capabilities.
- b) Reporting.
- c) Communication Plan.

3.2.4 Medicare Buy-In Tool(s)/System

Vendor should propose a process to conduct the Medicare Buy-In activities; personnel to conduct the activities are provided by BMS.

The proposal should address:

- a) Technical Support.
- b) Operational Processes.
- c) Reporting.

3.2.5 Health Insurance Premium Payment (HIPP) Program

Vendor should propose approach and methodology to administer a Health Insurance Premium Payment (HIPP) Program including, but not limited to, determining cost effectiveness, paying premiums, reimbursing members, producing and mailing all marketing materials at no cost to the Bureau. At the time of RFP production, the BMS HIPP program served 180 members.

The proposal should address:

- a) Reporting.
- b) Member Access.

3.2.6 Medicaid Buy-In Program (Medicaid Work Incentive Network (M-WIN))

Vendor should propose a plan to develop, host and manage the web-based Medicaid Work Incentive Network or M-WIN tracking system for premium management, including, but not limited to, notification to members when premium is due, collection of premiums, tracking of members, notification to local DHHR offices of nonpayment of premiums, producing and mailing all marketing materials at no cost to the Bureau. At the time of RFP production, the M-WIN program served approximately 1,200 members.

The proposal should address:

- a) Communication and Outreach Plan.
- b) Member Survey.
- c) Invoicing and Tracking of Enrollment Fees, Monthly Premiums and Case Files.

3.2.7 Customer Service

Vendor should propose an approach to customer service to support the West Virginia TPL program.

The proposal should address:

- a) Outreach and Educational Activities Including Materials Distribution.
- b) Reporting Activities.
- c) Call Tracking/Complaint Resolution.

3.2.8 Office and Staff Requirements

Vendor should propose an adequate staffing plan to deliver all mandatory services.

The proposal should include:

- a) Identification of Key Personnel.
- b) Experience and Educational Background.

3.2.9 Additional Services

Additional services may be required and purchased on an as needed basis as a result in changes to State and Federal Regulations, or changes in the Department's operating procedures. Vendor is to provide firm pricing on the proposal cost sheet.

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**

TECHNICAL PROPOSAL (Will Contain No Cost Information)

The Technical Proposal should be limited to four-hundred fifty (450) pages, including all charts and attachments.

The proposal should be formatted in the same order, providing the information listed below because the vendor's response is to become the contract document for the services identified in the request for proposal.

Title Page - 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.

Table of Contents - Clearly identify the material by section and page number. RFP responses are to follow the same order as the RFP and use the same titles.

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 fifteen (15) pages.

A. Understanding of the Project Objectives and Time Line

Vendor is to discuss their understanding of the overall project in Part 3.2; list current projects with which they are now engaged; and, list their workload scheduled through December 31, 2011. The Vendor is to provide a timeline or Gantt chart for the activities required based on industry best practices and reasonable timeframes to complete the work. Vendor is required to identify how they are able to commence providing services upon award of contract, and continue to provide those services. Vendor is to include a statement that the Vendor understands the project objectives/timelines and is able to

meet the deliverable deadlines stated herein. The vendor is to complete an RFP Requirements Checklist (Attachment II).

B. Vendor Experience

Qualified organizations are to have a minimum of five (5) years of demonstrated experience with third party liability recovery work. Vendors are encouraged to propose the best possible solution, which may include the use of subcontractors. Use of subcontractors is subject to the approval of BMS.

Vendor is to provide five (5) years of verifiable references, with detailed evidence of their experience and capabilities in providing the TPL services listed in Section 3.1.2 and Section 3.2. The references are to be on the physician or facility letterhead with a contact name, phone number, email address and the responsible project administrator familiar with the firm's performance.

