

MEMORANDUM



MISSISSIPPI DIVISION OF
MEDICAID

To: Vendors Responding to RFP Number 20220401 for the Mississippi Division of Medicaid (DOM)

From: Office of Procurement

Date: August 1, 2022

Subject: Clarification #2 to Support and Hosting of the Medicaid Eligibility System

Vendors should be advised that due to current work being performed, DOM anticipates the hardware and software may be upgraded to newer versions. DOM will post Clarification #3 at a later date, if needed. The Procurement Project Schedule would likely be updated at that time if necessary.

RFP Number 20220401 is hereby amended as follows:

1. **COVER PAGE is modified as follows:**

VENDOR PROPOSALS DUE BY ~~Monday, June 6~~ **Tuesday, September 13**, 2022, at 2:00 P.M. Central Standard Time

2. **Section VII: Project Specifications, Item 3 Procurement Project Schedule is modified as follows:**

Task	Date
Proposals Due	Monday, June 6 Tuesday, September 13 , 2022 @ 2:00 p.m. CST
Proposals Evaluations	June 6 September 13 , 2022 - July 15 October 18 , 2022
Post Notice of Award	Monday, July 25 , Friday, October 28 , 2022
Protest Period Ends	Monday, August 1 , Friday, November 4 , 2022
Begin Contract Negotiations	Monday, August 1 , Friday, November 4 , 2022
Federal Approval for Contract: CMS	August – September 2022 December 2022-January 2023
Estimated Project Contract Start-up	Monday, October 3, 2022 Wednesday, February 1, 2023

3. **Section VII: Project Specifications, Item 2.8 first sentence is modified as follows:**

2.8 Vendor shall provide fully loaded **fixed on-site** rates for each proposed role as well as a fully loaded ~~blended~~ **fixed off-site** rate. These rates shall be used in pricing of any subsequent change orders. Fully loaded rates include hourly rate plus travel, per diem, and lodging.

Responsibly providing access to quality health coverage for vulnerable Mississippians

4. **Section VII: Project Specifications, Item 5.1 first sentence is modified as follows:**
 - 5.1 New MEDS is a cloud-based, rules engine driven application that allows the DOM work force in 30 Regional Offices (ROs) and the Central Office in Jackson, Mississippi to intake, process, and review cases for Medicaid eligibility.

5. **Section VII: Project Specifications, Item 5.6.1 first sentence is modified as follows:**
 - 5.6.1 New MEDS produces over 100 standard reports in PDF format on a report specific frequency using data from the New MEDS databases. The reports are available to DOM on a Conduent proprietary product, Reports OnLine (ROL). The Vendor shall take over maintenance of producing these reports, including the maintenance of staging data tables and enhancements to report layouts. **Additionally, the awarded Vendor shall replicate, in near real time, all data from New MEDS to the DOM's Data Lake or other system as defined by DOM.**

6. **Section VII: Project Specifications, Item 6.5.1 is modified as follows:**
 - 6.5.1 Vendor shall propose any changes to the environments necessary to achieve a successful implementation and to accommodate post go-live upgrades. The proposal shall duplicate the existing multiple special use environments, **refer to Table 19**, that are available to the State and integrated into State testing procedures. Additional environments are created and discontinued as necessary for State testing and approval **of long duration changes or changes requiring special/isolated testing to the system.** ~~Refer to Table 19.~~

Table 19: State Staff Accessible Environments

Environment	Count
UAT	4
Training	1
<u>Model Office</u>	<u>1</u>
Production	1

7. **Section VII: Project Specifications, Item 7.1.1 is modified as follows:**
 - 7.1.1 The first phase is the Takeover Phase where the Vendor establishes a successfully tested New MEDS system. The Vendor will receive the existing systems source code, setup, and system configuration. **The Vendor will receive an image of the entire virtual environment from the incumbent Vendor.** The Vendor will propose a process that can implement the existing system in the Vendor's chosen environment, such that DOM staff's existing New MEDS training remains valid. The Takeover Phase is limited to a maximum of twelve (12) months.

8. **Section VII: Project Specifications, Item 7.1.2 is modified as follows:**
 - 7.1.2 The second phase is Parallel Operations Phase where the ~~existing system and the Vendor's system run in parallel~~ **awarded Vendor's system is fully operational and can be run and tested in parallel to the production system.** The Vendor will perform live testing comparing factors such as accuracy, performance, and reliability to ensure the Vendor's system is equivalent or better than the existing system. The Vendor will propose a process that will detect software, setup, configuration, hardware, network, and other issues before disconnecting the existing system. The Parallel Operations Phase is limited to a maximum of six (6) months.

9. **Section VII: Project Specifications, Item 7.5 is modified as follows:**

7.5 The executed contract will include design, development, configuration, customization, implementation, and warranty, as well as one year of maintenance, support, hosting, and operations, commencing with Parallel Operations, with optional one-year renewals up to a five six-year total project lifecycle.

