

**IFB Name: Recovery Audit Contractor (RAC) Services**

**IFB #/RFx #: IFB #20220218 / RFx #3160004700**

**Date: 3/14/2022**



## **Amendment #2 -Revisions to IFB and Bid Form**

This Amendment must be signed and submitted as a part of any bid to be considered for this procurement. The following sections of IFB #20220218 have been amended as follows:

### **1. Section 2.14.2 Detailed Contractor Responsibilities**

DOM is amending Section 2.14.2 to remove pre-adjudication responsibilities from the IFB and to correct a typo in #37 which is renumbered as #36. The following statement in Section 2.14.2 will be removed and the list of contractor responsibilities will be renumbered.

*4. Conduct automated pre-adjudication review of claims, inclusive of existing system edits, and those of contractor.*

#### **2.14.2 Detailed Contractor Responsibilities**

At a minimum, the Contractor shall:

1. Provide a Medicaid Overpayment Recovery Audit Solution that will identify improper payments and recover payments of inappropriate billings by providers.
2. Be proficient in performing medical payment error risk assessments, detecting overpayment/underpayment errors, utilizing efficient methods for overpayment error detection including computer algorithms to identify payment anomalies, handling large volumes of data, understanding control systems and weaknesses, and overpayment recovery.
3. Conduct data mining and data analysis to identify inappropriate payments that will result in recoveries from providers.
- ~~4. Conduct automated pre-adjudication review of claims, inclusive of existing system edits, and those of contractor.~~
- ~~5.4.~~ Conduct post-payment audits after written notice to providers of the intent to conduct such audit.
- ~~6.5.~~ Utilize generally accepted auditing standards during the course of each audit to ensure due diligence in its efforts to identify funds legitimately owed to the State.
- ~~7.6.~~ Develop and maintain an audit workflow program that allows compilation and generation of audit work papers, audit reports, etc. Develop and maintain intuitive reporting tools that will allow users and management to request parameterized reports for various areas.
- ~~8.7.~~ Furnish all material, labor, computers, software, equipment, and supplies necessary to perform their services.

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~~9.8.~~ Be responsible for all travel expenses.

~~10.9.~~ Be responsible for data transmission costs.

~~11.10.~~ Shall not remove any original records from the State offices.

~~12.11.~~ Be responsible for incidental expenses related to this contract.

~~13.12.~~ Follow all related laws, statutes, rules, and contract terms in its collection activities.

~~14.13.~~ Describe each specific overpayment scenario. Each scenario must show the State proof of the overpayment and the specifics regarding the providers, clients, and services that the scenario covers.

~~15.14.~~ Present recommendation and impact analysis for each scenario to the Office of Program Integrity for approval before pursuing recovery and contacting providers.

~~16.15.~~ Provide a description of the complete process for identifying the incorrect payment scenario.

~~17.16.~~ Identify each specific incorrect payment and provide the details to the State for updating claims history.

~~18.17.~~ Identify each specific collection and provide the details to update claims history.

~~19.18.~~ Identify particular billing codes that may be over-utilized by providers and provide notice to the provider of over-utilization..

~~20.19.~~ Conduct clinical, medical, and utilization reviews of entities furnishing items and services for payment, which must be in compliance with established State and

Federal law and regulations. These reviews must be conducted by certified clinicians.

~~21.20.~~ Provide a complete description of the data required to be sent from the State to the contractor.

~~22.21.~~ Provide a solution that will have minimal impact on the current operations of the MRP.

~~23.22.~~ Provide a description of the solution; including a high-level diagram of expected data flow.

~~24.23.~~ Describe and document the source authorities utilized to determine the validity of the incorrect payments.

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- ~~25~~24. Educate providers with overpayment issues in the proper reporting of health care services in order to permanently correct errors in billing. All training shall be performed using a collaborative and provider-centric approach.
- ~~26~~25. Shall not seek legal representation or pursue any judicial action surrounding the overpayment recovery and collection activities.
- ~~27~~26. Identify improper payments only during the defined audit period, which may not exceed a maximum three-year claims look-back period from the date the claim was filed unless DOM authorizes a different time period.
- ~~28~~27. Identify overpayments/underpayments only for authorized provider types and services determined by the State. Submit reports to the State of all potential findings for validation with the State by contractor and verified against past audit recoveries.
- ~~29~~28. Submit itemized statements to DOM, with details for all recoveries, for authorization of recoveries and contingency fee reimbursement.
- ~~30~~29. Retain all audit and recovery documentation for ten (10) years following the final payment under this contract or the date upon which all questions involving the overpayment's validity are resolved, whichever happens last.
- ~~31~~30. Receive payment of only those funds recovered based on efforts by contractors and no other sources.
- ~~32~~31. Receive payment of only those funds that DOM seeks to recover in accordance with discretionary threshold amounts.
- ~~33~~32. Participate in formal hearings/appeals and provide expert testimony.
- ~~34~~33. For providers identified as receiving overpayments, assist the State through the provider dispute process that includes responding to providers following the initial notification of overpayments, answering telephone inquiries, reviewing provider documentation, tracking communications and status, and providing recommendations for resolution of overpayment disputes.
- ~~35~~34. Coordinate with other audits to avoid overlap and duplication of effort with other recovery efforts.
- ~~36~~35. Mail all demand, findings, and rebuttal letters via certified mail to providers. Medical Record Request letters must be mailed via certified mail if HIPAA information is included.