Vendor is to include examples of the TPL projects listed below, for at least three (3) other states, where the Vendor was responsible for project design, development, and implementation. References are to include the name of the person to be contacted, phone number, email address, company, address, project name, brief description of the project size and complexity, and project time span. In the description, the proposal is to list the specific qualifications which each reference can confirm:

- Cost Avoidance/TPL Adds
- File Maintenance
- Post Payment Recoveries
- TPL Credit Balance Audits
- Medicare, Tri-Care and Commercial Recoveries
- Medicaid HMO Recoveries
- Trauma
- Estate Recovery
- Medicare Buy-In
- HIPP M-WIN
- Pharmacy Recoveries

C. Qualifications of Project Staff

Vendor is to provide resumes of qualified and experienced staff to be assigned to the project, and a project staffing chart. Vendor is to demonstrate their ability and capability to provide knowledgeable and skilled/experienced personnel to accomplish each mandatory requirement of Section 3.1.2 and Section 3.2. If proposed staff are not employed by the Vendor, the Vendor is to provide a signed letter of intent from the individual indicating that they are to accept employment if the Vendor is awarded the contract. Key personnel assigned are to be identified and the percentage of time that each individual is to be dedicated to this project for the first contract year. BMS reserves the right to reject any staff proposed or later assigned to the project, and require the successful Vendor to remove them from the project. Resumes are to be provided for the key personnel staff to be assigned to the project, including their licenses, credentials, and experience in Medicaid, Third Party Liability, and Medicare Buy-In. Resumes are limited to three (3) pages each.

D. Project Work Plan

The work plan is to demonstrate a clear grasp of the overall project and services to be provided, with specific action steps to guarantee the successful provision/completion of

services. This work plan is to detail how the vendor is to perform/complete the services required in Part 3.2 of the RFP (Scope of Work).

E. Documentation

Include any proposed software licenses, MED-96, and MED Purchasing Affidavit forms. All forms are to be signed and dated. The successful vendor is required to comply with the HIPAA Business Associate Addendum (BAA). If applicable, sign and submit a Resident Vendor Preference Certificate with the proposal.

4.2 **Cost Summary**

COST PROPOSAL (Separately Sealed)
--

The Vendor is to complete the attached Cost Summary Bid Sheet (Attachment I). Vendors should not alter the Cost Summary Bid Sheet 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 is to be submitted in a sealed envelope, separate from the Technical Proposal.

Cost Summary Bid Sheet (Attachment I) - The cost summary itemization is as follows:

A. Activity Costs

To submit a responsive proposal, the Vendor is to use the Cost Summary Bid Sheet (Attachment I) to propose costs for each deliverable specified in this RFP. The contract resulting from this RFP is to be a combination contingency fee and fixed fee contract based on specific rates contained in the successful Vendor's response.

The Vendor is to be paid a fixed contingency fee for recoveries resulting from casualty recovery, estate recovery, and Medicare and other third party payer recovery. The Vendor is to be paid a fixed per-policy fee for providing verified third party adds and/or updates that have the potential to increase cost avoidance. These adds and/or updates are to be for third party information for which no payment has been received from billing activities conducted by the Vendor.

The Vendor is to be paid a fixed per member per month fee for individuals enrolled in the Health Insurance Premium Payment (HIPP) Program. "Enrolled" is defined as a month when a premium payment is made on behalf of the member. The Vendor is to be paid a fixed per member per month fee for individuals enrolled in the M-WIN Program. "Enrolled" is defined as a month when a premium payment is made on behalf of the member.

The Vendor is to be paid a fixed, not to exceed cost for the Medicare Buy-In Tool(s)/System.

The all-inclusive costs are to include all staffing (administrative, secretarial, clerical, technical, etc.), travel, and other resource cost necessary to perform all services within this RFP.

B. Additional Services

Vendor is to propose an all-inclusive not-to-exceed cost for conducting restitution recovery. Vendor is to propose an all-inclusive not-to-exceed cost for assuming all responsibility related to running the Medicare Buy-In program on behalf of the Bureau.

Vendor is to propose a fixed, per hour rate for additional, optional services.

