



REQUEST FOR PROPOSALS

Utilization Management and Quality Improvement Services

RFP# 2008606-01

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Due Dates:

Questions & Letter of Intent
FAX or MAIL or HAND DELIVERY
5:00 PM Central Standard Time, Friday, June 13, 2008

Answers Posted to Internet www.dom.state.ms.us
5:00 PM Central Standard Time, Friday, June 20, 2008

Sealed Proposals
MAIL or HAND DELIVERY ONLY
5:00 PM Central Standard Time, Friday, July 3, 2008

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1 OVERVIEW

1.1 PURPOSE

This Request for Proposals, hereafter referred to as the RFP, is requesting offers from responsible vendors to meet the needs of the Division of Medicaid. The State of Mississippi, Office of the Governor, Division of Medicaid (DOM) requests proposals from experienced, responsive, responsible and financially sound CMS approved QIO organizations (herein after referred to as Offeror) that have the capability and are prepared to determine:

1. Whether services provided or proposed to be provided are reasonable and medically necessary for the diagnosis and treatment of illness or injury, or to improve functioning of a malformed body member;
2. Whether those services furnished or proposed to be furnished on an inpatient basis could be effectively furnished on an outpatient basis, or in an inpatient health care facility of a different type;
3. Whether a provider has misrepresented admission or discharge information, or has taken action that results in the unnecessary admission of an individual entitled to benefits under Medicaid, unnecessary multiple admissions of an individual, or other inappropriate medical or other practices with respect to beneficiaries;
4. Whether the quality of services meets professionally recognized standards of health care.

DOM is seeking responses to provide:

1. Utilization management of the following services:
 - a. Inpatient hospital (Medical-Surgical, Maternity, and Psychiatric in Acute Care Facility and Freestanding Psychiatric Facility)
 - b. Psychiatric Residential Treatment Facility and/or MYPAC Waiver
 - c. Transplant
 - d. Durable Medical Equipment, Orthotics and Prosthetics, and Medical Supplies
 - e. Home Health
 - f. Mental Health
 - g. Physical Therapy, Occupational Therapy, and Speech Therapy
 - h. Private Duty Nursing
2. Utilization Analysis, Focused Studies, Outcome Reports, and Proposals for Improving Health Care Delivery System
3. Clinical/Medical Consultation
4. Peer Review
5. Provider Education
6. Quality Improvement Program
7. Reconsiderations and Support for Administrative Appeals and Hearings

1.2 AUTHORITY

This RFP is issued under the authority of Title XIX of the Social Security Act as amended, implementing regulations issued under the authority thereof and under the provisions of the

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Mississippi Code of 1972 as amended. All prospective contractors are charged with presumptive knowledge of all requirements of the cited authorities. The submission of a valid executed proposal by any prospective contractor shall constitute admission of such knowledge on the part of each prospective contractor. Any proposal submitted by any prospective contractor which fails to meet any published requirement of the cited authorities may, at the option of DOM, be rejected without further consideration.

Medicaid is a program of medical assistance for the needy administered by the states using state appropriated funds and federal matching funds within the provisions of Title XIX and Title XXI of the Social Security Act as amended.

In Mississippi, the Medicaid program began on January 1, 1970. The program is administered in Mississippi by the Division of Medicaid, Office of the Governor, by authority of Section 43-13-101 et seq. of the Mississippi Code of 1972. Services are provided through a fee-for-service arrangement with a variety of medical providers.

In addition, Section 1902 (a) (30) (A) of the Social Security Act requires that State Medicaid Agencies provide methods and procedures to safeguard against unnecessary utilization of care and services and to assure "efficiency, economy and quality of care."

1.3 ORGANIZATIONS ELIGIBLE TO SUBMIT PROPOSALS

To be eligible to submit a proposal, an Offeror must provide documentation for each requirement as specified below:

1. The Offeror is a Federally Designated Quality Improvement Organization (QIO) under contract with CMS or like entity as designated by CMS, thereby enabling the state to qualify for the 75% federal financial participation as established in 42 CFR 433.15 (b)(6)(i);
2. The Offeror must have certification as a Utilization Review Resource for the State of Mississippi as defined in Section 41-83-1 et seq. of the Mississippi Code of 1972, as amended;
3. The Offeror has not been sanctioned by a state or federal government within the last 10 years;
4. The Offeror has a minimum of five years experience in Medicaid utilization review.

1.4 PROCUREMENT APPROACH

The major steps of the procurement approach are described in detail in Section 4 of this RFP. Proposals must be submitted in two parts: Technical Proposal and Business Proposal. The format and content are each specified in Sections 5 and 6 of this RFP.

1.5 ACCURACY OF STATISTICAL DATA

All statistical information provided by DOM in relation to this RFP represents the best and most accurate information available to DOM from DOM records at the time of the RFP preparation. DOM, however, disclaims any responsibility for the inaccuracy of such data and should any element of such data later be discovered to be inaccurate, such inaccuracy shall not constitute a basis for Contract rejection by any Offeror. Neither shall such inaccuracy constitute a basis for renegotiation of any payment rate after Contract award. Statistical information is available on the DOM web site.

1.6 ELECTRONIC AVAILABILITY

The materials listed below are on the Internet for informational purposes only. This electronic access is a supplement to the procurement process and is not an alternative to official requirements outlined in this RFP. The DOM web site is www.dom.state.ms.us.

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1. This RFP and RFP Questions and Answers (following official written release of responses)
2. Division of Medicaid Annual Reports
3. Provider Manuals and Bulletins

1.7 ADDITIONAL INFORMATION

Public financial information is available at <http://merlin.state.ms.us> under the Public Access query section.

DOM's website is <http://www.dom.state.ms.us>

State of Mississippi portal is <http://www.mississippi.gov>

State Personnel Board/Personal Services Contract Review Board Regulations can be found at <http://www.spb.state.ms.us>

No other information will be made available to potential Offerors.

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2 MISSISSIPPI MEDICAID PROGRAM INTRODUCTION

2.1 OVERVIEW

2.1.1 Summary of the Administration

Medicaid is a program of medical assistance for the needy administered by the states using state appropriated funds and federal matching funds within the provisions of Title XIX and Title XXI of the Social Security Act as amended. In Mississippi, the Medicaid program began on January 1, 1970. The program is administered in Mississippi by the Division of Medicaid, Office of the Governor by authority of Section 43-13-101 et seq. of the Mississippi Code of 1972. As of July 1, 1981, the Mississippi Legislature mandated that Medicaid eligibility determinations for the aged, blind and disabled categories be changed to Supplemental Security Income (SSI) determination under Section 1634 of the Social Security Act.

2.1.2 Services of the Mississippi Program

The services listed below are covered by Mississippi Medicaid unless otherwise noted. There are currently no managed care programs; all eligible beneficiaries are covered through fee-for-service.

2.1.2.1 Mandatory Services:

- EPSDT and Expanded EPSDT Services
- Family Planning Services
- Federally Qualified Health Centers Services
- Home Health Services
- Inpatient Hospital Services
- Laboratory and X-Ray Services
- Nurse Midwife Services
- Nurse Practitioner Services (Pediatric and Family)
- Nursing Facility Services
- Outpatient Hospital Services
- Physicians Services
- Rural Health Clinic Services
- Transportation Services

2.1.2.2 Optional Services:

- Ambulatory Surgical Center Services
- Chiropractic Services
- Christian Science Sanatoria Services
- Dental Services
- Disease Management Services
- Durable Medical Equipment
- Eyeglasses
- Freestanding Dialysis Center Services
- Hospice Services
- Intermediate Care Facilities for the Mentally Retarded (ICF/MR) Services
- Inpatient Psychiatric Services
- Mental Health Services
- Pediatric Skilled Nursing Services
- Podiatrist Services
- Prescription Drugs
- Psychiatric Residential Treatment Facilities Services

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State Department of Health Clinic Services
Targeted Case Management Services for Children with Special Needs

2.1.2.3 Waiver Services:

Home and Community Based Services (HCBS) for the Elderly and Disabled
HCBS for the Intellectual Disabilities/Developmental Disabilities
HCBS for the Independent Living
HCBS for Assisted Living
HCBS for TBI/Spinal Cord Injury
Healthier Mississippi 1115 Waiver
Family Planning 1115 Waiver
Community Alternatives to PRTF aka Youth Programs Around the Clock (MYPAC)

2.2 DOM Annual Report

The DOM Annual Report Summary provides information on beneficiary enrollment, program funding and expenditures broken down by types of services covered in the Mississippi Medicaid program for the respective fiscal years. The Annual Reports are available on the DOM web site www.dom.state.ms.us

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3 TERMS AND CONDITIONS

3.1 GENERAL

The contract between the State of Mississippi and the Contractor shall consist of 1) the contract and any amendments thereto; 2) this request for proposals (RFP) and any amendments thereto; 3) the Contractor's proposal submitted in response to the RFP by reference and as an integral part of this contract; 4) written questions and answers; and 5) the transcript of the question and answer part of the oral presentations. In the event of a conflict in language among the five documents referenced above, the provisions and requirements set forth and/or referenced in the contract and its amendments shall govern. In the event that an issue is addressed in one document that is not addressed in another document, no conflict in language shall be deemed to occur.

However, DOM reserves the right to clarify any contractual relationship in writing, and such written clarification shall govern in case of conflict or ambiguity with the applicable requirements stated in the RFP or the Contractor's proposal. In all other matters not affected by the written clarification, if any, the RFP and its amendments shall govern.

The contract shall be governed by the applicable provisions of the Personal Service Contract Review Board Regulations, a copy of which is available at 301 North Lamar Street, Jackson, Mississippi, for inspection or on the web at www.spb.state.ms.us.

No modification or change of any provision in the contract shall be made, or construed to have been made, unless such modification or change is mutually agreed upon in writing by the Contractor and DOM. The agreed upon modification or change will be incorporated as a written contract amendment and processed through DOM for approval prior to the effective date of such modification or change. In some instances, the contract amendment must be approved by CMS before the change becomes effective.

All rates set by the contractor for delivery of services must be actuarially sound and certified prior to submission of the terms.

The only representatives authorized to modify this contract on behalf of DOM and the Contractor are shown below:

Contractor: Person(s) designated by the Contractor

Division of Medicaid: Executive Director

3.2 PERFORMANCE STANDARDS, ACTUAL DAMAGES, LIQUIDATED DAMAGES, AND RETAINAGE

DOM reserves the right to assess actual or liquidated damages, upon the Contractor's failure to provide timely services required pursuant to this contract. Actual or liquidated damages for failure to meet specific performance standards as set forth in the scope of work may be assessed as specifically set forth in each performance standard. The Contractor shall be given 15 days notice to respond before DOM makes the assessment. The assessments will be offset against the subsequent monthly payments to the Contractor. Assessment of any actual or liquidated damages does not waive any other remedies available to DOM pursuant to this contract or state or federal law. If liquidated damages are known to be insufficient then DOM has the right to pursue actual damages.

If the Contractor's failure to perform satisfactorily exposes DOM to the likelihood of contracting with another person or entity to perform services required of the Contractor under this contract, upon notice setting forth the services and retainage, DOM may withhold from the Contractor payments in an amount commensurate with the costs anticipated to be incurred. If costs are incurred, DOM shall

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account to the Contractor and return any excess to the Contractor. If the retainage is not sufficient, the Contractor shall immediately reimburse DOM the difference or DOM may offset from any payments due the Contractor. The Contractor will cooperate fully with the retained Contractor and provide any assistance it needs to implement the terms of its agreement for services for retainage.

3.3 TERM OF CONTRACT

DOM will award a Contract based on proposals. The Contract period begins the day the contract is executed by both parties. The Contract operational period begins January 1, 2009, and shall terminate on December 31, 2011. DOM may have, under the same terms and conditions as the existing contract, an option for up to a one-year extension, provided DOM obtains approval from the Personal Services Contract Review Board and CMS to allow an extension period.

At the conclusion of the operations contract, the Contractor is obligated to complete the processing of all activities required in the Turnover Plan. At the time of contract completion the Contractor must cooperate with DOM in transitioning the responsibilities of this contract to DOM or another contractor.

3.3.1 Stop Work Order

1. Order to Stop Work - The DOM Contract Administrator may, by written order to the Contractor at any time and without notice to any surety, require the Contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding ninety (90) days after the order is delivered to the Contractor, unless the parties agree to an extension. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allowable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within an extension to which the parties shall have agreed, the Contract Administrator shall either
 - a. cancel the stop work order; or
 - b. terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.
2. Cancellation or Expiration of the Order - If a stop work order issued under this clause is canceled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the Contractor shall have the right to resume work. An appropriate adjustment shall be made in the delivery schedule or Contractor price, or both, and the contract shall be modified in writing accordingly, only if
 - a. the stop work order or extension results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and
 - b. the Contractor asserts a claim for such an adjustment within 30 days after the end of the stop work order or extension.
3. Termination of Work - If a stop work order or extension is not canceled and the work covered by such stop work order or extension is terminated for default or convenience, adjustment to the contract price will be negotiated between DOM and the Contractor.

3.3.2 Termination of Contract

The Contract resulting from this RFP may be terminated by DOM as follows:

1. For default by the Contractor
2. For convenience

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3. For the Contractor's bankruptcy, insolvency, receivership, liquidation
4. For non-availability of funds

At DOM's option, termination for any reason listed herein may also be considered termination for convenience.

3.3.2.1 Termination for Default by the Contractor

DOM may immediately terminate this contract in whole or in part whenever DOM determines that the Contractor has failed to satisfactorily perform its contractual duties and responsibilities and is unable to resolve such failure within a period of time specified by DOM, after considering the gravity and nature of the default. Such termination shall be referred to herein as "Termination for Default."

Upon determination by DOM of any such failure to satisfactorily perform its contractual duties and responsibilities, DOM may notify the Contractor of the failure and establish a reasonable time period in which to resolve such failure. If the Contractor does not resolve the failure within the specified time period, DOM will notify the Contractor that the contract in full or in part has been terminated for default. Such notices shall be in writing and delivered to the Contractor by certified mail, return receipt requested, or in person.

If, after Notice of Termination for default, it is determined that the Contractor was not in default or that the Contractor's failure to perform or make progress in performance was due to causes beyond the control and without error or negligence on the part of the Contractor or any subcontractor, the Notice of Termination shall be deemed to have been issued as a termination for the convenience of DOM, and the rights and obligations of the parties shall be governed accordingly.

In the event of Termination for Default, in full or in part as provided by this clause, DOM may procure, upon such terms and in such manner as DOM may deem appropriate, supplies or services similar to those terminated, and the Contractor shall be liable to DOM for any excess costs for such similar supplies or services for the remainder of the contract period. In addition, the Contractor shall be liable to DOM for administrative costs incurred by DOM in procuring such similar supplies or services.

In the event of a termination for default, the Contractor shall be paid for those deliverables which the Contractor has delivered to DOM. Payments for completed deliverables delivered to and accepted by DOM shall be at the contract price.

The rights and remedies of DOM provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.

3.3.2.2 Termination for Convenience

DOM may terminate performance of work under the contract in whole or in part whenever for any reason DOM shall determine that such termination is in the best interest of DOM.

In the event that DOM elects to terminate the contract pursuant to this provision, it shall notify the Contractor by certified mail, return receipt requested, or delivered in person. Termination shall be effective as of the close of business on the date specified in the notice, which shall be at least 30 days from the date of receipt of the notice by the Contractor.

Upon receipt of Notice of Termination for convenience, the Contractor shall be paid the following:

- The contract price(s) for completed deliverables delivered to and accepted by DOM;
- A price commensurate with the actual cost of performance for partially completed deliverables.

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3.3.2.3 Termination for the Contractor Bankruptcy

In the event that the Contractor shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or its assets, or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of the rights of creditors, DOM may, at its option, terminate this contract in whole or in part.

In the event DOM elects to terminate the contract under this provision, it shall do so by sending Notice of Termination to the Contractor by certified mail, return receipt requested, or delivered in person. The date of termination shall be the close of business on the date specified in such notice to the Contractor. In the event of the filing of a petition in bankruptcy by or against a principal subcontractor, the Contractor shall immediately so advise DOM.

The Contractor shall ensure and shall satisfactorily demonstrate to DOM that all tasks related to the subcontract are performed in accordance with the terms of this contract

3.3.2.4 Availability of Funds

It is expressly understood and agreed that the obligation of the DOM to proceed under this agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds. If the funds anticipated for the continuing fulfillment of the agreement are, at any time, not forthcoming or insufficient, either through the failure of the federal government to provide or the State of Mississippi to appropriate funds, or the discontinuance, or material alteration of the program under which the funds were provided or if funds are not otherwise available to the State, the State shall have the right upon 10 working days written notice to the Contractor, to terminate this agreement without damage, penalty, cost, or expense to the State of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

3.3.3 Procedure on Termination

3.3.3.1 Contractor Responsibilities

Upon delivery by certified mail, return receipt requested, or in person to the Contractor a Notice of Termination specifying the nature of the termination, the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective, the Contractor shall:

1. Stop work under the contract on the date and to the extent specified in the Notice of Termination;
2. Place no further orders or subcontracts for materials, services or facilities, except as may be necessary for completion of such portion of the work in progress under the contract until the effective date of termination;
3. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination;
4. Deliver to DOM within the time frame as specified by DOM in the Notice of Termination, copies of all data and documentation in the appropriate media and make available all records required to assure continued delivery of services to beneficiaries and providers at no cost to DOM;
5. Complete the performance of the work not terminated by the Notice of Termination;
6. Take such action as may be necessary, or as DOM may direct, for the protection and preservation of the property related to the contract which is in the possession of the Contractor and in which DOM has or may acquire an interest;

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7. Fully train DOM staff or other individuals at the direction of DOM in the operation and maintenance of the process;
8. Promptly transfer all information necessary for the reimbursement of any outstanding claims; and
9. Complete each portion of the Turnover Phase after receipt of the Notice of Termination. The Contractor shall proceed immediately with the performance of the above obligations notwithstanding any allowable delay in determining or adjusting the amount of any item of reimbursable price under this clause.