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37.36. Post copies of all correspondence mailed and/or sent electronically via email or fax to providers, within 72 hours, to the portal, ~~Te~~ including but not limited to the following: demand, findings, and rebuttal response letters.

38.37. Shall not render any decisions after the issuance of a demand letter unless at the request of the DOM, Office of Program Integrity.

39.38. Report and refer all potential/suspected fraud, waste, and abuse cases to the State.

40.39. Report and send uncollectable debts to DOM.

41.40. Recommend system changes to prevent future overpayments.

42.41. Conduct medical chart/documentation review. Contractor should refer to Title 23 of the Mississippi Administrative Code in its entirety and specifically Title 23, Part 200, Rule 1.3.

43.42. Provide secure transmission of data exchange.

44.43. Provide initial and ongoing expert support for correct payment principles and best practices.

45.44. Edit claims based on the Title 23 of the Mississippi Administrative Code in effect on the date of service.

45. Develop and maintain a current and user-friendly provider internet website for education, notices, and resource information.

**2. Attachment B – Bid Form and Attachment B.2 – Independent Price Determination**

DOM is amending Attachment B – Bid Form to remove the row containing Pre-Adjudication. Pre-adjudication responsibilities have been removed from this IFB.

DOM is posting this revised Attachment B – Bid Form as a link on the DOM procurement website under Recovery Audit Contractor (RAC) Services IFB #20220218. This link will contain the revised Bid Form and Attachment B.2 – Independent Price Determination in Word Format and will be titled as *Attachment B\_Bid Form (Revised) & Attachment B.2\_Independent Price Determination\_Word Format\_Issued 3-14-22*.

**Attachment B - Bid Form**

Compensation for services shall be in the form of a firm fixed-rate agreement. Through submission of this form, the Bidder certifies the following:

1. The Bidder agrees that submission of a signed bid form is certification that the Bidder shall accept an award made to it as a result of the submission.

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2. By submitting a bid, the Bidder certifies that it is registered to do business in the State of Mississippi as prescribed by the Mississippi Secretary of State.
3. By submitting a bid, the Bidder certifies that it is not currently debarred from submitting bids for contracts issued by any political subdivision or agency of the State of Mississippi or Federal Government and that it is not an agent of a person or entity that is currently debarred from submitting bids for contracts issued by any political subdivision or agency of the State of Mississippi.

<b>Bid Form</b>	
<b>RECOVERY AUDIT CONTRACTOR</b>	
<b>IFB #20220218</b>	
<b>Bidder:</b>	
<b>Recovery Activities</b>	<b>Proposed Contingency Rate</b>
Post-Adjudication	
<del>Pre-Adjudication</del>	
Other Services	
Other Services	
Bidder:	
<b>Projected Recoveries:</b>	
<b>Average Rate:</b>	
I certify that I am legally obligating the above named Bidder to the conditions of this contract.	
Signature:	
Date:	
Printed Name:	Title:

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**3. Section 1.4.2 Minimum Qualifications (Attachment B: Addendum 2)**

DOM is amending Section 1.4.2 #3 to remove the requirement that the bidder must provide all governmental project experience the bidder has ever done business or is currently doing business. DOM is limiting the past project experience to ten (10) years.

3. The Bidder shall provide governmental project experience list that identifies all governmental entities with which the Bidder has ~~ever~~ done business with in the past ten (10) years or and governmental entities in which the Bidder is currently doing business.

**4. Section 1.3.3 Anticipated Timeline**

DOM is amending Section 1.3.3 to change the anticipated timeline for the operational phase to begin 12/1/2022. Refer to question #51 in Amendment #1 – Responses to Questions.

Date	Process
2/18/2022	Release IFB
3/4/2022	Deadline for Written Questions
3/14/2022	Response to Questions Posted
3/28/2022	Bid Deadline
3/29/2022	Public Bid Opening – 10:00 a.m.
4/13/2022	Notice of Intent to Award
4/21/2022	Debriefing Request Deadline
4/29/2022	Protest Deadline
6/1/2022	Contract Start (Implementation begins)
<del>8/4/2022</del> <u>12/1/2022</u>	Operational Phase Begins

**5. Section 4.2 Performance Standards, Actual Damages, Liquidated Damages, and Retainage**

DOM is amending Section 4.2 #1 to change the operational start date to December 1, 2022. Refer to question #51 in Amendment #1 – Responses to Questions.

1. Failure by the Contractor to meet the operational start date of ~~August 4, 2022~~ December 1, 2022. (\$5,000.00 per calendar day from June 1, 2022, until the Contractor becomes fully operational.)

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**Receipt of Amendment #2 Acknowledged:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Company)