Each cost summary cost is to be scored by use of the following formula for all vendors who attained the Minimum acceptable score:

$$\frac{\text{Lowest price of all proposals}}{\text{Price of Proposal being evaluated}} \times 30 = \text{Price Score}$$

**ATTACHMENT I
COST SUMMARY BID SHEET**

Multipliers are for evaluation purposes only and should not be interpreted as an estimate of actual volume.

A. Activity Costs:

1. Percentage Fee for Recoveries (Casualty-Trauma recovery, Estate recovery, Medicare and other third party payer recovery, Credit Balance Audits, Medicaid HMO, Pharmacy)

Estimate \$ 24,000,000 X _____ % = \$ _____

2. Per insurance policy fee for verified third party adds

Estimate 2,000,000 X \$ _____ = \$ _____

3. Per member per month fee for individuals enrolled in HIPP

Estimate 3,000,000 X \$ _____ = \$ _____

4. Per member per month fee for individuals enrolled in M-WIN

Estimate 250,000 X \$ _____ = \$ _____

5. Fixed annual cost for Medicare Buy-In Tool(s)/System

\$ _____

B. Additional Services:

All-Inclusive Hourly Rate

\$ _____

Mass TPL/Carrier updates required due to changes in carrier status (i.e., office relocations, mergers, or acquisitions) or sponsor changes are not be reimbursed separately. This is considered a file maintenance function.

Signature

Title

Date

**ATTACHMENT II
RFP REQUIREMENTS CHECKLIST**

RFP Requirements Checklist:

The RFP Requirements Checklist is a detailed listing of every general, technical, functional, staffing, and performance requirement.

- The Vendor is to crosswalk each RFP requirement to the site where it is addressed in its proposal (Columns B and C).

A	B	C
TPL RFP Requirements	Proposal Section	Proposal Page No.
3.1.2		
3.1.2.1		
3.1.2.2		
3.1.2.3		
3.1.2.4		
3.1.2.5		
3.1.2.6		
3.1.2.7		
3.1.2.8		
3.1.2.9		
3.1.2.10		
3.1.2.11		
3.1.2.12		
3.1.2.13		
3.1.2.14		
3.1.2.15		
3.1.2.16		
3.1.2.17		
3.1.2.18		
3.1.2.19		
3.1.2.20		
3.1.2.21		
3.1.2.22		
3.1.2.23		
3.1.2.24		
3.1.2.25		
3.1.2.26		
3.1.2.27		
3.1.2.28		
3.2		
3.2.1		
3.2.1.1		
3.2.1.1.1		
3.2.1.1.2		
3.2.1.2		

A	B	C
TPL RFP Requirements	Proposal Section	Proposal Page No.
3.2.1.3		
3.2.1.4		
3.2.1.5		
3.2.2		
3.2.3		
3.2.4		
3.2.5		
3.2.6		
3.2.7		
3.2.8		
3.2.9		
4.1		
4.1.A		
4.1.B		
4.1.C		
4.1.D		
4.1.E		

**APPENDIX A
ACRONYMS LIST**

BAA	Business Associate Addendum
BI Pull Down	Benefits Issuance Pull Down
BMS	Bureau for Medical Services
CMS	Centers for Medicare and Medicaid Services
CFR	Code of Federal Regulations
DHHR	Department of Health & Human Resources
DMV	Department of Motor Vehicles
DOA	Department of Administration
FOIA	Freedom of Information Act
HIPAA	Health Insurance Portability and Accountability Act of 1996
HIPP	Health Insurance Premium Payment
HMO	Health Maintenance Organization
HMS	Health Management Systems, Inc.
MAS	Minimum Acceptable Score
MCO	Managed Care Organization
MMIS	Medicaid Management Information System
M-WIN	Medicaid-Work Incentive
RFP	Request for Proposal
SME	Subject Matter Experts
TPL	Third Party Liability
WV	West Virginia
WVDHHR	West Virginia Department of Health & Human Resources