The Contractor has an absolute duty to cooperate and help with the orderly transition of the duties to DOM or its designated contractor following termination of the contract for any reason.

3.3.3.2 DOM Responsibilities

Except for Termination for Contractor Default, DOM will make payment to the Contractor on termination and at contract price for completed deliverables delivered to and accepted by DOM. The Contractor shall be reimbursed for partially completed deliverables at a price commensurate with actual cost of performance.

In the event of the failure of the Contractor and DOM to agree in whole or in part as to the amounts to be paid to the Contractor in connection with any termination described in this RFP, DOM shall determine on the basis of information available the amount, if any, due to the Contractor by reason of termination and shall pay to the Contractor the amount so determined.

The Contractor shall have the right of appeal, as stated under Disputes (Paragraph 3.9.6) from any such determination made by DOM.

3.3.4 Assignment of the Contract

The Contractor shall not sell, transfer, assign, or otherwise dispose of the contract or any portion thereof or of any right, title, or interest therein without written consent of DOM. Any such purported assignment or transfer shall be void. If approved, any assignee shall be subject to all terms and conditions of this contract. No approval by DOM of any assignment may be deemed to obligate DOM beyond the provisions of this contract. This provision includes reassignment of the contract due to change in ownership of the Contractor. DOM shall at all times be entitled to assign or transfer its rights, duties, and/or obligations under this contract to another governmental agency in the State of Mississippi upon giving prior written notice to the Contractor.

3.3.5 Excusable Delays

The Contractor and DOM shall be excused from performance under this contract for any period that they are prevented from performing any services under this Contract as a result of an act of God, war, civil disturbance, epidemic, court order, government act or omission, or other cause beyond their reasonable control.

3.3.6 Applicable Law

The contract shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflict of laws provisions, and any litigation with respect thereto shall be brought in the courts of the State of Mississippi. The Contractor shall comply with applicable federal, state and local laws and regulations.

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3.4 NOTICES

Whenever, under this RFP, one party is required to give notice to the other, except for purposes of Notice of Termination under Paragraph 3.3, such notice shall be deemed given upon delivery, if delivered by hand, or upon the date of receipt or refusal, if sent by registered or certified mail, return receipt requested or by other carriers that require signature upon receipt. Notice may be delivered by facsimile transmission, with original to follow by certified mail, return receipt requested, or by other carriers that require signature upon receipt, and shall be deemed given upon transmission and facsimile confirmation that it has been received. Notices shall be addressed as follows:

In case of notice to the Contractor:

Project Manager
Contractor
Street Address
City, State Zip Code

In case of notice to DOM:

Executive Director
Division of Medicaid
550 High St., Suite 1000
Jackson, Mississippi 39201

Copy to Contract Administrator, DOM

3.5 COST OR PRICING DATA

If DOM determines that any price, including profit or fee, negotiated in connection with this RFP was increased because the Contractor furnished incomplete or inaccurate cost or pricing data not current as certified in the Contractor's certification of current cost or pricing data, then such price or cost shall be reduced accordingly and this RFP shall be modified in writing and acknowledged by the Contractor to reflect such reduction.

3.6 SUBCONTRACTING

The Contractor is solely responsible for fulfillment of the Contract terms with DOM. DOM will make Contract payments only to the Contractor.

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of DOM. The Contractor shall notify DOM not less than thirty (30) days in advance of its desire to subcontract and include a copy of the proposed subcontract with the proposed subcontractor.

Approval of any subcontract shall neither obligate DOM nor the State of Mississippi as a party to that subcontract nor create any right, claim, or interest for the subcontractor against the State of Mississippi or DOM, their agents, their employees, their representatives, or successors.

Any subcontract shall be in writing and shall contain provisions such that it is consistent with the Contractor's obligations pursuant to this Contract.

The Contractor shall be solely responsible for the performance of any subcontractor under such subcontract approved by DOM.

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The Contractor shall give DOM immediate written notice by certified mail, facsimile, or any other carrier that requires signature upon receipt of any action or suit filed and prompt notice of any claim made against the Contractor or vendor which in the opinion of the Contractor may result in litigation related in any way to the Contract with DOM.

3.7 PROPRIETARY RIGHTS

3.7.1 Ownership of Documents

Where activities supported by this contract produce original writing, sound recordings, pictorial reproductions, drawings, or other graphic representation and works of any similar nature, DOM shall have the right to use, duplicate, and disclose such materials in whole or in part, in any manner, for any purpose whatsoever and to have others do so. If the material is qualified for copyright, the Contractor may copyright such material, with approval of DOM, but DOM shall reserve a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such materials, in whole or in part, and to authorize others to do so.

3.7.2 Ownership of Information and Data

DOM, The Department of Health and Human Services (DHHS), The Centers for Medicare and Medicaid Services (CMS), the State of Mississippi, and/or their agents shall have unlimited rights to use, disclose, or duplicate, for any purpose whatsoever, all information and data developed, derived, documented, or furnished by the Contractor under any contract resulting from this RFP.

The Contractor agrees to grant in its own behalf and on behalf of its agents, employees, representatives, assignees, and contractors to DOM, DHHS, CMS and the State of Mississippi and to their officers, agents, and employees acting in their official capacities a royalty-free, non-exclusive, and irrevocable license throughout the world to publish, reproduce, translate, deliver, and dispose of all such information now covered by copyright of the proposed Contractor.

3.7.3 Right of Inspection

DOM, the Mississippi Department of Audit, The Department of Health and Human Services (DHHS), The Centers for Medicare and Medicaid Services (CMS), the Office of Inspector General (OIG), the General Accounting Office (GAO), or any other auditing agency prior-approved by DOM, or their authorized representative shall, at all reasonable times, have the right to enter onto the Contractor's premises, or such other places where duties under this contract are being performed, to inspect, monitor, or otherwise evaluate (including periodic systems testing) the work being performed. The Contractor must provide access to all facilities and assistance for DOM and Mississippi Audit Department representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. Refusal by the Contractor to allow access to all documents, papers, letters or other materials, shall constitute a breach of contract. All audits performed by persons other than DOM staff will be coordinated through DOM and its staff.

3.7.4 Licenses, Patents and Royalties

DOM does not tolerate the possession or use of unlicensed copies of proprietary software. The Contractor shall be responsible for any penalties or fines imposed as a result of unlicensed or otherwise defectively titled software.

The Contractor, without exception, shall indemnify, save, and hold harmless DOM and its employees from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or non-patented invention, process, or article manufactured by the Contractor. The Contractor has no liability when such claim is solely and exclusively due to the combination, operation or use of any article supplied hereunder with equipment or data not supplied by the Contractor or is

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based solely and exclusively upon DOM's alteration of the article. DOM will provide prompt written notification of a claim of copyright or patent infringement.

Further, if such a claim is made or is pending, the Contractor may, at its option and expense, procure for DOM the right to continue use of, replace or modify the article to render it non-infringing. If none of the alternatives is reasonably available, the Contractor agrees to take back the article and refund the total amount DOM has paid the Contractor under this contract for use of the article.

If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the proposed prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.

3.7.5 Records Retention Requirements

The Contractor shall maintain detailed records evidencing all expenses incurred pursuant to the Contract, the provision of services under the Contract, and complaints, for the purpose of audit and evaluation by the Agency and other federal or State personnel. All records, including training records, pertaining to the Contract must be readily retrievable within three (3) workdays for review at the request of the Agency and its authorized representatives. All records shall be maintained and available for review by authorized federal and State personnel during the entire term of the Contract and for a period of five (5) years thereafter, unless an audit is in progress. When an audit is in progress or audit findings are unresolved, records shall be kept for a period of five (5) years or until all issues are finally resolved, whichever is later.

3.8 REPRESENTATION REGARDING CONTINGENT FEES

The Contractor represents by executing this contract that it has not retained a person to solicit or secure a State contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee.

3.9 INTERPRETATIONS/CHANGES/DISPUTES

In the event of a conflict in language among any of the components of the contract, the RFP shall govern. DOM reserves the right to clarify any contractual relationship in writing and such clarification will govern in case of conflict with the requirements of the RFP. Any ambiguity in the RFP shall be construed in favor of DOM.

The contract represents the entire agreement between the Contractor and DOM and it supersedes all prior negotiations, representations, or agreements, either written or oral between the parties hereto relating to the subject matter hereof.

3.9.1 Conformance with Federal and State Regulations

The Contractor shall be required to conform to all federal and state laws, regulations, and policies as they exist or as amended.

In the event that the Contractor requests that the Executive Director of DOM or his/her designee issue policy determinations or operating guidelines required for proper performance of the contract, DOM shall do so in a timely manner. The Contractor shall be entitled to rely upon and act in accordance with such policy determinations and operating guidelines unless the Contractor acts negligently, maliciously, fraudulently, or in bad faith.

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3.9.2 Waiver

No covenant, condition, duty, obligation, or undertaking contained in or made a part of this contract will be waived except by the written agreement of the parties, and forbearance or indulgence in any other form or manner by either party in any regard whatsoever shall not constitute a waiver of the covenant, condition, duty, obligation, or undertaking to be kept, performed, or discharged by the party to which the same may apply; and until complete performance or satisfaction of all such covenants, conditions, duties, obligations, and undertakings, the other party shall have the right to invoke any remedy available under law or equity, notwithstanding any such forbearance or indulgence.

3.9.3 Contract Variations

If any provision of the contract (including items incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both DOM and the Contractor shall be relieved of all obligations arising under such provision; if the remainder of the contract is capable of performance, it shall not be affected by such declaration or funding and shall be fully performed.

3.9.4 Headings

The headings used throughout the contract are for convenience only and shall not be resorted to for interpretation of the contract.

3.9.5 Change Orders and/or Amendments

The Executive Director of DOM or designated representative may, at any time, by written order delivered to the Contractor at least thirty (30) days prior to the commencement date of such change, make administrative changes within the general scope of the contract. If any such change causes an increase or decrease in the cost of the performance of any part of the work under the contract an adjustment commensurate with the costs of performance under this contract shall be made in the contract price or delivery schedule or both. Any claim by the Contractor for equitable adjustment under this clause must be asserted in writing to DOM within thirty (30) days from the date of receipt by the Contractor of the notification of change. Failure to agree to any adjustment shall be a dispute within the meaning of the Dispute Clause of this Contract. Nothing in this case, however, shall in any manner excuse the Contractor from proceeding diligently with the contract as changed.

If the parties are unable to reach an agreement within thirty (30) days of DOM receipt of the Contractor's cost estimate, the Executive Director of DOM shall make a determination of the revised price, and the Contractor shall proceed with the work according to a schedule approved by DOM subject to the Contractor's right to appeal the Executive Director's determination of the price pursuant to the Disputes Section. Nothing in this clause shall in any manner excuse the Contractor from proceeding diligently with the contract as changed.

The rate of payment for changes or amendments completed per contract year shall be at the rates specified by the Contractor's proposal.

At any time during the term of this contract, DOM may increase the quantity of goods or services purchased under this contract by sending the Contractor a written amendment or modification to that effect which references this contract and is signed by the Executive Director of DOM. The purchase price shall be the lower of the unit cost identified in the Contractor's proposal or the Contractor's then-current, published price. The foregoing shall not apply to services provided to DOM at no charge. The delivery schedule for any items added by exercise of this option shall be set by mutual agreement.

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3.9.6 Disputes

Any dispute concerning the contract which is not disposed of by agreement shall be decided by the Executive Director of DOM who shall reduce such decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Executive Director shall be final and conclusive unless within thirty (30) days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Attorney General a written request to render an interpretation addressed to the Office of the Attorney General, Gartin Justice Building, Jackson, Mississippi 39205. The interpretation of the Attorney General or his duly authorized representative shall be final and conclusive. The Contractor and DOM shall be afforded an opportunity to be heard and to offer evidence in support of their interpretations. Nothing in this paragraph shall be construed to relieve the Contractor of full and diligent performance of the contract.

3.9.7 Cost of Litigation

In the event that DOM deems it necessary to take legal action to enforce any provision of the contract, the Contractor shall bear the cost of such litigation, as assessed by the court, in which DOM prevails. Neither the State of Mississippi nor DOM shall bear any of the Contractor's cost of litigation for any legal actions initiated by the Contractor against DOM regarding the provisions of the contract. Legal action shall include administrative proceedings.

3.9.8 Attorney Fees

The Contractor agrees to pay reasonable attorney fees incurred by the State and DOM in enforcing this agreement or otherwise reasonably related thereto.

3.10 INDEMNIFICATION

The Contractor agrees to indemnify, defend, save, and hold harmless DOM, the State of Mississippi, their officers, agents, employees, representatives, assignees, and contractors from any and all claims and losses accruing or resulting to any and all the Contractor employees, agents, subcontractors, laborers, and any other person, association, partnership, entity, or corporation furnishing or supplying work, services, materials, or supplies in connection with performance of this contract, and from any and all claims and losses accruing or resulting to any such person, association, partnership, entity, or corporation who may be injured, damaged, or suffer any loss by the Contractor in the performance of the contract.

The Contractor agrees to indemnify, defend, save, and hold harmless DOM, the State of Mississippi, their officers, agents, employees, representatives, assignees, and contractors against any and all liability, loss, damage, costs or expenses which DOM may sustain, incur or be required to pay: 1.) by reason of any person suffering personal injury, death or property loss or damage of any kind either while participating with or receiving services from the Contractor under this contract, or while on premises owned, leased, or operated by the Contractor or while being transported to or from said premises in any vehicle owned, operated, leased, chartered, or otherwise contracted for or in the control of the Contractor or any officer, agent, or employee thereof; or 2.) by reason of the Contractor or its employee, agent, or person within its scope of authority of this contract causing injury to, or damage to the person or property of a person including but not limited to DOM or the Contractor, their employees or agents, during any time when the Contractor or any officer, agent, employee thereof has undertaken or is furnishing the services called for under this contract.

The Contractor agrees to indemnify, defend, save, and hold harmless DOM, the State of Mississippi, their officers, agents, employees, representatives, assignees, and contractors against any and all liability, loss, damages, costs or expenses which DOM or the State may incur, sustain or be required to pay by reason of the Contractor, its employees, agents or assigns: 1.) failing to honor copyright, patent or licensing rights to software, programs or technology of any kind in providing services to

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DOM, or 2.) breaching in any manner the confidentiality required pursuant to federal and state law and regulations.

The Contractor agrees to indemnify, defend, save, and hold harmless DOM, the State of Mississippi, their officers, agents, employees, representatives, assignees, and contractors from all claims, demands, liabilities, and suits of any nature whatsoever arising out of the contract because of any breach of the contract by the Contractor, its agents or employees, including but not limited to any occurrence of omission or commission or negligence of the Contractor, its agents or employees.

If in the reasonable judgment of DOM a default by the Contractor is not so substantial as to require termination and reasonable efforts to induce the Contractor to cure the default are unsuccessful and the default is capable of being cured by DOM or by another resource without unduly interfering with the continued performance of the Contractor, DOM may provide or procure such services as are reasonably necessary to correct the default. In such event, the Contractor shall reimburse DOM for the reasonable cost of those services. DOM may deduct the cost of those services from the Contractor's monthly administrative invoices. The Contractor shall cooperate with DOM or those procured resources in allowing access to facilities, equipment, data or any other Contractor resources to which access is required to correct the default. The Contractor shall remain liable for ensuring that all operational performance standards remain satisfied.

3.10.1 No Limitation of Liability

Nothing in this contract shall be interpreted as excluding or limiting any liability of the Contractor for harm caused by the intentional or reckless conduct of the Contractor, or for damages incurred in the negligent performance of duties by the Contractor, or for the delivery by the Contractor of products that are defective, or for breach of contract or any other duty by the Contractor. Nothing in the contract shall be interpreted as waiving the liability of the Contractor for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense related to the Contractor's conduct or performance under this contract.

3.11 STATUS OF THE CONTRACTOR

3.11.1 Independent Contractor

It is expressly agreed that the Contractor is an independent Contractor performing professional services for DOM and is not an officer or employee of the State of Mississippi or DOM. It is further expressly agreed that the contract shall not be construed as a partnership or joint venture between the Contractor and DOM.

The Contractor shall be solely responsible for all applicable taxes, insurance, licensing and other costs of doing business. Should the Contractor default on these or other responsibilities jeopardizing the Contractor's ability to perform services effectively, DOM, in its sole discretion, may terminate this contract.

The Contractor shall not purport to bind DOM, its officers or employees nor the State of Mississippi to any obligation not expressly authorized herein unless DOM has expressly given the Contractor the authority to do so in writing.

The Contractor shall give DOM immediate notice in writing of any action or suit filed, or of any claim made by any party which might reasonably be expected to result in litigation related in any manner to this contract or which may impact the Contractor's ability to perform.

No other agreements of any kind may be made by the Contractor with any other party for furnishing any information or data accumulated by the Contractor under this contract or used in the operation of

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this program without the written approval of DOM. Specifically, DOM reserves the right to review any data released from reports, histories, or data files created pursuant to this Contract.

In no way shall the Contractor represent itself directly or by inference as a representative of the State of Mississippi or the Division of Medicaid except within the confines of its role as a contractor for the Division of Medicaid. DOM's approval must be received in all instances in which the Contractor distributes publications, presents seminars, presents workshops, or performs any other outreach.

The Contractor shall not use DOM's name or refer to the contract directly or indirectly in any advertisement, news release, professional trade or business presentation without prior written approval from DOM.

3.11.2 Employment of DOM Employees

The Contractor shall not knowingly engage on a full-time, part-time, or other basis during the period of the contract, any professional or technical personnel who are or have been at any time during the period of the contract in the employ of DOM, without the written consent of DOM. Further, the Contractor shall not knowingly engage in this project, on a full-time, part-time, or other basis during the period of the contract, any former employee of DOM who has not been separated from the agency for at least one year, without the written consent of DOM.

The Contractor shall give priority consideration to hiring interested and qualified adversely affected State employees at such times as requested by DOM to the extent permitted by this contract or state law.

3.11.3 Conflict of Interest

No official or employee of DOM and no other public official of the State of Mississippi or the Federal Government who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of the project, voluntarily acquire any personal interest, direct or indirect, in the contract or proposed contract. A violation of this provision shall constitute grounds for termination of this contract. In addition, such violation will be reported to the State Ethics Commission, Attorney General, and appropriate federal law enforcement officers for review.

The Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Contractor further covenants that in the performance of the contract no person having any such known interests shall be employed including subsidiaries or entities that could be misconstrued as having a joint relationship, and to employment by the Contractor of immediate family members of Medicaid providers.

3.11.4 Personnel Practices

All employees of the Contractor involved in the Medicaid function will be paid as any other employee of the Contractor who works in another area of their organization in a similar position. The Contractor shall develop any and all methods to encourage longevity in Contractor's staff assigned to this contract.

Employees of the Contractor shall receive all benefits afforded to other employees of the Contractor.

The Contractor must agree to sign the Drug Free Workplace Certificate (Exhibit 1).

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3.11.5 No Property Rights

No property rights inure to the Contractor except for compensation for work that has already been performed.

3.12 EMPLOYMENT PRACTICES

The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, marital status, political affiliations, or disability. The Contractor must act affirmatively to ensure that employees, as well as applicants for employment, are treated without discrimination because of their race, color, religion, sex, national origin, age, marital status, political affiliation, or disability.

Such action shall include, but is not limited to the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment notices setting forth the provisions of this clause.

The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age, marital status, political affiliation, or disability, except where it relates to a bona fide occupational qualification or requirement.

The Contractor shall comply with the non-discrimination clause contained in Federal Executive Order 11246, as amended by Federal Executive Order 11375, relative to Equal Employment Opportunity for all persons without regard to race, color, religion, sex, or national origin, and the implementing rules and regulations prescribed by the Secretary of Labor and with Title 41, Code of Federal Regulations, Chapter 60. The Contractor shall comply with related state laws and regulations, if any.

The Contractor shall comply with the Civil Rights Act of 1964, and any amendments thereto, and the rules and regulations thereunder, and Section 504 of Title V of the Rehabilitation Act of 1973, as amended, and the Mississippi Human Rights Act of 1977.

If DOM finds that the Contractor is not in compliance with any of these requirements at any time during the term of this contract, DOM reserves the right to terminate this contract or take such other steps as it deems appropriate, in its sole discretion, considering the interests and welfare of the State.

3.13 RISK MANAGEMENT

The Contractor may insure any portion of the risk under the provision of the contract based upon the Contractor's ability (size and financial reserves included) to survive a series of adverse experiences, including withholding of payment by DOM, or imposition of penalties by DOM.

On or before beginning performance under this Contract, the Contractor shall obtain from an insurance company, duly authorized to do business and doing business in Mississippi, insurance as follows:

3.13.1 Workers' Compensation

The Contractor shall take out and maintain, during the life of this contract, workers' compensation insurance for all employees employed at the project in Mississippi. Such insurance shall fully comply with the Mississippi Workers' Compensation Law. In case any class of employees engaged in hazardous work under this contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide adequate insurance satisfactory for protection of his or her employees not otherwise protected.

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3.13.2 Liability

The Contractor shall ensure that professional staff and other decision making staff shall be required to carry professional liability insurance in an amount commensurate with the professional responsibilities and liabilities under the terms of this RFP.

The Contractor shall obtain, pay for and keep in force during the contract period general liability insurance against bodily injury or death in an amount commensurate with the responsibilities and liabilities under the terms of this RFP; and insurance against property damage and fire insurance including contents coverage for all records maintained pursuant to this contract in an amount commensurate with the responsibilities and liabilities under the terms of this RFP. The Contractor shall furnish to DOM certificates evidencing such insurance is in effect on the first working day following contract signing.

3.14 CONFIDENTIALITY OF INFORMATION

3.14.1 Confidentiality of Beneficiary Information

All information as to personal facts and circumstances concerning Medicaid beneficiaries obtained by the Contractor shall be treated as privileged communications, shall be held confidential, and shall not be divulged without the written consent of DOM and the written consent of the enrolled beneficiary, his attorney, or his responsible parent or guardian, except as may be required by DOM.

The use or disclosure of information concerning beneficiaries shall be limited to purposes directly connected with the administration of the contract.

All of the Contractor officers and employees performing any work for or on the contract shall be instructed in writing of this confidentiality requirement and required to sign such a document upon employment and annually thereafter.

The Contractor shall notify DOM promptly of any unauthorized possession, use, knowledge or attempt thereof, of DOM's data files or other confidential information. The Contractor shall promptly furnish DOM full details of the attempted unauthorized possession, use or knowledge, and assist in investigating or preventing the recurrence thereof.

3.14.2 Confidentiality of Proposals and Contract Terms

After award of the contract, all Offeror's proposals, including those terms bid in the Business Proposal, are subject to disclosure under the State's Access to Public Records Act and the Federal Freedom of Information Act. Information specified by an Offeror as proprietary information shall be available for disclosure as provided by State statute.

In the event that either party to this agreement receives notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of confidential or otherwise protected information, that party shall promptly inform the other party and thereafter respond in conformity with such subpoena to the extent mandated by State law. This provision shall survive termination or completion of this agreement. The parties agree that this provision is subject to and superseded by Miss. Code Ann. Section 25-61-1, et seq. regarding Public Access to Public Records.

3.15 THE CONTRACTOR COMPLIANCE ISSUES

The Contractor agrees that all work performed as part of this contract will comply fully with administrative and other requirements established by federal and state laws, regulations and

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guidelines, and assumes responsibility for full compliance with all such laws, regulations and guidelines, and agrees to fully reimburse DOM for any loss of funds, resources, overpayments, duplicate payments or incorrect payments resulting from noncompliance by the Contractor, its staff, or agents, as revealed in any audit.

3.15.1 Federal, State, and Local Taxes

Unless otherwise provided herein, the contract price shall include all applicable federal, state, and local taxes.

The Contractor shall pay all taxes lawfully imposed upon it with respect to this contract or any product delivered in accordance herewith. DOM makes no representation whatsoever as to exemption from liability to any tax imposed by any governmental entity on the Contractor.

3.15.2 License Requirements

The Contractor shall have, or obtain, any license/permits that are required prior to and during the performance of work under this contract.

3.15.3 Site Rules and Regulations

The Contractor shall use its best efforts to ensure that its employees and agents, while on DOM premises, shall comply with site rules and regulations.

3.15.4 Environmental Protection

The Contractor shall be in compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (45 USC 1857 [h]), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulation (40 CFR Part 15) which prohibit the use under non-exempt federal contracts, grants, or loans of facilities included on the EPA list of Violating Facilities. The Contractor shall report violations to the applicable grantor federal agency and the U. S. EPA Assistant Administrator for Enforcement.

3.15.5 Lobbying

The Contractor certifies, to the best of its knowledge and belief, that no federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor to any person for influencing or attempting to influence an officer or employee of any agency, a member 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 federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, 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 Contractor shall complete and submit "Disclosure Form to Report Lobbying," in accordance with its instructions.

This certification is a material representation of fact upon which reliance is placed when entering into this contract. Submission of this certification is a prerequisite for making or entering into this contract imposed under Title 31, Section 1352, U.S. Code. Failure to file the required certification shall be subject to civil penalties for such failure.

The Contractor shall abide by lobbying laws of the State of Mississippi.

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3.15.6 Bribes, Gratuities and Kickbacks Prohibited

The receipt or solicitation of bribes, gratuities and kickbacks is strictly prohibited.

No elected or appointed officer or other employee of the Federal Government or of the State of Mississippi shall benefit financially or materially from this contract. No individual employed by the State of Mississippi shall be permitted any share or part of this contract or any benefit that might arise there from.

The Contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibitions against gratuities set forth in Section 7-204 (Gratuities) of the Mississippi Personal Service Contract Procurement Regulations.

3.15.7 Small and Minority Businesses

DOM encourages the employment of small business and minority business enterprises. Therefore, the Contractor shall report, separately, the involvement in this contract of small businesses and businesses owned by minorities and women. Such information shall be reported on an invoice annually on the contract anniversary and shall specify the actual dollars contracted to-date with such businesses, actual dollars expended to date with such businesses, and the total dollars planned to be contracted for with such businesses on this contract.

3.15.8 Suspension and Debarment

The Contractor certifies that it is not suspended or debarred under federal law and regulations or any other state's laws and regulations.

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4 PROCUREMENT

4.1 APPROACH

The procurement process provides for the evaluation of proposals and selection of the winning proposal in accordance with federal law and regulations and state law and regulations, specifically, by appropriate provisions of the State Personal Service Contract Review Board Regulations which is available for inspection at 301 N. Lamar St., Jackson, Mississippi or on the web at www.spb.state.ms.us.

Separate technical and business proposals must be submitted simultaneously but will be opened at different stages of the evaluation process. Technical Proposals will be thoroughly evaluated in order to determine point scores for each evaluation factor. The evaluation and selection process is described in more detail in Section 7 of this RFP.

Submission of a proposal constitutes acceptance of the conditions governing the procurement, including the evaluation factors contained in Section 7 of this RFP, and constitutes acknowledgment of the detailed descriptions of the Mississippi Medicaid Program.

No public disclosure or news release pertaining to this procurement shall be made without prior written approval of DOM. FAILURE TO COMPLY WITH THIS PROVISION MAY RESULT IN THE OFFEROR BEING DISQUALIFIED.

4.2 QUALIFICATION OF OFFERORS

Each corporation shall report its corporate charter number in its transmittal letter or, if appropriate, have attached to its transmittal letter a signed statement to the effect that said corporation is exempt from the above described, and set forth the particular reason(s) for exemption. All corporations shall be in full compliance with all Mississippi laws regarding incorporation or formation and doing business in Mississippi and shall be in compliance with the laws of the state in which they are incorporated, formed, or organized.

DOM may make such investigations as necessary to determine the ability and commitment of the Offeror to adhere to the requirements specified within this RFP and its proposal, and the Offeror shall furnish to DOM all such information and data for this purpose as may be requested. DOM reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capability to fulfill the requirements of the contract. DOM reserves the absolute right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fail to satisfy DOM that such Offeror is properly qualified to carry out the obligations of the contract and to complete the work or furnish the items contemplated.

The State reserves the right to reject any and all proposals, to request and evaluate "best and final offers" from some or all of the respondents, to negotiate with the best proposed offer to address issues other than those described in the proposal, to award a contract to other than the low Offeror, or not to make any award if it is determined to be in the best interest of the State.

Discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award. Proposals may also be accepted without such discussions.

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4.3 TIMETABLE

The following timetable is the estimated and anticipated timetable for the RFP and procurement process.

June 6, 2008	Release RFP for Bids
June 13, 2008 (5:00 p.m. CST)	Deadline for Letter of Intent and Written Questions
June 20, 2008 (5:00 p.m. CST)	Response to Questions Posted
July 3, 2008 (5:00 p.m. CST)	Proposal Deadline
July 7 - July 11, 2008	Evaluation of Technical Proposal
July 14 - 18, 2008	Oral Presentations (if desired by DOM)
July 21 - 23, 2008	Evaluation of Business Proposal
July 24 - 29, 2008	Executive Review and Approval
July 29, 2008	Prepare Contract for Submission to PSCRB
July 30, 2008	Submit to PSCRB
August 14, 2008	PSCRB Meeting (proposed)
August 15 - 22, 2008	Contracts signed and notarized
August 23 - December 31, 2008	Implementation
January 1, 2009	Operations Start Date

DOM reserves the right to amend the timetable in the best interest of DOM. Potential Offerors who have submitted letters of intent will be notified of any changes to this timetable.

4.3.1 Mandatory Letter of Intent

The Offerors are required to submit a Letter of Intent to bid. This letter will be due by 5:00 p.m. CST, June 13, 2008, and should be sent to:

Melanie Wakeland
Procurement Officer
Division of Medicaid
550 High St., Suite 1000
Jackson, Mississippi 39201

Fax: (601) 359-6048

Email: exmpw@medicaid.state.ms.us

This letter shall be on the official business letterhead of the Offeror and must be signed by an individual authorized to commit the company to the work proposed. Submission of the Letter of Intent

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shall not be binding on the prospective Offeror to submit a proposal. However, firms that do not submit a Letter of Intent by 5:00 p.m. CST, June 13, 2008, will not thereafter be eligible for the procurement.

Prior to June 13, 2008, all RFP amendments will be sent to all organizations that request an RFP. After June 13, 2008, RFP amendments and the answers to questions will only be distributed to those firms submitting a Letter of Intent.

4.3.2 Procedure for Submitting Questions

Multiple questions may be submitted per submission. Written answers will be available not later than 5:00 PM CST, Friday, June 20, 2008, via DOM website at <http://www.dom.state.ms.us>. Questions and answers will become a part of the RFP as an attachment. Written responses provided for the questions will be binding.

Questions should be sent to:

Melanie Wakeland
Procurement Officer
Division of Medicaid
REF: **UM/QIO Services**
RFP# 2008606-01

FAX: (601) 359-6048

US MAIL OR HAND DELIVERED:
Sillers Building
550 High St., Suite 1000
Jackson, Mississippi 39201

OR EMAIL: exmpw@medicaid.state.ms.us

4.3.3 Proposal Submission Requirements

Proposals must be submitted in two parts: Technical Proposal and Business Proposal. The format and content of each are specified in Sections 5 and 6 of this RFP.

Proposals for this RFP must be submitted in 3-ring binders with components of the RFP clearly tabbed. An original and five (5) copies of the technical proposal under sealed cover and an original and five (5) copies of the business proposal under separate sealed cover must be received by DOM no later than 5:00 p.m. CST, on Friday, July 3, 2008. Any proposal received after this date and time will be rejected and returned unopened to the Offeror.

Proposals should be delivered to:

Melanie Wakeland
Procurement Officer
Division of Medicaid
Sillers Building
550 High St., Suite 1000
Jackson, Mississippi 39201

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The outside cover of the package containing the Technical Proposals shall be marked:

REF: **UM/QIO Services – Technical Component**
RFP# 2008606-01
(Name of Offeror)

Each technical proposal must include a transmittal letter as specified in Section 5.2.

The outside cover of the package containing the business proposals shall be marked:

REF: **UM/QIO Services – Business Component**
RFP# 2008606-01
(Name of Offeror)

As the proposals are received, the sealed proposals will be date-stamped and recorded by DOM. The parties submitting proposals are responsible for ensuring that the sealed competitive proposal is delivered by the required time and to the required location and the parties assume all risks of delivery. No facsimile proposals will be accepted. The proposal must be signed in blue ink by an authorized official to bind the Offeror to the proposal provisions.

Proposals and modifications thereof received by DOM after the time set for receipt or at any location other than that set forth above will be considered late and will not be considered for award.

4.4 ORAL PRESENTATION

The oral presentation is part of the technical proposal evaluation. If desired by DOM, all Offerors will be given the opportunity to make an oral presentation. The purpose of the oral presentation is to provide an opportunity for the Offeror to present its proposal and credentials of proposed staff, and to respond to any questions from DOM. The original proposal cannot be supplemented, changed or corrected either in writing or orally.

The presentation will occur at a State office location in Jackson, MS. The determination of participants, location, order, and schedule for the presentations is at the sole discretion of the DOM and will be provided during the Evaluation process. The presentation will include slides, graphics and other media selected by the bidder to illustrate the Offeror's Proposal.

The presentations are tentatively scheduled for July 14 - 18, 2008. The Offeror's presentation team shall include, at a minimum, the proposed Project Manager, Medical Director and other key management staff necessary to implement the contract requirements. However, DOM reserves the right to limit the number of participants in the Offeror's presentation. Questions and answers will be recorded and transcribed. DOM reserves the right to limit the time period for the presentation.

4.5 RULES OF PROCUREMENT

To facilitate the DOM procurement, various rules have been established and are described in the following paragraphs.

4.5.1 Representation Regarding Contingent Fees

The Offeror represents by submission of its proposal that it has not retained a person to solicit or secure a State contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee.

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4.5.2 Representation Regarding Gratuities

The Offeror represents by submission of its proposal that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities set forth in Section 7-204 (Gratuities) of the Mississippi Personal Services Contract Procurement Regulations.

4.5.3 Restrictions on Communications with DOM Staff

From the issue date of this RFP until a Contractor is selected and the contract is signed, Offerors and/or their representatives are not allowed to communicate with any DOM staff regarding this procurement except the RFP Issuing Officer, Melanie Wakeland.

For violation of this provision, DOM shall reserve the right to reject any proposal.

4.5.4 Amendments

DOM reserves the right to amend the RFP at any time prior to the date for proposal submission. All amendments will be posted to the DOM website at <http://www.dom.state.ms.us>. After July 3, 2008, Offerors submitting proposals will be notified when amendments are released.

4.5.5 Cost of Preparing Proposal

Costs of developing the proposals are solely the responsibility of the Offerors. DOM will provide no reimbursement for such costs. Any costs associated with any oral presentations to DOM will be the responsibility of the Offeror and will in no way be billable to DOM. If site visits are made, DOM's cost for such visits will be the responsibility of DOM and the Offeror's cost will be the responsibility of the Offeror and will in no way be billable to DOM.

4.5.6 Certification of Independent Price Determination

The Offeror certifies that the prices submitted in response to the solicitation have been arrived at independently and without any consultation, communication, or agreement with any other bidder or competitor.

4.5.7 Acceptance of Proposals

After receipt of the proposals, DOM reserves the right to award the contract based on the terms, conditions, and premises of the RFP and the proposal of the selected Contractor without negotiation.

All proposals properly submitted will be accepted by DOM. However, DOM reserves the right to request necessary amendments from all Offerors, reject any or all proposals received, or cancel this RFP, according to the best interest of DOM.

DOM also reserves the right to waive minor irregularities in bids providing such action is in the best interest of DOM.

Where DOM may waive minor irregularities as determined by DOM, such waiver shall in no way modify the RFP requirements or excuse the Offeror from full compliance with the RFP specifications and other contract requirements if the Offeror is awarded the contract.

DOM reserves the right to exclude any and all non-responsive proposals from any consideration for contract award. DOM will award the contract to the Offeror whose offer is responsive to the solicitation and is most advantageous to DOM in price, quality, and other factors considered. DOM reserves the right to make the award to an Offeror other than the Offeror bidding the lowest price when it can be demonstrated to the satisfaction of DOM, the Governor, the State Personal Service Contract Review

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Board, and to CMS, if necessary, that award to the low Offeror would not be in the best interest of DOM and the State of Mississippi.

4.5.8 Rejection of Proposals

A proposal may be rejected for failure to conform to the rules or the requirements contained in this RFP. Proposals must be responsive to all requirements of the RFP in order to be considered for contract award. DOM reserves the right at any time to cancel the RFP, or after the proposals are received to reject any of the submitted proposals determined to be non-responsive. DOM further reserves the right to reject any and all proposals received by reason of this request. Reasons for rejecting a proposal include, but are not limited to

1. The proposal contains unauthorized amendments to the requirements of the RFP.
2. The proposal is conditional.
3. The proposal is incomplete or contains irregularities that make the proposal indefinite or ambiguous.
4. An authorized representative of the party does not sign the proposal.
5. The proposal contains false or misleading statements or references.
6. The Offeror is determined to be non-responsible as specified in Section 3-401 of the Personal Services Contract Review Board Regulations.
7. The proposal ultimately fails to meet the announced requirements of the State in some material aspect.
8. The proposal price is clearly unreasonable.
9. The proposal is not responsive, i.e., does not conform in all material respects to the RFP.
10. The supply or service item offered in the proposal is unacceptable by reason of its failure to meet the requirements of the specifications or permissible alternates or other acceptability criteria set forth in the RFP.
11. The Offeror does not comply with the Procedures for Delivery of Proposal as set forth in the RFP.
12. The Offeror currently owes the State money.

4.5.9 Alternate Proposals

Each Offeror, its subsidiaries, affiliates or related entities shall be limited to one proposal which is responsive to the requirements of this RFP. Failure to submit a responsive proposal will result in the rejection of the Offeror's proposal. Submission of more than one proposal by an Offeror will result in the summary rejection of all proposals submitted. An Offeror's proposal shall not include variable or multiple pricing options.

4.5.10 Proposal Amendments and Withdrawal

Prior to the proposal due date, a submitted proposal may be withdrawn by submitting a written request for its withdrawal to DOM, signed by the Offeror.

An Offeror may submit an amended proposal before the due date for receipt of proposals. Such amended proposal must be a complete replacement for a previously submitted proposal and must be clearly identified as such in the Transmittal Letter. DOM will not merge, collate, or assemble proposal materials.

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Unless requested by DOM, no other amendments, revisions, or alterations to proposals will be accepted after the proposal due date.

Any submitted proposal shall remain a valid proposal for 180 days from the proposal due date.

4.5.11 Disposition of Proposals

The proposal submitted by the successful Offeror shall be incorporated into and become part of the resulting contract. All proposals received by DOM shall upon receipt become and remain the property of DOM. DOM will have the right to use all concepts contained in any proposal and this right will not affect the solicitation or rejection of the proposal.

4.5.12 Responsible Contractor

DOM shall contract only with a responsible contractor who possesses the ability to perform successfully under the terms and conditions of the proposed procurement and implementation. In letting the contract, consideration shall be given to such matters as Contractor's integrity, performance history, financial and technical resources, and accessibility to other necessary resources.

4.5.13 Best and Final Offers

The Executive Director of DOM may make a written determination that it is in the State's best interest to conduct additional discussions or change the State's requirements and require submission of best and final offers. The Procurement Officer shall establish a date and time for the submission of best and final offers. Otherwise, no discussion of or changes in the bids shall be allowed prior to award. Offerors shall also be informed that if they do not submit a notice of withdrawal or another best and final offer, their immediate previous offer will be construed as their best and final offer.

4.6 STATE APPROVAL

Approval from the State Personal Services Contract Review Board must be received before contract signing. Every effort will be made by DOM to facilitate rapid approval and an early start date.

4.7 AWARD NOTICE

The notice of intended contract award shall be sent by carriers that require signature upon receipt, by fax with voice confirmation, or by email with reply confirmation to the winning Offeror.

Consistent with existing state law, no Offeror shall infer or be construed to have any rights or interest to a contract with DOM until final approval is received from all necessary entities and until both the Offeror and DOM have executed a valid contract.

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5 TECHNICAL PROPOSAL

5.1 INTRODUCTION

All proposals must be typewritten on standard 8 ½ x 11 paper (larger paper is permissible for charts, spreadsheets, etc.) with tabs delineating each section. One copy of the proposal must be submitted on diskette or CD in Microsoft Word or Adobe Acrobat (.PDF) format.

The Technical Proposal must include the following sections:

1. Transmittal Letter
2. Executive Summary
3. Corporate Background and Experience
4. Project Organization and Staffing
5. Methodology
6. Project Management and Control
7. Work Plan and Schedule

Items to be included under each of these headings are identified in the paragraphs below. Each section within the Technical Proposal should include all items listed in the paragraphs below. The evaluation of proposals will be done on a section-by-section basis. A format that easily follows the requirements and order of the RFP should be used.

Any proposal that does not adhere to these requirements may be deemed non-responsive and rejected on that basis.

5.2 TRANSMITTAL LETTER

The Transmittal Letter shall be in the form of a standard business letter on letterhead of the proposing company and shall be signed by an individual authorized to legally bind the Offeror. It shall be included in each Technical Proposal. The letter should identify all material and enclosures being submitted in response to the RFP. The transmittal letter shall include

1. A statement indicating that the Offeror is a corporation or other legal entity;
2. A statement confirming that the Contractor is registered to do business in Mississippi and providing their corporate charter number to work in Mississippi, if applicable;
3. A statement that the Contractor agrees that any lost or reduced federal matching money resulting from unacceptable performance of a contractor task or responsibility, as defined in this RFP, shall be accompanied by reductions in state payments to the Contractor;
4. A statement identifying the Offeror's Federal tax identification number;
5. A statement that no attempt has been made or will be made by the Offeror to induce any other person or firm to submit or not to submit a proposal;
6. A statement of Affirmative Action, that the Offeror does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or disability;
7. A statement that no cost or pricing information has been included in this letter or any other part of the technical proposal;

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8. A statement identifying all amendments to this RFP issued by DOM which have been received by the Offeror. If no amendments have been received, a statement to that effect should be included;
9. A statement that the Offeror has read, understands and agrees to all provisions of this RFP without reservation;
10. Certification that the Offeror's offer will be firm and binding for 180 days from the proposal due date;
11. A statement naming any outside firms responsible for writing the proposal;
12. A statement agreeing that the Contractor and all subcontractors will sign the Drug Free Workplace Certificate (Exhibit 1);
13. A statement that the Offeror has included the signed DHHS Certification Regarding Debarment, Suspension, and Other Responsibility Matters for Primary Covered Transactions (Exhibit 2) with the Transmittal letter;
14. All proposals submitted by corporations must contain certifications by the secretary or other appropriate corporate official other than the corporate official signing the corporate proposal that the corporate official signing the corporate proposal has the full authority to obligate and bind the corporation to the terms, conditions, and provisions of the proposal; and,
15. All proposals submitted must include a statement that the bidder presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services under this contract, and it shall not employ, in the performance of this contract, any person having such interest.
16. If the proposal deviates from the detailed specifications and requirements of the RFP, the transmittal letter must identify and explain these deviations. DOM reserves the right to reject any proposal containing such deviations or to require modifications before acceptance.

5.3 EXECUTIVE SUMMARY

The Executive Summary shall condense and highlight the contents of the Technical Proposal in such a way as to provide a broad understanding of the entire proposal. The Executive Summary shall include a summary of the proposed technical approach, the staffing structure, and the task schedule, including a brief overview of

1. Proposed work plan
2. Staff organizational structure
3. Key personnel
4. A brief discussion of the Offeror's understanding of the Mississippi environment and the Medicaid program requirements.

Also, Offerors may designate those provisions of the proposal which contain trade secrets or other proprietary data which they believe may remain confidential in accordance with Section 25-61-9 and 79-23-1 of the Mississippi Code.

The Executive Summary should be no more than five single-spaced typed pages in length.

5.4 CORPORATE BACKGROUND AND EXPERIENCE

The Corporate Background and Experience Section shall include for the Offeror details of the background of the company, its size and resources, details of corporate experience relevant to the

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proposed contract, financial statements, and a list of all current or recent Medicaid or related projects. The time frame to be covered should begin, at a minimum, in January 2005 through present date.

5.4.1 Corporate Background

The details of the background of the corporation, its size, and resources, shall cover

1. date established
2. location of the principal place of business
3. location of the place of performance of the proposed contract
4. ownership (e.g.: public company, partnership, subsidiary)
5. total number of employees
6. number of personnel currently engaged in project operations
7. computer resources
8. performance history and reputation
9. current products and services
10. professional accreditations pertinent to the services provided by this RFP

5.4.2 Financial Statements

Financial statements for the contracting entity shall be provided for each of the last five (5) years, including at a minimum

1. statement of income
2. balance sheet
3. statement of changes in financial position during the last five (5) years
4. statement of cash flow
5. auditors' reports
6. notes to financial statements
7. summary of significant accounting policies

The State reserves the right to request any additional information to assure itself of an Offeror's financial status.

5.4.3 Corporate Experience

The corporate experience section must present the details of the Offeror's experience with the type of service to be provided by this RFP and Medicaid experience. A minimum of one corporate reference is required for each type of experience. DOM will check references at its option. Each reference must include the client's name and address and the current telephone number of the client's responsible project administrator or of a senior official of the client who is familiar with the Offeror's performance and who may be contacted by DOM during the evaluation process. DOM reserves the right to contact officials of the client other than those indicated by the Offeror. Overlapping responsibilities on the same client's contract should be depicted so that they are easily recognized.

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The Offeror must provide for each experience:

1. customer name;
2. customer references (including phone numbers);
3. description of the work performed;
4. time period of contract;
5. staff months expended;
6. personnel requirements;
7. publicly funded contract cost; and
8. any contractual termination within the past five (5) years.

5.5 PROJECT ORGANIZATION AND STAFFING

The Project Organization and Staffing section shall include project team organization, charts of proposed personnel and positions, estimates of the staff-hours by major task(s) to be provided by proposed positions, and if known, résumés of all management and key professional personnel as required in this RFP.

5.5.1 Organization

The organization charts shall show

1. Organization and staffing during each phase as described in the RFP; and
2. Full-time, part-time and temporary status of all employees.

5.5.2 Key Staff References

Offerors must submit three references for each proposed key staff member. Each reference must include the name of the contact person, current address, telephone number and date and description of the service provided. Current DOM staff shall not be submitted for any reference for the above requirements.

5.5.3 Résumés

Offerors must submit résumés of all proposed key staff persons - Project Manager, and other key management staff. Experience narratives shall be attached to the résumés describing specific experience with the type service to be provided by this RFP, a Medicaid program, and professional credentials, including any degrees, licenses and recent and relevant continuing education.

The résumés of proposed personnel shall include:

1. experience with Offeror;
2. experience in working with Medicaid program;
3. experience in the type of services to be provided by this RFP;
4. relevant education and training, including college degrees, dates of completion, and institution name and address; and
5. names, positions, and phone numbers of a minimum of three persons who can give information on the individual's experience and competence.

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The résumés of proposed managers shall include:

1. experience in managing large-scale contractual services projects;
2. other management experience; and
3. supervisory experience including details and number of people supervised.

If project management responsibilities will be assigned to more than one individual during the project (i.e., management may be changed following implementation), résumés must be provided for all persons concerned.

Each project referenced in a résumé should include the customer name, the time period of the project, and the time period the person performed, as well as a brief description of the project and the person's responsibilities.

5.5.4 Responsibilities

This section should discuss the anticipated roles of personnel during all phases of the contract. All proposed key technical team leaders, including definitions of their responsibilities during each phase of the contract, should be included.

5.5.5 Backup Personnel Plan

If additional staff is required to perform the functions of the contract, the Contractor should outline specifically its plans and resources for adapting to these situations. The Contractor should also address plans to ensure the longevity of staff in order to allow for effective DOM support.

5.6 METHODOLOGY

The Methodology Section should describe the Offeror's approach to providing the services described in the scope of work, Section 8, of the RFP. This section should contain a comprehensive description of the proposed program and specify how it will improve clinical quality, promote beneficiary and provider satisfaction and achieve savings for the state. The narrative descriptions within this section must include

1. The description shall encompass the requirements of this RFP as outlined in Scope of Work.
2. The proposal must describe the methodology to be followed in sufficient detail to demonstrate the Offeror's direction and understanding of this RFP.
3. The proposal must include a high-level project plan for the project. This project plan must be at the level of major tasks and milestones and be submitted in Microsoft Project or comparable tool.
4. The proposal must summarize how State of Mississippi agency staff will be used as resources in this project. It is the State's desire that agency staff be advised of all aspects of the engagement.
5. The proposal should include information about past performance results and a plan for evaluating the proposed project.

5.7 PROJECT MANAGEMENT AND CONTROL

The Project Management and Control Section shall include details of the methodology to be used in management and control of the project, project activities, and progress reports. This section will also supervise correction of problems. Specific explanation must be provided if solutions vary from one phase to another. This section covers:

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1. Project management approach;
2. Project control approach;
3. Manpower and time estimating methods;
4. Sign-off procedures for completion of all deliverables and major activities;
5. Management of performance standards, milestones and/or deliverables;
6. Assessment of project risks and approach to managing them;
7. Anticipated problem areas and the approach to management of these areas, including loss of key personnel, loss of technical personnel;
8. Internal quality control monitoring;
9. Approach to problem identification and resolution;
10. Project status reporting, including examples of types of reports; and
11. Approach to DOM's interaction with contract management staff.

5.8 WORK PLAN AND SCHEDULE

The Work Plan and Schedule must include a detailed work plan broken down by tasks and subtasks and a schedule for the performance of each task included in each phase of the contract. The schedule should allow ten working days for DOM approval of each submission or re-submission of each deliverable. The work plan to be proposed should include all responsibilities, milestones, and deliverables outlined previously in this RFP. This section shall cover:

1. Any assumptions or constraints identified by the Offeror, both in developing the work plan and in completing the work plan.
2. Person-weeks of effort for each task or subtask, showing Contractor personnel and DOM personnel efforts separately.
3. A network diagram, showing the planned start and end dates for all tasks and subtasks, indicating the interrelationships of all tasks and subtasks, and identifying the critical path.
4. A Gantt chart, showing the planned start and end dates of all tasks and subtasks.
5. A discussion of how the work plan provides for handling of potential and actual problems.
6. A schedule for all deliverables providing a minimum of ten (10) days review time by DOM.

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6 BUSINESS/COST PROPOSAL

6.1 GENERAL

All Offerors must certify in the transmittal letter that their offer shall be binding upon the Offeror for a period of 180 days following the proposal due date. Pricing will be considered as a separate criteria of the overall bid package.

Offerors must propose a firm fixed price for each of the requirements contained on the pricing schedule (Appendix A).

6.2 BID MODIFICATION IN THE EVENT OF A FEDERAL AND/OR STATE LAW, REGULATION OR POLICY

In the event any change occurs in federal law, federal regulations, state law, state regulations, state policies, or state Medicaid plan coverage, and DOM determines that these changes impact materially on proposal pricing, DOM reserves the right to require the Offerors to amend their proposals. The failure of an Offeror to negotiate these required changes will exclude such Offeror from further consideration for contract award. All proposals shall be based upon the provisions of federal and state laws and regulations and DOM's approved Medicaid State Plan coverage in effect on the issuance date of this RFP, unless this RFP is amended in writing to include changes prior to the closing date for receipt of proposals.

6.3 PROPOSAL CONTENT

The Business Proposal shall include the following:

1. A detailed worksheet by line item of all costs as it pertains to the Contractor Responsibilities and Deliverables as found in Section 8.0 of the RFP.
2. Each pricing schedule must be signed and dated by an authorized corporate official.
3. All proposals submitted by corporations must contain certification by the secretary or other appropriate corporate official, other than the signer of the corporate proposal, that the corporate official signing the corporate proposal has the authority to obligate and bind the corporation to the terms, conditions and provisions of the proposal.

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7 PROPOSAL EVALUATION

7.1 GENERAL

An Evaluation Committee comprised of DOM staff will be established to judge the merits of eligible proposals. The committee will be appointed by the Executive Director of the Division of Medicaid and will include members who have extensive experience in the Medicaid program. The committee will be responsible for the evaluation of the technical and business proposals.

7.2 EVALUATION OF PROPOSALS

A standard evaluation form will be utilized by the evaluation committee to ensure consistency in evaluation criteria.

A maximum of 1,000 points will be available for each proposal which shall be comprised of a technical and a business proposal. The points awarded per phase by the evaluation committee will be totaled to determine the points awarded per proposal.

Evaluation of eligible proposals will be conducted in five phases. The Procurement Officer will complete Phase One, the technical proposal evaluation committee will complete Phase Two, and the business proposal evaluation committee will complete Phase Three. In Phase Four, the Procurement Officer will compile the results of the technical and business evaluations and make a recommendation to the Executive Director of Medicaid based on the results of the evaluation. The fifth phase is the award decision of the Executive Director.

7.2.1 Phase 1 - Evaluation of Bidders' Response to RFP

In this phase, the Procurement Officer reviews each proposal to determine if each proposal is sufficiently responsive. Each proposal will be evaluated to determine if it is complete and whether it complies with the instructions to bidders in the RFP. Each proposal that is incomplete will be declared non-responsive and may be rejected with no further evaluation.

The Procurement Officer will determine if an incomplete proposal is sufficiently responsive to continue to Phase Two.

7.2.2 Phase 2 - Evaluation of Technical Proposal

Only those proposals which meet the requirements in Phase One will be considered in Phase Two.

Any technical proposal that is incomplete or in which there are significant inconsistencies or inaccuracies may be rejected by the Division of Medicaid. The Division of Medicaid reserves the right to waive minor variances or reject any or all proposals. In addition, the Division of Medicaid reserves the right to request clarifications or enter into discussions with all Offerors.

The evaluation committee will review the bidder's response to each requirement in order to determine if the bidder sufficiently addresses all of the requirements and that the bidder has developed a specific approach to meeting each requirement.

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Maximum number of points that may be awarded for the technical evaluation:

Maximum Points per Section

1. Corporate Background and Experience	100
2. Project Organization and Staffing	50
3. Methodology	200
4. Project Management and Control	75
5. Work plan and Schedule	<u>75</u>
Total Points	500

Proposals must score a minimum of 60% (300 points) of the total score in order to proceed to the Business/Cost phase of the evaluation. Proposals receiving less than 60% will not be considered for the Business/Cost evaluation or contract award.

Technical proposal evaluations may be adjusted based on information gathered during the oral presentations.

7.2.2.1 Executive Summary

The Evaluation Committee will review the Executive Summary to determine if it provides all information required in Section 5.3 of this RFP and is five pages or less in length.

7.2.2.2 Corporate Background and Experience

The Evaluation Committee will evaluate the experience, performance on similar contracts, resources, and qualifications of the Offeror to provide the services required by the RFP. The evaluation criteria will address:

1. Experience of Offeror in providing the requested services.
2. Corporate experience providing similar services.
3. Amount and level of resources proposed by the Offeror.
4. Specific qualifications that evidence the Offeror's ability to provide the services requested.
5. Current financial position and cash flow of the Offeror and evidence that the Offeror has a history of financial solvency.
6. Any contract terminations or non-renewals within the past five years.

7.2.2.3 Methodology

The Evaluation Committee will evaluate the approach and process offered to provide services as required by this RFP. In addition to the information required in Section 8.0 of this RFP, the evaluation criteria will address at a minimum the following (if applicable):

1. Processes and requirements for completion of the project.
2. Data management plan, including hardware, software, communications links, and data needs and proposed coordination plan.
3. Processes for maintaining confidentiality of protected health information.
4. Processes for development and submission of required deliverables.

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5. Scope of services provided through partnerships or subcontractors.
6. Relevant experience that indicates your organizational qualifications for the performance of the potential contract.
7. Quality Assurance processes.

7.2.2.4 Organization and Staffing

The Evaluation Committee will review this section of the Offeror's proposal to determine if the proposed organizational structure and staffing level are sufficient to accomplish the requirements of the RFP. The committee will review the organizational chart(s), time lines, the job descriptions including job qualifications, the resumes of staff and their qualifications for the positions they will hold, and the relationship of their past experience to their proposed responsibilities under this contract. The committee will evaluate the explanation of the Offeror regarding the relationship between the Offeror and the Project Manager to determine if they will have sufficient autonomy to make management decisions to improve the Offeror's delivery of services to DOM.

7.2.2.5 Project Management and Control

The evaluation committee will evaluate the Offeror's proposal to determine if all of the elements required by Section 5.7 of the RFP are addressed. Specifically, the committee will evaluate

1. the Offeror's approach to the management of the project and ability to keep the project on target and to ensure that the requested services are provided;
2. the Offeror's control of the project to ensure that all requests are being met and that the Offeror is able to identify and resolve problems which occur;
3. the Offeror's methods for estimating and documenting personnel hours spent by staff on project activities to be sure they are sound and fair;
4. the Offeror's plans to comply with the reporting requirements of the contract, including the provision of status reports to DOM, and whether the reports are appropriate and sufficient to keep DOM informed of all aspects of the implementation and operation of the project; and
5. the Offeror's understand of the importance of interacting with DOM management staff and presenting a plan to do so appropriately.

7.2.2.6 Work Plan and Schedule

The committee will review and evaluate the work plan and schedule to determine if all tasks are included and if, for each task, a timeline and an identification of staff responsible for the task's accomplishment are indicated. The work plan must provide a logical sequence of tasks and a sufficient amount of time for their accomplishment.

7.2.3 Phase 3 - Evaluation of Business/Cost Proposal

Only those proposals that satisfactorily completed Phase 2 will be considered for Phase 3. DOM reserves the right to waive minor variances or reject any or all proposals.

Any bid price determined by DOM to be unrealistically or unreasonably low may not be considered acceptable, as such a proposal has a high probability of not being accomplished for the cost proposed. The Offeror may be required to produce additional documentation to authenticate the proposal price.

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The maximum 500 points will be assigned to the lowest and best acceptable proposal. All other proposals will be assigned points based on the following formula:

$$\frac{X}{Y} * 500 = Z$$

X = lowest bid price
Y = Offeror's bid price
Z = assigned points

7.3 SELECTION

After the evaluation committee has completed the evaluation of the proposals, a summary report including all evaluations will be submitted to the Executive Director of DOM. The Executive Director will make the final decision regarding the winning proposal.

7.4 AWARD NOTICE

The notice of intended contract award shall be sent by mail, email or fax to all Offerors.

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8.0 SCOPE OF WORK

The Scope of Work section is written to describe the requirements for the contractor. Proposals must clearly and succinctly state how the Offeror proposes to meet or exceed the requirements if they are selected as the contractor. The scope of work will include basic core or optional services as defined by the RFP.

DOM requires that the Contractor be prepared to demonstrate and document the ability to perform the scope of work as stated in the request for proposal. However, DOM reserves the right to consider other options which the contractor chooses to offer if alternatives are more cost efficient and ensure the same or better outcomes with quality results for the program. In addition, DOM reserves the right to make appropriate adjustments in the scope of work by written agreement between DOM and the Contractor on an as needed basis.

The overall Scope of Work and Deliverables required under this RFP may vary from year to year as Mississippi's program changes due to federal and state Medicaid program requirements.

The Offeror must ensure all elements of this RFP are identified as currently functional at operations or submit a discrepancy report with a corrective action plan.

8.1 IMPLEMENTATION - PHASE 1

Phase I encompasses those activities required to ensure a smooth transition from the incumbent to the successful Offeror. This will entail development of a series of DOM-approved plans and performance of activities preparatory to actually beginning the contract operations in the next phase. It is anticipated that Phase I may begin as early as August 23, 2008 and end December 31, 2008.

8.1.1 Contractor Responsibilities

1. Create comprehensive plans, with DOM approval, prior to undertaking all facets of the development and implementation of the contract. The work plan must be logical in sequence of events including appropriate review time by DOM and sufficient detail for review. The plans must include a narrative that provides an overview of the approach that will result in an orderly transition of responsibilities. It must encompass all activities necessary to assume the responsibilities as the Medicaid utilization management contractor in addition to a back-up and disaster recovery plan.
2. Select and establish a site(s) at which all Contractor functions will be performed, permanently, and temporarily, if necessary. The Contractor's permanent location must be within 10 miles of DOM's High Street location. The contractor must obtain DOM acceptance of site selection in writing.
3. Submit a written report of program progress to DOM every week. The progress report must specify accomplishments during the report period in a task-by-task format, including personnel hours expended, whether the planning tasks are being performed on schedule and any administrative problems encountered.

8.1.2 Performance Standards

The Contractor must be fully operational by January 1, 2009.

8.1.3 Failure to Meet Performance Standard

If the contractor does not meet the operational start date of January 1, 2009, the Contractor shall pay to DOM liquidated damages in the amount of \$1,000 per calendar day from January 1, 2009, until the Contractor becomes fully operational.

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8.2 OPERATIONS - PHASE 2

During Phase 2, the Contractor must perform the responsibilities described in this RFP. It is expected that Phase 2 will begin January 1, 2009 and terminate December 31, 2011. DOM may exercise the optional year, January 1, 2012 – December 31, 2012.

The Contractor is subject to monitoring and evaluation by DOM as set forth in 42 CFR 456 – Utilization Control. The Contractor will be required to adhere to the performance requirements of the contract as well as the requirements of any revisions in federal and state legislation or regulations which may be enacted or implemented during the period of performance of this contract that are directly applicable to the performance requirements of this contract. Such requirements will become a part of this contract effort through execution of a written contract amendment.

8.2.1 Failure to Meet Performance Standards

The amount assessed the Contractor for **Failure to Meet Performance Standards** will be limited to a maximum of \$25,000 per month during Phase 2.

8.3 GENERAL MANAGEMENT

8.3.1 Contractor Responsibilities

The Contractor must demonstrate high quality administrative and clinical leadership in utilization management services. The requirements in this section are applicable to all review functions described in the scope of work.

The Contractor's general requirements include, but are not limited to the following. The Contractor will:

1. Apply DOM approved criteria, guidelines, policies, procedures and processes to make determinations to ensure that medically necessary services are rendered in the most appropriate setting. "Medically necessary" or "medical necessity" shall mean health care services that a provider, exercising prudent clinical judgment, would provide to a patient for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are:
 - a. appropriate and consistent with the diagnosis of the treating provider and the omission of which could adversely affect the patient's medical condition; and
 - b. compatible with the standards of acceptable medical practice in the United States; and
 - c. provided in a safe, appropriate and cost –effective setting given the nature of the diagnosis and the severity of the symptoms; and
 - d. not provided solely for the convenience of the beneficiary or family, or the convenience of any health care provider; and
 - e. not primarily custodial care; and
 - f. there is no other effective and more conservative or substantially less costly treatment services and setting available; and
 - g. the service is not experimental, investigational or cosmetic in nature.
2. Provide procedures for providers to submit any type request and related information to the Contractor via electronic submission (web), telephone, fax, or mail.

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3. Provide a DOM approved procedure for notifying providers, physicians, and/or beneficiaries of the review determination by fax or web, or verbal notice by telephone, and written notification within 24 hours of the determination.

Written notifications must include at a minimum:

- a. Date of notice;
 - b. From and through date(s) of service;
 - c. Service(s) or item(s) being approved, denied, or reduced;
 - d. Reason for the denial or reduction in approved services;
 - e. An offer, when appropriate, for the attending physician to have an opportunity to consult by telephone with the review physician;
 - f. Name of provider and provider number;
 - g. Statement, when appropriate, informing the beneficiary or responsible party, attending physician, and/or provider of the right to request reconsideration through the Contractor or the right to appeal to DOM;
 - h. Instructions/process for requesting a reconsideration or appeal; and
 - i. A brief statement of the contractor's authority and responsibility for review.
4. Provide procedures for performing retrospective reviews within 20 workdays when the Beneficiary was not Medicaid eligible at the time of the services but has since received a retroactive eligibility status.
 5. Provide procedures for monitoring provider compliance with the reporting/precertification/certification requirements for each program (include plan for interventions for providers with aberrant patterns).
 6. Prior authorization actions must be able to occur on a both a real-time basis and batch basis. It is the preference of DOM to move to a real-time environment as much as possible in order to facilitate adjudication of web claims on timely basis, rather than having web submissions pending because a PA status is not available.
 7. Preference will be given to vendors who offer a web-based PA solution.
 8. Vendor must be able to communicate with DOM's fiscal agent and DSS contractor via Internet using a secure internet transfer site.
 9. DOM interprets HIPAA regulations in such a way that the agency does not send PHI via e-mail. Therefore, the vendor must propose a secure server from which e-mails can be retrieved with a user ID and password.
 10. The Contractor must be able to accept and process MMIS information. The fiscal agent will provide a daily update to the Contractor for the Medicaid Beneficiary (Eligibility) file. The service limitation file(s), claims file(s), and provider file(s) will be furnished on weekly basis by the DSS contractor.
 11. All files, if applicable, must be in a HIPAA compliant format. A fail-safe plan must be developed for ensuring data is received and submitted to DOM's fiscal agent.
 12. Provide a mechanism to retrieve profiles of services reviewed by the contractor. The profiles must be retrievable by beneficiary, physician, or provider and include all services reviewed with the status of each review. The profile must be an overall review of beneficiary, physician, and provider activity with the contractor.
 13. The DOM is evaluating the feasibility of deploying an electronic health record (EHR). Should such a system be implemented, the PA contractor will be required to work with DOM and the selected EHR contractor to make PA data available.

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14. Report suspected fraud and abuse to DOM identified during reviews, on-site visits, or any other communication.
15. Establish an adequate number of toll-free lines for providers to meet the following standards for all review functions:
 - a. Toll-free lines must be operational 7:00 a.m. to 5:30 p.m. (Central Time), Monday through Friday. The call abandonment rate should be less than ten percent per month.
 - b. Weekend, State holidays, or off-hours calls shall be handled by voice mailbox or an equivalent system. All after business hour calls shall be returned by the end of the following workday.
 - c. All telephone calls, if not answered immediately, must be returned within one workday.
 - d. For the purpose of quality assurance, service lines must be equipped with a voice recorder system and process which identifies date, time, and staff. Access must be made available to DOM.
16. Provide customer service which includes the ability to communicate via telephone, email, fax, or mail.
17. Provide an in-depth analysis of each review responsibility in one aggregate state fiscal year (July- June) annual report. Each annual report must be accompanied by the raw data on a CD ROM, in a format agreed to by DOM. At a minimum, each report must include:
 - a. Executive Summary
 - b. Accomplishments
 - c. Significant organizational changes/staffing issues
 - d. Provider Seminars
 - e. Provider Concerns
 - f. Patterns and trends, quarterly and cumulative
 - g. Estimated savings, if applicable
 - h. Assessment of the impact of the utilization management program by each individual provider type including summary of authorization requests and outcomes
 - i. Policy recommendations that improve the utilization of Medicaid services, improve provider performance, improve the quality of services, and/or reduce the cost of Medicaid services
 - j. Cumulative summary of all reports/contract deliverables including a description of how the Contractor met required time frames.
18. Provide ad hoc reports on an as needed basis. The Contractor should be prepared to process up to a minimum of 100 ad hoc reports annually. This is an estimate and subject to change based on management and legislative priorities. All ad hoc reports are to be provided at no additional charge to the agency.
19. Submit a Corrective Action Plan(CAP) to DOM, subject to the approval of DOM, within 10 business days of:
 - a. Performance standards reported as failures in the monthly deliverables; or
 - b. Areas identified by the Contractor as being out of compliance; or
 - c. Notification from DOM that any area is out of compliance with Contractor responsibilities.

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Upon DOM approval, the contractor must successfully carry out the DOM approved CAP within the time frames outlined in the CAP.

20. Submit all deliverables required per this RFP in one hard copy format to the Contract Administrator and in Adobe Acrobat® (.PDF) format.

8.3.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$1,000 for any month in which the contractor fails to satisfy a requirement in the General Management scope of work section.

DOM may assess liquidated damages in the amount of \$1,000 for any month in which the less than ten percent call abandonment rate is not met.

For failure to timely submit a DOM approved CAP, DOM may assess liquidated damages in the amount of \$500 per workday until the CAP is submitted.

For failure to successfully carry out DOM approved CAP within the time frames outlined in the CAP, DOM may assess \$500 per workday until the CAP is completed.

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.3.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth workday of the month following the report period unless otherwise noted:

1. Monthly Administrative Project Summary to include operational priorities, outstanding issues, staffing, volume, review volume, phone activity and Contractor calendar of events
2. Monthly Certification, Continued Stay Workload and Timeliness Summary per Review Type
3. Monthly Retrospective Workload and Timeliness Summary per Review Type
4. Monthly Reconsideration, Outcome and Timeliness Summary per Review Type
5. Monthly Approval, Approved Less Than Requested, Denial, and Technical Denial Rates per Review Type and Provider Type
6. Monthly Physician Referral Rates by Reason per Review Type and Provider Type
7. Monthly Average Days Certified by Principal Diagnosis by Age and Provider Type
8. Quarterly Report of All Activity Relating to Provider Non Compliance
9. Annual (July – June) Report --- due November 1 of each year

8.4 STAFFING

The contractor must ensure that staff is knowledgeable of Mississippi Medicaid and other state health care programs, and related federal and state laws and regulations.

8.4.1 Contractor Responsibilities

The Contractor will provide sufficient staff to perform the required tasks within performance standards. At a minimum, the Contractor must:

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1. Demonstrate the ability to secure and retain qualified professional, administrative, and clerical staff.
2. Employ the following Key Personnel:
 - a. Project Manager
 - b. Medical Director
 - c. Education Manager
 - d. Systems Manager
3. Employ, at a minimum, the following Review Staff:
 - a. Registered Nurses: All medical necessity reviews must be performed by registered nurses at the initial level of review.
 - b. Physician Reviewers: All physician level reviews must be performed by a physician of the same Specialty as the treating physician.
 - c. Consulting Physical Therapist
 - d. Consulting Occupational Therapist
 - e. Consulting Speech Therapist
4. Submit staffing plan to DOM for approval.
5. Ensure that all physician reviewers meet qualifications required in state and federal regulations.
6. Provide all key personnel and other supervisory staff with project management training.
7. Provide staff with intensive training on procedures, medical necessity criteria, and DOM policies.
8. Obtain approval from DOM to utilize staff at off-site locations.
9. Notify DOM in writing within five workdays of any temporary or permanent changes to personnel commitments made in the Contractor's proposal or DOM approved staffing plan.

The Contractor is solely responsible for ensuring that the staffing plan includes sufficient minimum level qualifications to ensure employment of qualified staff.

DOM reserves the right to approve or disapprove Contractor's key personnel, or to require the removal or reassignment of any personnel found by Medicaid to be unwilling or unable to perform the terms of the contract.

8.4.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for failure to fill key personnel vacancies within 60 days of a vacancy.

DOM may assess liquidated damages in the amount of \$100 per workday of failure to notify DOM in writing within five workdays of any temporary and permanent changes to personnel commitments made in the Contractor's proposal or DOM approved staffing plan.

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8.5 SERVICES

8.5.1 Inpatient Hospital Services (Medical/Surgical, Maternity, and Psychiatric in Acute Care Facility and Freestanding Psychiatric Facility)

Currently, DOM reimburses hospitals on a per diem methodology for inpatient services. The following Contractor responsibilities relate to the per diem method. Should the methodology change during this contract period, DOM reserves the right to require adjustments to the scope of work which are appropriate for the specific reimbursement methodology.

8.5.1.1 Contractor Responsibilities

The Contractor shall have a written utilization management program for the management of inpatient medical/surgical, maternity, and psychiatric admissions in an acute care facility and a freestanding psychiatric facility which outlines the program structure and accountability and includes, at a minimum:

1. An automated rule driven system-based review process through which providers may submit both initial and concurrent requests and clinical information and obtain real-time approvals. The approach must:
 - a. Utilize locally and nationally accepted standards and criteria for determining medical necessity of admissions.
 - b. Utilize standard resources for determining length of stay norms.
 - c. Generate expedient decisions for the providers.
 - d. Decrease resource costs for the state.
 - e. Allow providers 24/7 access for submitting requests and obtaining determinations.

The intent is that the contractor utilizes a system that issues electronic authorizations for the majority of the certification requests and use manual review when the system cannot make a determination and suspends the request.

2. Procedures for cases to be suspended for further clinical review by the QIO when the case does not satisfy the clinical criteria.
3. Procedures for issuing a technical denial when case does not meet DOM policy or is technically insufficient (e.g., age, beneficiary not eligible, etc.).
4. Procedures to ensure determinations are completed 98% of the time within 24 hours (one workday) of receipt.
5. Procedures for intensive monitoring of admissions for medical necessity and compliance with medical necessity criteria and DOM policies through quality sampling (includes plans for interventions for provider with aberrant patterns. Interventions for aberrant providers may include processes outside of the automated rules driven system-based review process until corrective action has been completed).
6. Intensive plan to educate hospitals on medical necessity criteria, DOM policies, and QIO procedures and processes.

8.5.1.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within 24 hours (one workday) of receipt.

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DOM may assess liquidated damages in the amount of \$5,000 per month for failure to have an intensive monitoring plan in place or failure to perform the monitoring tasks.

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.5.1.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth workday of the month following the report Period:

1. Monthly Review Summary – Inpatient Medical-Surgical/Psychiatric
2. Monthly Review Summary – Maternity Deliveries
3. Monthly Review Summary – Freestanding Psychiatric
4. Monthly Report of all open admissions with Length of Stay (LOS) beyond 30 days

8.5.2 Psychiatric Residential Treatment Facility/MYPAC Waiver Services

Currently, DOM offers two programs for children under age 21 that require the institutional level of care, meaning more intensive than any outpatient program available, but less intensive than the level of care required for acute inpatient psychiatric treatment. One hundred percent (100%) of admissions to both programs are pre-certified according to the same criteria. Psychiatric Residential Treatment Facilities are residential programs that have 24 hour per day medical care in a milieu based program and have an average length of stay of 6 months. MS Youth Programs Around the Clock (MYPAC) provides an array of services for Mississippi youth with Serious Emotional Disturbance. It provides alternative services to traditional Psychiatric Residential Treatment Facilities without having to leave home, family or school. DOM requires 100% precertification of this service.

8.5.2.1 Contractor Responsibilities

The Contractor shall have a written utilization management program which outlines the program structure and accountability and includes, at a minimum:

1. Procedures for evaluation of medical necessity for admission/certified days in psychiatric residential treatment facilities (PRTFs) for Mississippi Medicaid eligible beneficiaries utilizing DOM approved criteria and policies.
2. Procedures for determining the PRTF Level of Care for both non-eligible and Medicaid eligible applicants to the MYPAC waiver utilizing DOM approved criteria and policies.
3. Procedures for forwarding DOM relevant information on applicants not eligible under Medicaid for the MYPAC program.
4. Procedures for pre-certification of covered MYPAC services (units or days) for eligible Medicaid beneficiaries at least 72 hours (three workdays) prior to initiation of services.
5. Procedures for evaluation of medical necessity for continued days in PRTFs utilizing DOM approved criteria and policies. Procedures must include processes for monitoring discharge plans and progress toward discharge.
6. Procedures for review of medical necessity for continued MYPAC services (units or days) utilizing DOM approved criteria and policies.
7. Procedures to ensure pre-certification and continued stay/services review determinations are completed 98% of the time within 72 hours (three workdays) of receipt.

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8. Procedures for written notification to providers and parents or legal guardians of the review determination within 24 hours of the determination.

8.5.2.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within 72 hours (three workdays) of receipt.

DOM may assess liquidated damages in the amount of \$100 per workday for each day a deliverable is unavailable or unacceptable.

8.5.2.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth working day of the month following the report period:

1. Monthly Review Summary - PRTF
2. Monthly All Open Admissions with More Than 180 Days Currently Certified
3. Monthly PRTF Census Report
4. Monthly Summary of Admissions, Concurrent Reviews and Discharges – MYPAC
5. Daily Report of MYPAC Reviews

8.5.3 Transplant Services

DOM covers certain transplants for beneficiaries regardless of age. DOM requires 100% precertification of transplants for heart, lung, liver, and small bowel at the physician level of review. Transplants for kidney, cornea, stem cell, and bone marrow do not require special precertification and are only subject to routine inpatient hospital certification. Currently, the largest number of transplants requested is stem cell and bone marrow.

8.5.3.1 Contractor Responsibilities

The Contractor shall have a written utilization management Program which outlines the program structure and accountability and includes, at a minimum:

1. Procedures for establishing medical necessity of transplants, except for kidney, cornea, stem cell, and bone marrow, for beneficiaries utilizing DOM criteria and policy.
2. Procedures for ensuring the transplant facility is an approved facility based on policies set forth by DOM.
3. Procedures for furnishing a copy of the approval/denial of each case to DOM's Bureau of Medical Services.
4. Procedures to ensure that the medical necessity determination is made 98% of the time within 72 hours (three working days) of receipt of complete record.

8.5.3.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within 72 hours (three workdays) of receipt.

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DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.5.3.3 Deliverables

The contractor must provide a monthly Summary and year to date Summary of Transplant Requests which includes 1) name of beneficiary, 2) type of transplant, 3) transplant facility, 4) date of review, and 5) determination outcome due the fifth workday of the month following the reporting period.

8.5.4 Durable Medical Equipment, Orthotics, Prosthetics, and Medical Supplies

Currently, DOM requires most durable medical equipment, orthotics, prosthetics, or medical supply items to be certified either before the supplier provides the item or within 30 days of delivery of the item unless Medicaid eligibility is determined after services are rendered and made retroactive to the date of service.

In this RFP, DOM intends to continue certification of durable medical equipment, orthotics, and prosthetics until a determination is made to exempt certain items from this process. No certification will be required on medical supplies except for diapers and underpads.

DOM's goal is to implement processes which will ensure beneficiaries receive medically necessary items in an efficient and cost effective manner and with the least administrative burden to all parties. DOM will expect the contractor to continuously analyze utilization data on items provided through the DME program and make recommendations to DOM for improving efficiency and controlling utilization.

DOM reserves the right to adjust (add or delete) requirements for durable medical equipment, orthotics, prosthetics, and, if necessary based on aberrant utilization patterns, certain medical supplies.

8.5.4.1 Contractor Responsibilities

For items requiring certification, the Contractor shall have a written utilization management program which outlines the program structure and accountability and includes, at a minimum:

1. Procedures for the authorization of medically necessary DOM defined durable medical equipment, orthotics, prosthetics, or medical supplies utilizing DOM criteria and policy.
2. Procedures for continued certification review of DOM defined durable medical equipment, orthotics, prosthetics, or medical supplies.
3. Procedures to ensure that durable medical equipment, orthotics, prosthetics, or medical supply determinations are made 98% if the time within 48 hours (two workdays) of receipt.
4. Procedures for maintaining beneficiary profiles on those beneficiaries who have received durable medical equipment, orthotics, prosthetics, and medical supplies.

8.5.4.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within 48 hours (two workdays) of receipt.

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

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8.5.4.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth work day of the month following the report period:

1. Monthly DME, Orthotics, Prosthetics, and Medical Supply Review Summary
2. Monthly Review Summary of DME Items by Code

8.5.5 Home Health

The purpose of this requirement is to ensure that home health services are medically necessary and in compliance with medical necessity criteria and DOM policies. Mississippi Medicaid allows benefits for 25 covered skilled nurse visits and aide visits per fiscal year for beneficiaries over age 21. For beneficiaries under age 21, benefits are also allowed for 25 covered skilled nurse visits, aide visits, physical therapy and speech therapy visits per fiscal year. Based on medical necessity, extended visits may be approved for beneficiaries under age 21.

Currently, DOM requires precertification on all home health visits. In this RFP, it is DOM's intent to only require certification of visits beyond the initial 25 visits per fiscal year for beneficiaries under age 21. No certification will be required for visits on beneficiaries over age 21 or for the initial 25 visits for beneficiaries under age 21. The provider may request certification either before or within 30 days after the service.

8.5.5.1 Contractor Responsibilities

The Contractor shall have a written utilization management program which outlines the program structure and accountability and include, at a minimum:

1. Procedures for the evaluation of medical necessity of home health services.
2. Procedures for determination of the number of visits reasonably required to treat the beneficiary's condition. Procedures must include information regarding specific discharge plans and a plan to monitor progress toward discharge.
3. Procedures that allow for receipt of review information via electronic submission, mail, and/or faxed form.
4. Procedures to ensure certifications for the visits are completed 98% of the time within 48 hours (two workdays) of receipt.
5. Procedures for intensive monitoring of all visits, not just those certified by the Contractor, for medical necessity and compliance with medical necessity criteria and DOM policies through quality sampling which includes plans for interventions for providers with aberrant patterns. Interventions may include recommendations to DOM that the provider be required to return to 100% of precertification of all visits for both adults and children.
6. Intensive plan to educate home health providers on medical necessity criteria, DOM policies, and utilization management procedures.

8.5.5.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within 48 hours (two working days) of receipt.

DOM may assess liquidated damages in the amount of \$5,000 per month for failure to have an intensive monitoring plan in place or failure to perform the monitoring tasks.

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DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.5.5.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth working day of the month following the report period:

1. Monthly HHA Review Outcome Summaries sorted by skilled nurse visits (SNV), aide visits, physical therapy (PT) visits, and speech therapy (ST) visits.
2. Quarterly report of providers requiring interventions.

8.5.6 Mental Health Services

DOM reimburses for outpatient mental health services at outpatient hospital and community mental health centers. Mental health services are covered when provided in an outpatient department of a general hospital using the same reimbursement methodology as other outpatient hospital services. This service is not covered at acute freestanding psychiatric facilities. DOM will require 100% precertification of mental health services provided through outpatient hospital departments.

Mental health services are covered for children and adults when provided by one of the regional community mental health centers located around the State or by the community services division of a State hospital and are reimbursed based on a fee schedule established by the DOM. It is the intent of DOM for the Contractor to conduct a 10% quarterly sample of services provided by community mental health centers to ensure medical necessity of this service.

8.5.6.1 Contractor Responsibilities

The Contractor shall have a written utilization management program which outlines the program structure and accountability and includes, at a minimum:

1. Procedures for evaluation of medical necessity for all outpatient hospital mental health programs or services and to determine the number of mental health services reasonably required to treat the beneficiary's condition. Procedures must include information regarding specific discharge plans and a plan to monitor progress.
2. Procedures for pre-certification of covered Medicaid outpatient hospital mental health services (units or days) for eligible beneficiaries to be submitted at least 72 hours (three workdays) prior to initiation of services.
3. Procedures for continued certification of medical necessity for hospital outpatient mental health services (units or days) utilizing DOM approved criteria and policies. Requests for continued services must be received by the Contractor on or before the last service certified.
4. Procedures to ensure pre-certification of outpatient mental health services review determinations are completed 98% of the time within 48 hours (two workdays) of receipt.
5. Procedures to ensure medical necessity of community mental health center services based on quarterly post utilization review of a 10% sample of claims, as specified by DOM.

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8.5.6.2 Failure to Meet Performance Standards

DOM may assess damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within 72 hours (three workdays) of receipt.

DOM may assess liquidated damages in the amount of \$100 per workday for each day a deliverable is unavailable or unacceptable.

8.5.6.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth workday of the month following the report period:

1. Monthly Review Summary – Outpatient hospital mental health services
2. Monthly summaries of reviews where length of treatment exceeds 45 days for outpatient mental health
3. Quarterly Summary Report on post utilization review for community mental health centers.

8.5.7 Outpatient Physical, Occupational, and Speech Therapy

DOM will require 100% pre-certification of physical therapy, occupational therapy, and speech therapy services provided in an outpatient setting for all programs as directed by DOM. See Section 8.5.5 for requirements related to therapy through home health agencies.

These therapies are provided by hospitals in the outpatient department or through individual physical therapists, occupational therapists, and speech therapists in the outpatient department of the hospital, skilled nursing facility, school, physician office, home, therapy clinic, or individual therapist office. This requirement is applicable to all providers submitting UB04 or CMS1500 claims for therapy services. Therapy services for beneficiaries in a skilled nursing facility, hospice program, or Home and Community Based Service waivers and therapy services billed by a school provider are not exempt from this requirement. Services provided to dual eligibles (beneficiary has both Medicare and Medicaid) do not require pre-certification. Services provided at Comprehensive Outpatient Rehabilitation Facilities (CORF) are only covered for dual eligibles (beneficiary has both Medicare and Medicaid). CORF services for these dual eligibles do not require pre-certification.

8.5.7.1 Contractor Responsibilities

The Contractor shall have a written utilization management program which outlines the program structure and accountability and includes, at a minimum:

1. Procedures for evaluation of medical necessity for all outpatient physical therapy, occupational therapy, and speech therapy.
2. Procedures for pre-certification review of outpatient physical therapy, occupational therapy, and speech therapy services to be submitted at least 72 hours (three working days) prior to planned initiation of services.
3. Procedures for continued certification of physical therapy, occupational therapy, and speech therapy services reasonably required to treat the beneficiary's condition. Procedures must include information regarding specific discharge plans and a plan to monitor progress toward discharge. Request for continued services must be received by the Contractor on or before the last service certified.
4. Procedures to ensure pre-certification and continued certification of services are completed 98% of the time within 48 hours (two workdays) of receipt.

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8.5.7.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within 48 hours (two workdays) of receipt.

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.5.7.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth workday of the month following the report period:

1. Monthly Physical Therapy Review Outcome Summary
2. Monthly Occupational Therapy Review Outcome Summary
3. Monthly Speech Therapy Review Outcome Summary

The Contractor must, at a minimum, sort the reports by hospital providers from other providers, and sort by beneficiaries under age 21 and age 21 and over.

8.5.8 Private Duty Nursing

DOM provides coverage for private duty nursing services through the EPSDT Program for Medicaid beneficiaries under the age of 21. DOM requires 100% precertification of this service.

8.5.8.1 Contractor Responsibilities

The Contractor shall have a written utilization management program which outlines the program structure and accountability and includes, at a minimum:

1. Procedures for evaluating medical necessity of private duty nursing services for beneficiaries including the attending physician's treatment plan utilizing DOM criteria and policy. The procedures for determination must include the number of hours and days reasonably required to treat the beneficiary's condition and information regarding specific discharge plans together with a plan to monitor progress toward discharge.
2. Procedures for pre-certification review of private duty nursing services to be submitted at least one week (five workdays) prior to the planned admission.
3. Procedures for continued stay certification review of private duty nursing services. Requests for continued stay must be received by the Contractor 72 hours (three workdays) prior to the last day certified.
4. Procedures to ensure pre-certification, certification, and continued stay review determinations are completed 98% of the time within two weeks (10 workdays) of receipt.

8.5.8.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for each failure to meet the performance standard of review determinations completed 98% of the time within ten workdays of receipt.

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8.5.8.3 Deliverables

The Contractor must provide at a minimum the following deliverables due the fifth work day of the month following the report period:

1. Monthly Review Summary
2. Monthly Private Duty Nursing Log Indicating Status and Level of Care of each Medicaid Beneficiary.

8.6 UTILIZATION ANALYSIS, FOCUSED STUDIES, OUTCOME REPORTS, AND PROPOSALS FOR IMPROVING HEALTH CARE DELIVERY SYSTEM

DOM is focusing on promoting efficient use of quality health care services at the least cost. Through intensive studies of data and practice patterns, DOM will require that the contractor report the results of the studies and make recommendations for improving the health care delivery system.

The Contractor must be able to demonstrate the capability to meet all scope of work requirements in this RFP as well as to provide extensive utilization studies.

8.6.1 Contractor Responsibilities

The Contractor shall be required, at a minimum and on a continuous basis, to:

1. Collect data relating to Medicaid services utilizing data through the QIO, DOM, the fiscal agent, or other sources as approved by DOM.
2. Analyze data to evaluate efficiency of health care delivery, appropriate use of health services, and opportunities to improve quality of care.
3. Propose and implement focused studies related to programs, beneficiaries, providers, services, and other Medicaid related topics.
4. Identify opportunities for improving efficiencies in various programs and provide DOM with recommendations and strategies for improving the delivery of health care.
5. Develop procedures and processes for providing education to providers who demonstrate aberrant practice patterns or have quality of care issues.

8.6.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$5,000 per month for failure to provide an intensive program of utilization analysis, focused studies, outcome reporting, and proposals for improving the Mississippi Medicaid Health Care Delivery System.

8.6.3 Deliverables

The Contractor must provide, at a minimum, the following deliverables due the fifth workday of the month following the report period:

1. Quarterly report which summarizes status of all utilization projects being conducted by the QIO.
2. Outcome reports by designed timelines.
3. Proposals by designed timelines.

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8.7 CLINICAL/MEDICAL CONSULTATION

The Contractor will provide clinical/medical consultation through the Medical Director who will utilize consultant advisors of the same provider type and/or specialty. The purpose is to assist DOM in addressing medical necessity issues, researching new technology, developing medical policies, addressing quality issues, etc. In addition, this includes performing healthcare practitioner reviews forwarded by DOM's Bureau of Program Integrity.

The Contractor will provide clinical/medical consultation for any type of healthcare practitioner able to obtain a provider identification number from DOM. All consults shall be performed by a consultant of the same provider type and/or specialty. Healthcare practitioner types may include, but are not limited to medical doctors, doctors of osteopathy, podiatrists, chiropractors, nurse practitioners, certified registered nurse anesthetists, nurse midwives, dentists, therapists, optometrists, and mental health practitioners.

8.7.1 Contractor Responsibilities

The Contractor shall have a written program which outlines the program structure and accountability and includes at a minimum:

1. Procedures and process for clinical/medical consultations through the Medical Director and consultant advisors of the same provider type and/or specialty or as directed by DOM.
2. Mechanism for providing a broad range of clinical expertise in all provider types/specialty areas. Procedure for providing DOM with consultant review summary within 20 workdays of receipt of the case.

8.7.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.7.3 Deliverables

The Contractor must provide at a minimum the following deliverables:

1. Consultant review summary report within 20 workdays of receipt of the case.
2. Monthly status report on all consultations sorted by the requesting bureau by the fifth workday of the following month.

8.8 PEER REVIEW

Healthcare practitioners who furnish health care services or items for which payment may be made (in whole or in part) by the Division of Medicaid have certain obligations as set forth in Title XI of the Social Security Act (U.S.C. Section 1320c *et seq.*) and Mississippi State Law (Miss. Code Ann. Section 43-13-121) that must be met. These obligations are to ensure that services or items are:

1. Provided economically only when and to the extent they are medically necessary
2. Of a quality that meets professionally recognized standards of health care
3. Supported by the appropriate documentation of medical necessity and quality

DOM will identify, by data analysis, consultant review, and/or other means, a possible violation by a health care practitioner of one more of the obligations listed above. DOM will submit a written request for a peer investigation and review along with the medical records and other pertinent documents.

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8.8.1 Contractor Responsibilities

The Contractor shall have a written program which outlines the program structure and accountability and includes at a minimum:

1. Procedures and processes for the administration of DOM's Health Care Practitioner Peer Review Protocol as described in Attachment 1.
2. Procedures and mechanism for maintaining and storing all records and documents utilized during the peer review process.

8.8.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable within a time line established in the DOM's Health Care Practitioner Peer Review Protocol.

8.8.3 Deliverables

The Contractor must provide at a minimum the following deliverables:

1. Monthly status report of the peer review proceedings by the fifth workday of the following month.
2. Annual summary report of peer review proceedings due three months after completion of the fiscal year.

8.9 PROVIDER EDUCATION

The Contractor must present a variety of educational opportunities to Medicaid providers to ensure providers understand all utilization management programs and responsibilities.

8.9.1 Contractor Responsibilities

The Contractor shall have a written program for each area of review which outlines the program structure and accountability, and includes, at a minimum:

1. Conduct initial orientation seminars to providers within 30 calendar days prior to start of operation.
2. Conduct annual, unless otherwise approved by DOM, statewide provider education seminars for the purpose of educating providers regarding appropriate utilization of health care, medical necessity, clinical criteria, processes and procedures, quality of care, and current patterns and trends identified in utilization review.
3. Conduct periodic seminars on an as needed basis to educate providers on subjects such as program changes.
4. Develop provider manuals regarding instructions for services provided by the QIO Contractor.
5. Communicate with all provider types under review on an as needed basis via newsletters, bulletins, and faxes.

8.9.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$5,000 per year for failure to conduct the initial orientation seminar and the annual seminars.

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DOM may assess liquidated damages in the amount of \$5,000 per month for failure to develop and distribute appropriate provider manuals.

DOM may assess liquidated damages in the amount of \$100 per workday for failure to educate providers on changes in processes, procedures, criteria, and/or program changes.

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.9.3 Deliverables

The Contractor must provide a monthly report of provider education activities due the fifth workday of the month following the report period.

8.10 QUALITY IMPROVEMENT PROGRAM

DOM is dedicated to ensuring that Medicaid beneficiaries receive the highest quality health care. The goals of the Quality Improvement Program are to continuously improve the quality and safety of care and service provided to beneficiaries, establish standards and performance goals for the delivery of care and service, measure performance against the standards with a post utilization review program, and take actions to improve performance.

8.10.1 Contractor Responsibilities

The Contractor shall have a written program which outlines the program structure and accountability and includes, at a minimum:

1. Quality of care review process which is in accordance with local and national standards and approved by DOM.
2. Procedures to provide a surveillance system to identify quality of care issues during the first level reviews for each type review performed by the Contractor unless otherwise approved by DOM.
3. Procedures to perform a minimum five percent sample of all certifications and reviews performed by the Contractor, unless otherwise instructed by DOM.
4. Procedures for quality of care problems to be reviewed and confirmed by a physician in same specialty as the treating physician.
5. Procedures for applying and monitoring interventions for aberrant practices.
6. Procedures for communicating the problems and intervention methods to proper parties.

8.10.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$5,000 per month for failure to implement and manage a continuous quality improvement program for each type review performed by the Contractor.

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.10.3 Deliverables

The Contractor must provide a monthly report of quality improvement activities to include interventions and results due the fifth workday of the month following the report period.

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8.11 RECONSIDERATIONS AND SUPPORT FOR ADMINISTRATIVE APPEALS AND HEARINGS

Any provider or beneficiary who is dissatisfied with the Contractor's decision shall be entitled to a reconsideration of the determination. All reconsideration reviews shall examine: all relevant evidence in the record regarding services requested; and any new documentation submitted by the provider. The Contractor shall make a determination upholding, modifying, or reversing the denial of payment for requested services taking into consideration any additional new information that may be presented at the reconsideration.

8.11.1 Contractor Responsibilities

The Contractor must provide, at a minimum, a reconsideration process for all types of reviews in which the decision is:

1. denial of all services/items based on medical necessity, or
2. reduction in services/items based on medical necessity, or
3. denial based on Mississippi Medicaid policy which excludes coverage, or
4. certain technical denials as defined by DOM, or
5. a quality issue, or
6. other adverse decisions as defined by DOM.

A technical denial is defined as a denial for reasons other than medical necessity. Examples of technical denials include, but are not limited to, DOM policy not being met, ineligible beneficiary, ineligible provider, lack of documentation, duplicate requests, Medicare eligible beneficiary, etc.

The provider, physician, and/or beneficiary may request reconsideration through the Contractor.

DOM reserves the right to adjust the above list of items qualifying for reconsideration on an as needed basis.

The Contractor shall have a written protocol for management of the reconsideration requests which outlines the program structure and accountability and includes at a minimum:

1. Procedures for reviewing the request for reconsideration and all relevant medical information in accordance with DOM policies and approved criteria. The reconsideration process must be completed and parties notified within 24 hours (one workday) for an expedited request and 20 workdays for a standard request for reconsideration. Expedited requests are acceptable only for inpatient services.
2. Procedures for referring all reconsideration requests to a physician of the same specialty as the attending physician. The physician handling the reconsideration must be a physician different from the one that performed the initial review.
3. Procedures for notifying the beneficiary or, if a child, the legal guardian, attending physician, and provider of the reconsideration decision, both verbally, when appropriate, and in writing, of the reconsideration decision. The verbal notice, when appropriate, must be given on the same day as the decision, and the written notice must be sent within 24 hours of the verbal notice or decision.
4. The written notice shall include at a minimum:
 - a. A brief statement of the contractor's authority and responsibility for review, and
 - b. Date of notice, and

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- c. Date(s) of services being approved, denied, or reduced (approved less than requested), and
 - d. Description or identity of the services approved, denied, or reduced, and
 - e. Decision and reason for determination(s), and
 - f. If applicable, beneficiary's right to request an administrative appeal, if applicable, through DOM within 30 days of the notice and the process for requesting such an appeal.
5. Procedures for continuing current level of services, as directed by DOM, upon the Contractor receiving a request for reconsideration or notice of an appeal from DOM. Current level of services must be maintained until all appeal rights have been exhausted.
 6. Procedures for providing DOM with all relevant information for an administrative appeal/hearing within two working days of the DOM request/notice.
 7. Procedures for providing DOM with contractor representatives, physicians, other witnesses, and/or affidavits as required by DOM, for administrative hearings.

8.11.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for failure to complete expedited reconsiderations within 24 hours (one workday) and standard reconsiderations with 20 workdays.

DOM may assess liquidated damages in the amount of \$100 per workday for failure to provide DOM with information for appeals within two workdays of the request.

DOM may assess liquidated damages in the amount of \$100 per workday for failure to continue current level of services, as directed by DOM, upon Contractor's receipt of a request for reconsideration or notice of an appeal from DOM.

DOM may assess liquidated damages in the amount of \$500 per appeal for failure to provide DOM with contractor representatives, physicians, other witnesses, and/or affidavits as required by DOM, for administrative hearings.

8.11.3 Deliverables

The Contractor must provide, at a minimum, a quarterly report of reconsiderations per review type including the status of the decision and the reason for modifying the original decision, if applicable. All deliverables are due on the fifth workday of the month following the end of each quarter:

8.12 INTERNAL QUALITY CONTROL (IQC)

The Contractor shall be responsible for establishing and maintaining internal quality controls for the responsibilities specified in this contract. The Contractor shall be responsible for implementation of an approved plan that shall become effective not later than 30 days following execution of this contract. The plan must describe the orientation of new employees, ongoing training of employees, and monitoring of all activities. The Contractor must establish a method for assuring inter-rater reliability to ensure consistent findings between reviewers.

8.12.1 Contractor Responsibilities

The Contractor must develop and maintain an IQC program that will, at a minimum:

1. Provide specific orientation, training and monitoring of
 - knowledge and appropriate application of review criteria,

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- knowledge and application of Medicaid policy,
 - understanding and adherence to the entire review process with required timeframes, and
 - data collection requirements.
2. Monitor 1% or 10 medical records (whichever is greater) per employee per month (including work performed by physician advisors and temporary staff).
 3. Monitor the development of Corrective Action Plans (CAP) with appropriate follow through and completion.

8.12.2 Failure to Meet Performance Standards

DOM may assess liquidated damages relating to the submission and completion of a CAP as listed in the General Management Section of the Scope of Work.

DOM may assess liquidated damages in the amount of \$100 per workday per deliverable for each day a deliverable is unavailable or unacceptable.

8.12.3 Deliverables

The Contractor must provide, at a minimum, a report of the findings of internal quality control reviews including a status report for all CAP's initiated during the month as well as those still outstanding from previous months. The deliverables are due the fifth workday of the month following the report period.

8.13 RECORDS RETENTION AND ACCESS TO RECORDS

8.13.1 Contractor Responsibilities

The Contractor must preserve and make available its records (all documentation regardless of review determination) for a period of five years from the date of final payment under this contract, and for such period, if any, as it is required by applicable statute or by any other paragraph of this contract.

If the contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any resulting final settlement.

Records which relate to appeals, litigation or the settlement of claims arising out of the performance of this agreement as to which exception has been taken by the Mississippi State Auditor, General Accounting Office (GAO), Department of Health and Human Services (DHHS), or any of their duly authorized representatives, shall be retained by the Contractor until such appeals, litigations, claims or exceptions have been disposed of.

The Contractor shall agree to the following terms for access to records relating to the contract:

1. All medical records must be retained for a minimum of one year on the Contractor's location. All other medical records must be made available and retrievable within three workdays for review at the request of the Division.
2. Unless DOM specifies in writing a shorter period of time, the Contractor must preserve and make available all pertinent books, documents, papers and records of the Contractor involving transactions related to the contract for a period of five years from the date of expiration of contract.
3. The Contractor must keep and make available records involving matters in litigation for five years following the termination of litigation, including all appeals.

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4. The Contractor must agree that authorized federal, state, and DOM representatives shall have access to and the right to examine the items listed above during the contract period and during the five-year post contract period or until resolution. During the contract period, the access to these items will be provided at the Contractor's office at all reasonable times. During the contract period, the access to these items will be delivery of and access to the listed items must be at no cost to DOM.
5. The Contractor must document and maintain policies and procedures to ensure privacy in accordance with all Health Insurance Portability and Accountability Act (HIPAA) regulations.
6. The Contractor must accept full responsibility for record retention in accordance with state and federal regulations.
7. The Contractor will provide DOM with a detailed plan for record retention upon implementation of the operations. Any changes or updates must be approved through DOM.

8.13.2 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$100 per workday for failure to provide the annual report which provides a detailed summary of how records are being retained and confirmation that the Contractor is in compliance with above scope of work requirements.

DOM may assess liquidated damages in the amount of \$500 per calendar day for failure to retain records and provide access to as defined in the above scope of work.

8.13.3 Deliverables

The Contractor must include in the annual report a detailed summary of how records are being retained and confirmation that the Contractor is in compliance with above scope of work requirements.

8.14 CONTRACTOR PAYMENT

The total amount payable by DOM to the Contractor under this contract shall be limited to the following:

8.14.1 Implementation Price

The Contractor shall be paid an implementation price of no more than the actual implementation costs up to the amount specified in the Contractor's proposal set forth in Appendix A. The incumbent Contractor is not eligible for receipt of this payment, except for actual expenses incurred to acquire the infrastructure to support an increase in required staffing as specified in this RFP and approved by DOM. The payment schedule will be determined within 30 days of the contract signing and based on milestones and deliverables. The total bid price for implementation must be entered in the appropriate block of Appendix A.

8.14.2 Operations Price

Beginning January 1, 2009, or the program operations start date, the Contractor will be paid on a monthly basis in accordance with the Contractor's bid price proposals set forth in Appendix A which shall be firm and fixed for the period of the contract.

Contractors shall submit as a component of the business/cost proposal, the method of price determination best suited for the proposed services, i.e., price per member per month, price per review, annual firm fixed price (with or without contingency adjustments), or a combination of pricing methods.

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Regardless of the method of price determination, Contractors shall use the historical data provided in the exhibits of this RFP to submit a total price per year that is inclusive of all costs for the services outlined in the scope of work, including operations, production of all reports, and system management functions as defined in this RFP. A separate per year price shall be submitted for each service component identified in Appendix A. The contract award will be based on the submitted price per year and the total amount payable under the resulting contract will not exceed the submitted price per year.

8.14.3 Turnover Price

No specific or lump-sum payment shall be made by DOM for Turnover Phase services. Payment for such services shall be encompassed in the Operations Phase.

8.14.4 Travel

All travel performed in conjunction with performing the responsibilities of this contract shall not include any profit for the Contractor. Travel costs should be included in the implementation and operations costs as necessary.

8.14.5 Price Adjustment Clause

DOM retains the authority to negotiate equitable price adjustments in response to changes in the Medicaid population subject to the services offered by this RFP.

8.14.5.1 Price Adjustment Methods

Any adjustment in contract price pursuant to a clause in this contract shall be made in one or more of the following ways:

1. By agreement on a fixed price adjustment before commencement of the additional performance;
2. By unit prices specified in the contract;
3. By the costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as specified in the contract.

8.14.5.2 Submission of Cost or Pricing Data

The Contractor shall provide cost or pricing data for any price adjustments subject to the provisions of Section 3-403 (Cost or Pricing Data) of the Mississippi Personal Service Contract Procurement Regulations, which can be found at <http://www.spb.state.ms.us>

8.14.6 Erroneous Issuance of Compensation

In the event compensation to the Contractor of any kind is issued in error, the Contractor shall reimburse DOM the full amount of erroneous payment within 30 days of written notice of such error. Interest shall accrue at the statutory rate upon any amounts determined to be due and not repaid within 30 days following the notice. If payment is not made within 30 days following notice, DOM may deduct the amount from the Contractor's monthly administrative invoice.

8.14.7 Release

Upon final payment of the amounts due under this contract, the Contractor shall release DOM and its officers and employees from all liabilities and obligations whatsoever under or arising from this contract.

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Payment to the Contractor by DOM shall not constitute final release of the Contractor. Should audit or inspection of the Contractor's records or client complaints subsequently reveal outstanding Contractor liabilities or obligations, the Contractor shall remain liable to DOM for such liabilities and obligations. Any overpayments by DOM shall be subject to any appropriate recoupment to which DOM is lawfully entitled. Any payment under this contract shall not foreclose the right of DOM to recover excessive or illegal payments as well as interest, attorney fees, and costs incurred in such recovery.

8.15 TURNOVER - PHASE 3

Prior to any transfer of the contract and the functions to another Contractor, the Contractor must provide assistance in turning over the responsibilities to DOM or its designated agent.

Upon receipt of notification of DOM's intent to transfer the contract functions to another contractor, the contractor must provide a Turnover Plan to DOM within the time frame specified by DOM. Time lines for turnover activities will be specified by DOM. The Turnover Plan must include, but is not limited to, the following:

1. Proposed approach to turnover
2. Tasks and subtasks for turnover
3. Schedule for turnover
4. Detailed chart depicting the Contractor's total operation
5. Transfer of Medicaid documents to DOM or its designated agent

Deliverables must be produced in an organized manner according to reasonable and customary business standards. Deliverables must be turned over to DOM in a form and condition that is satisfactory to DOM and in the time frames specified by DOM. Deliverables include the following:

1. Turnover Plan
2. Detailed organization chart
3. All Medicaid documents
4. Turnover Results Reports

8.15.1 Failure to Meet Performance Standards

DOM may assess liquidated damages in the amount of \$500 for each instance where deliverables are not produced in an organized manner according to reasonable and customary business standards.

DOM may assess liquidated damages in the amount of \$500 for each instance where the time frames for deliverables are not met, as specified by DOM.

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Appendix:

Appendix - A: Budget Summary

Exhibits:

Exhibit 1: DHHS Certification Regarding Drug-Free Workplace Requirements

Exhibit 2: DHHS Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Exhibit 3: Number of Medicaid Eligibles on Which UM/QIO Payment was Based for FY06, FY07 and FY08 to Date

Exhibit 4: Average Days Certified by QIO FY06

Exhibit 5: Average Days Certified by QIO FY07

Exhibit 6: Eligible Providers, July 1, 2007 - April 30, 2008

Exhibit 7: UM/QIO Data for FY06 and FY07

Attachment:

Policy Section 7.05, Healthcare Practitioner Peer Review Protocol

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Appendix A - Budget Summary

Section 6.0 addresses submission of the Budget Summary. Failure to follow the submittal instructions will immediately disqualify the Offeror.

Budget Summary				
Utilization Management and Quality Improvement Services				
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Name of Offeror:				
Implementation Cost:				
Service	1st Year 1/1/09 – 12/31/09	2nd Year 1/1/10 – 12/31/10	3rd Year 1/1/11 – 12/31/11	Total
Utilization Management Services including Provider Education, Quality Improvement Program, Reconsiderations, and all other responsibilities described in the RFP necessary to support the program				
Utilization Analysis, Focused Studies, Outcome Reports, and Proposals for Improving Health Care Delivery System				
Clinical/Medical Consultation				
Peer Review				
Total:				
The Contractor shall provide, as an attachment to the Budget Summary, a detailed worksheet by line item of all costs as it pertains to the Contractor’s responsibilities and deliverables as found in Section 8.0 of the RFP.				
I certify that I am legally obligating the above named Offeror to the conditions of this contract.				
Signature:		Date:		
Printed Name:		Title:		

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EXHIBIT 1

DHHS CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS:

GRANTEES OTHER THAN INDIVIDUALS

Instructions for Certification

By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

1) This certification is required by regulations implementing the Drug-Free Act of 1988, 45 CFR Part 76, Subpart F. The regulations, published in the May 25, 1990, Federal Register, require certification by grantees that they will maintain a drug-free workplace. The certification set out below is a material representation of fact upon which reliance will be placed when the Department of Health and Human Services (HHS) determines to award the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HHS, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

2) Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

3) Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

4) If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see above).

5) Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including (i) all direct charge employees; (ii) all indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

The grantee certifies that it will or will continue to provide a drug-free workplace by

a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against

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employees for violation of such prohibition;

b) Establishing an ongoing drug-free awareness program to inform employees about

1) The dangers of drug abuse in the workplace; 2) the grantee's policy of maintaining a drug-free workplace; 3) any available drug counseling, rehabilitation, and employee assistance programs; and 4) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will

1) Abide by the terms of the statement; and 2) notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted:

1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or 2) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant (use attachments if needed):

Place of Performance (street address, city, county, state, zip code)

Check if there are workplaces on file that are not identified here.

--->NOTE: Sections 76.630(c) and (d)(2) and 76.635(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For HHS, the central receipt point is Division of Grants Management and Oversight, Office of Management and Acquisition, HHS, Room 517-D, 200 Independence Ave, S.W., Washington, D.C. 20201

Signature

Date

Title

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EXHIBIT 2

DHHS Certification Regarding Debarment, Suspension, and Other Responsibility Matters
Primary Covered Transactions
45 CFR Part 76, Appendix A

- (1) The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature

Date

Title

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Exhibit 3

**Number of Medicaid Eligibles on Which UM/QIO Payment was Based
FY06, FY07 and FY08 to Date**

Year	Month	Eligibles
2005	July	580,618
2005	August	577,182
2005	September	563,903
2005	October	564,026
2005	November	564,067
2005	December	561,701
2006	January	492,182
2006	February	492,280
2006	March	481,662
2006	April	478,400
2006	May	475,187
2006	June	472,706
2006	July	470,608
2006	August	470,940
2006	September	466,685
2006	October	464,187
2006	November	461,016
2006	December	457,384
2007	January	449,213
2007	February	450,114
2007	March	444,064
2007	April	442,338
2007	May	442,651
2007	June	443,260
2007	July	441,721
2007	August	451,443
2007	September	451,555
2007	October	458,270
2007	November	459,452
2007	December	460,726
2008	January	459,816
2008	February	461,970
2008	March	464,224
2008	April	465,737

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Exhibit 4

**AVERAGE DAYS CERTIFIED BY DATE OF SERVICE BY UM/QIO
FISCAL YEAR 2006**

Category	7/1/2005 – 9/30/2005	10/1/2005 – 12/31/2005	1/01/2006 - 3/31/2006	4/1/2006 – 6/30/2006
Overall Avg Days Cert excluding: Psych, PRTF, Swing Bed, and age ≤ 1	4.7	4.4	4.4	4.4
Pregnancy/OB (630 – 677)	2.9	2.8	2.8	2.8
All Non-Psych Cases: Recipient Age ≤ 1	11.2	10.1	8.2	10.6
Swing Bed – All Cases	17	18.1	16.2	13.8
Inpatient Psych – Age ≥21	9.1	9.7	9.3	8.9
Inpatient Psych – Age ≤ 21	12.8	13.5	12.4	11.5
All Cases for Psychiatric Hospitals (Freestanding)	14	14.4	15.1	13.6
PRTF	171.3	168.4	143.8	100.3

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Exhibit 5

**AVERAGE DAYS CERTIFIED BY DATE OF SERVICE BY UM/QIO
FISCAL YEAR 2007**

Category Title	07/01/2006 – 09/30/2006		10/01/2006 – 12/31/2006		01/01/2007 – 03/31/2007		04/01/2007 – 06/30/2007	
	# Admissions	Avg. Day						
ACUTE GENERAL HOSPITALS All Services								
Overall Average Days Certified –All Patients	25,702	5.6	25,928	5.4	25,546	5.3	22,842	5.7
Overall Average Days Certified –Age <1 Patients	3,012	11.3	3,804	8.9	4,002	8.2	2,933	11.3
ACUTE GENERAL HOSPITALS Med/Surg. Pregnancy/OB Services								
Overall Average Days Certified Excluding: Psych and Age <1 Patients	21,522	4.6	21,109	4.5	20,051	4.3	18,356	4.4
Pregnancy/OB (630 – 677)	9,314	2.8	8,954	2.7	8,286	2.7	7,929	2.8
Overall Average Days Certified Age <1 Patients	3,011	11.3	3,804	8.9	4,002	8.2	2,933	11.3
ACUTE GENERAL HOSPITALS Psychiatric Services (including chemical dependency)								
Overall Psych in acute Med/Surg Hosp	1,169	10.3	1,015	10.6	1,493	10.6	1,553	10.7
Psych in acute Med./Surg Hosp <21	458	11.7	429	12.2	582	12.6	594	13.3
Psych in acute Med/Surg Hosp >=21	711	9.4	586	9.4	911	9.4	959	9.1
SWING BED								
Overall Average Days Certified	37	18.3	33	17.2	33	13.5	33	12.8
FREE STANDING PSYCH HOSPITALS								
Overall Average Days Certified	546	15.7	661	15.7	618	15.8	656	16.5
PRTF								
Overall Average Days Certified	175	187.1	177	164.6	180	169.3	192	177.4

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Exhibit 6

Eligible Providers, July 1, 2007 - April 30, 2008

Provider Type Code	Provider Type Description	Number of Providers
A00	PHYSICIAN MD	9041
A05	DOCTOR OF OSTEOPATHY	175
A06	CLINIC CROSSOVERS ONLY	0
A08	CHIROPRACTOR	107
A09	PODIATRIST	59
B00	IND XRAY AND LAB	151
B01	IND DIAGNOSTIC TESTING FACLTY	59
C01	NUTRITIONIST	8
D01	HOSPITAL, NONPROFIT GENERAL	441
D05	HOSPITAL, PSYCHIATRIC	8
D06	HOSPITAL, PROPRIETARY GENERAL	113
DP0	PSYCHIATRIC RESIDENTIAL TMT CN	14
DS0	HOSPITAL, SWINGBED	53
E00	NURSE SCREENING	250
E02	SCREENER, PHRM	6
E04	PHYSICIANS SCREENER	444
E06	FEDERAL CLINIC, SCREEN ONLY	204
E08	FEDERAL CLINIC, SCR, CM, CC	42
EA0	STATE DEPARTMENT OF HEALTH	1
EC0	EXPANDED SRVS/HLTH RELATED SRV	32
ED0	SCHOOL BASED SCREEN & CS MGT	77
EE0	TCM FOR EARLY INTERVENTION	1
EV0	VACCINE FOR CHILDREN PROVIDER	1116
G02	ICF, NONPROFIT MENTAL	11
G07	ICF, PROPIETARY MENTAL	6
H01	PHARMACIES, CLOSED DOOR	66
H02	PHARMACIES, RETAIL	838
H04	PHARMACY DISEASE MANAGEMENT	12
H07	PHARMACIES, INSTITUTIONAL	22
I00	DME, MEDICAL EQUIP SUPPLIES	638
I01	DME, HOME HEALTH	4
I03	DME, PHAMACY BASED, COMMUNITY	348
I06	INFUSION COMPANIES	2
J00	AMBULANCE	86
J01	VOLUNTEER DRIVER, NON-EMERGNCY	0
J03	GROUP PROVIDER, NON-EMERGENCY	0
K00	DENTIST, UNCLASSIFIED	563
L00	HHA UNCLASSIFIED	37

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L01	HHA PUBLIC HEALTH AGENCY	1
L02	HHA HOSPITAL BASED PROGRAM	12
L08	HOSPICE	120
M00	AUDIOLOGIST	40
M01	HEARING AID DEALER	1
N00	OPTOMETRIST	261
N01	OPTICAL DISPENSARY	52
O00	RURAL HEALTH CENTER	150
O01	SDH CLINIC	3
O02	FEDERAL CLINIC	168
O03	RHC PROVIDER BASED	0
O04	RHC-HOSPITAL BASED	0
P01	OPTICAL, OPTICAL DISPENSARY	0
Q01	KIDNEY DIALYSIS FREESTANDING	112
Q02	KIDNEY DIALYSIS HOSPITAL BASED	2
R00	STATE BOARD OF HEALTH	1
R01	PRIVATE CASE MANAGER	1
S00	NURSE ANESTHETIST	807
S01	NURSE MIDWIVES	24
S02	NURSE PRACTITIONER	1119
S05	PRIVATE DUTY NURSING	18
S06	PHYSICIAN ASSISTANT	101
T00	OCCUPATIONAL THERAPISTS	115
T01	PHYSICAL THERAPISTS	185
T02	SPEECH/LANGUAGE THERAPISTS	186
T04	COMPREHENSIVE OP REHAB FACILIT	7
V00	AMBULATORY SURGICAL CENTERS	77
V01	BIRTHING CENTERS	0
W00	CASE MANAGEMENT	10
W01	HOMEMAKER SERVICES	107
W02	RESPIRE CARE, INSTITUTIONAL	7
W03	RESPIRE CARE, IN HOME	128
W04	ADULT DAY CARE	35
W05	HOME DELIVERED MEALS	0
W06	PERSONAL CARE ATTENDANT	5
W07	HABILITATION	3
W08	MULTIPLE SRVS PROVIDERS, HCBS	16
W09	ESCORTED TRANSPORTATION	33
WC0	ASSISTED LIVING SERVICES PROV	19
X00	COMMUNITY MENTAL HEALTH	24
X01	PRIVATE MENTAL HEALTH	0
X02	SOCIAL WORKER	149
X03	PSYCHOLOGIST	121

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X04	MYPAC PROVIDER TYPE	2
Y00	NF, NONPROFIT	35
Y01	NF, PROPRIETARY	146
Y02	NF, STATE OWNED	8
Y03	NF, COUNTY OWNED	16
ZA0	GROUP, PHYSICIANS	740
ZE0	GROUP, EPSDT	0
ZK0	GROUP, DENTIST	142
ZL0	MANAGED CARE LOCATION PROVIDER	1
ZM0	GROUP, HEARING	2
ZN0	GROUP, OPTICAL	87
ZP0	GROUP, PHARM DISEASE MGMT	3
ZS0	GROUP, NURSING SERVICES	53
ZT0	GROUP, THERAPIST	105
ZW0	GROUP, WAIVER	0
ZX0	GROUP, MENTAL HEALTH	26
ZY0	GROUP DENTIST	0
ZZ0	GROUP, OTHERS	1591
	Total	20,145

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Exhibit 7

UM/QIO Data for FY06 and FY07

Service	Fiscal Year	Data	Comments
Clinical Consultations / Consultant Practitioner Review	2006	Total Clinical Consultations: 15 Total Consultant Practitioner Reviews: 10	NA
Clinical Consultations / Consultant Practitioner Review	2007	Total Clinical Consultations: 4 Total Consultant Practitioner Reviews: 31	As the Bureau of Program Integrity continues to increase review of providers, the number of consultant practitioner reviews will increase.
DME / Orthotics / Prosthetics / Medical Supplies	2006	Total Line Item Reviews: 41,274	NA
DME / Orthotics / Prosthetics / Medical Supplies	2007	Total Line Items Reviews 46,708	This volume is expected to decline as DOM removes prior authorization requirements from certain items.
Focused Studies	2006	Total Studies: 1 (One Day Admissions)	NA
Focused Studies	2007	Total Studies: 1 (One Day Admissions)	This volume will increase based on new contract requirements.
Home Health: Skilled Nurse	2006	Total Reviews: 5,920	NA
Home Health: Skilled Nurse	2007	Total Reviews; 5,656	Conversion to a reporting system as part of the review process for Home Health services will result in a decline in volume.
Home Health: Aide	2006	Total Reviews: 158	NA
Home Health: Aide	2007	Total Reviews: 201	Same as above.
Home Health: Physical Therapy	2006	Total Reviews: 378	NA
Home Health: Physical Therapy	2007	Total Reviews: 239	Same as above.
Home Health: Speech Therapy	2006	Total Reviews: 561	NA
Home Health: Speech Therapy	2007	Total Reviews: 338	Same as above
Inpatient Acute Medical Surgical	2006	Total Reviews: 116, 520 Total Hospitalizations: 69,103	NA
Inpatient Acute Medical Surgical	2007	Total Reviews: 124,134 Total Hospitalizations: 72,061	Conversion to a reporting system as part of the review process for Inpatient Medical Surgical services will result in a decline in volume of reviews.
Inpatient General Psychiatric (General)	2006	Total Reviews 13, 056 Total Hospitalizations: 5,224	NA
Inpatient Acute Psychiatric (General)	2007	Total Reviews: 12, 891	Conversion to a reporting system as part of the

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		Total Hospitalizations: 5,436	review process for Acute Inpatient Psychiatry will result in a decline in volume of reviews.
Inpatient Freestanding Psychiatric	2006	Total Reviews: 9,345 Total Hospitalizations: 2,475	NA
Inpatient Freestanding Psychiatric	2007	Total Reviews; 9,833 Total Hospitalizations: 2,644	NA
Maternity Reporting (Deliveries)	2006	Total Deliveries Reported: 20,985	NA
Maternity Reporting (Deliveries)	2007	Total Deliveries Reported: 24, 288	NA
Mental Health: CMHC	2006	8601unduplicatd beneficiaries served	NEW: 10 % quarterly post UR review
Mental Health: CMHC	2007	9229 unduplicated beneficiaries served	NEW: 10 % quarterly post UR review
Mental Health: Outpatient Hospital	2006	1207 unduplicated beneficiaries served	NEW: review monthly Number of unduplicated beneficiaries artificially high due to provider anomaly. Expect less than 1000 total beneficiaries served for no more than 2000 reviews annually.
Mental Health: Outpatient Hospital	2007	1771 unduplicated beneficiaries served	NEW: review monthly Number of unduplicated beneficiaries artificially high due to provider anomaly. Expect less than 1000 total beneficiaries served for no more than 200 reviews annually
MYPAC	0000	New Program Implemented 10/01/07	FFY 08-09: 200 participants FFY 09-10: 300 FFY 10-11: 350 FFY 11-12: 500
Peer Review	2006	Total Peer Panel Reviews: 13	NA
Peer Review	2007	Total Peer Panel Reviews: 28	As the Bureau of Program Integrity continues to increase review of providers, the number of consultant practitioners reviews will increase.
Psychiatric Residential Treatment Facility (PRTF)	2006	Total Reviews: 2,817 Total Hospitalizations: 889	NA
Psychiatric Residential Treatment Facility (PRTF)	2007	Total Reviews: 3,044 Total Hospitalizations: 999	NA
Private Duty Nursing Services	2006	Total Reviews: 106	NA
Private Duty Nursing Services	2007	Total Reviews: 100	NA
Quality Review: DME	2006	Total Issues Confirmed: 10	NA
Quality Review: DME	2007	Total Issues Confirmed: 12	NA
Quality Review : Home Health	2006	Total Issues Confirmed: 154	NA

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Quality Review: Home Health	2007	Total Issues Confirmed: 63	NA
Quality Review: Inpatient Acute	2006	Total Issues Confirmed: 823	NA
Quality Review: Inpatient Acute	2007	Total Issues Confirmed: 799	NA
Quality Review: Maternity	2006	Total Issues Confirmed: 871	NA
Quality Review: Maternity	2007	Total Issues Confirmed: 664	NA
Quality Review: Outpatient Therapy	2006	Total Issues Confirmed: 720	NA
Quality Review: Outpatient Therapy	2007	Total Issues Confirmed: 206	NA
Quality Review: Private Duty Nursing	2006	Total Issues Confirmed: 122	NA
Quality Review: Private Duty Nursing	2007	Total Issues Confirmed: 76	NA
Reconsiderations	2006	Inpatient Acute: 89 Swing Bed: 0 General Psychiatric: 102 Freestanding Psychiatric: 76 PRTF: 9 Outpatient Therapy: 244 Home Health: 4 DME: 28 Private Duty: 0	NA
Reconsiderations	2007	Inpatient Acute: 46 Swing Bed: 0 General Psychiatric: 61 Freestanding Psychiatric: 87 PRTF: 17 Outpatient Therapy: 244 Home Health: 0 DME: 9 Private Duty: 0	Currently, the QIO contractor only handles reconsiderations for denials (zero units approved). This volume will increase significantly as the new contract requires to QIO to handle reconsiderations on both ALTR (approved less than requested) and denials based on medical necessity and certain technical denials. Reconsideration added for MYPAC (estimated 5-10), Outpatient Hospital Psych (estimated 400) and CMHC (estimated 1000)
Therapy: Outpatient PT, OT, and ST	2006	Total Line Item Reviews: 56,534	
Therapy: Outpatient PT, OT, and ST	2007	Total Line Items Reviewed: 48,982	Currently, DOM does not require pre-certification of therapy services (1) billed by a school provider, or (2) provided to beneficiaries in a nursing facilities, ICF/MR, hospice or Home and Community Based Waiver programs, or (3) provided to dual eligibles.
Transplants (Medical Necessity Determination)	2006	Total Reviews: 12 Solid Organs (excludes	

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		kidney and cornea) and 11 Bone Marrow (including peripheral stem cell)	
Transplants Medical Necessity Determination)	2007	Total Reviews: 17 Solid Organs (excludes kidney and cornea) and 20 Bone Marrow (including peripheral stem cell)	