10. **Section VII: Project Specifications, Item 8.3.2 is modified as follows:**

8.3.2 **MANDATORY** - The Vendor shall provide three (3) reference projects in accordance with the instructions on the reference form provided in Section IX. ~~Vendor's reference projects shall demonstrate at least five (5) years of Vendor's, subcontractors, or key personnel's experience specific to maintenance and operations of a Medicaid Eligibility system that encompasses MAGI and ABD in separate systems or both MAGI and ABD categories of eligibility in a single system and shall include the following components:~~ that show Medicaid system experience and the Vendor, subcontractors staff, or listed key personnel have (5) years of Medicaid eligibility system experience that encompasses MAGI and ABD in separate systems or both MAGI and ABD categories of eligibility in a single system and shall include the following components:

11. **Section VII: Project Specifications, Item 11.7.3 is modified as follows:**

11.7.3 The Vendor shall provide a Project Management Plan*, updated ~~bi-weekly~~ as necessary, that includes the following sections/sub-plans:

12. **Section VII: Project Specifications, Items 15.18 and 15.18.1 are modified as follows:**

~~15.18 The intent is to install software agents on Vendor's system(s) providing independent visibility into performance. The information provided can augment, support, or potentially act in lieu of Vendor specific SLA reporting. DOM uses infrastructure monitoring to quickly identify breakdowns in systems that are considered critical data provider resources in a multi-vendor enterprise.~~

~~15.18.1 Vendor shall allow the installation of and/or integration with the State's APM tools.~~

15.18 The State utilizes infrastructure health monitoring tools that track network and application performance and health. Application Monitoring Tools (APM) are utilized to gather and quantify Enterprise performance, but specifically to monitor the Solution's performance. The APMs are expected to monitor systems such as the hosting platform, process utilization, memory demands, process duration, and disk read/write speeds.

15.18.1 Vendor must provide a mechanism for DOM to ingest performance data via an industry standard mechanism, such as OpenTelemetry, that is sufficient for monitoring SLA compliance.

13. **Section VII: Project Specifications, Item 18.3 is modified as follows:**

18.3 Vendor shall provide a fully loaded fixed on-site ~~blended~~ hourly change order rate (inclusive of the cost of all materials, travel expenses, lodging, per diem, and all other expenses and incidentals incurred by the Vendor in the performance of the Change Order) in Section VIII, Cost Information Submission for any additional services that may be deemed necessary or desirable by the State, as well as off-site hourly change order rates.

14. Section VIII: Cost Information Submission, Header is modified as follows

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Section VII: PROJECT SPECIFICATION Section VIII: COST INFORMATION SUBMISSION

Revised 02/07/2022

15. Section VIII: Cost Information Submission, Table 26 is modified as follows:

Cost Description	Cost	15% Retainage	Cost Less Retainage
Implementation Costs			
Implementation Costs			
Training			
Total Cost Less Retainage			
Total Retainage			
Subtotal Implementation Costs			
Maintenance & Operations Resources			
Description	# of hours	Hourly Rate	Cost
Maintenance Allocation Resources			
Enhancement Allocation Resources			
Staffing Resources			
Subtotal Maintenance & Operations Resources Costs			
Maintenance, Operations, Support, and Hosting Costs			
		Monthly	Yearly
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Printing Cost Per applicant (list volume rates and discounts on separate rows) **			
Fixed cost of Print Center with no mailings			
Per item mailing cost above fixed cost (list volume rates and discounts on separate rows) **			
Subtotal Maintenance, Operations, Support, and Hosting Costs			
Performance Bond/ Irrevocable Letter of Credit			
Performance Bond/Irrevocable Letter of Credit (Section IV, Item 37)		\$	

** Vendor shall describe tiered pricing for any Notices, Letters, and Renewals to be mailed each month.

Summary:

Implementation Costs (1 year):	
Maintenance & Operations Resources Costs	

Maintenance, Operations, Support, and Hosting Costs (5 years):	
Performance Bond/Irrevocable Letter of Credit:	
6 5-YEAR GRAND TOTAL:	

16. **Section VIII: Cost Information Submission, Table 28 is modified as follows:**

DOM may wish to add functionality outside the scope of this RFP after the initial deployment of the awarded solution. The Vendor must propose all possible personnel/subject matter experts (SME’s) that may be needed for future enhancements in the table below with their fully loaded hourly rates. Along with the fully loaded **fixed on-site** hourly rates, the Vendor must propose a fully loaded **blended fixed off-site** rate. The table lists possible roles but is not all inclusive and the Vendor may add additional roles. If the Vendor does not foresee a particular role being proposed, the Vendor must mark the hourly rate as N/A. Vendor must completely fill in the matrix listed below. The fully loaded fixed hourly rate will remain the same for the entire duration of the project. These rates shall be used in pricing of any subsequent change orders. Fully loaded rates include hourly rate plus travel, per diem, and lodging.

Role	Fully Loaded Fixed <u>On-site</u> Hourly Rate	Fully Loaded <u>Blended Fixed Off-site</u> Hourly Rate
Project Manager		
System Architect		
Technical Manager		
Test Manager		
Functional Lead		
Data Architect		
Data Analyst		
Database Administrator		
Senior Developer		
Junior Developer		
Business Analyst		
Functional Tester		
Technical Writer		
User Interface Designer		
Interaction Designer/User Researcher		

17. **Exhibit A, Standard Contract, Article 3 Scope of Services, Item 3.2 (N) is modified as follows:**

N. Maintaining the host site, with the cost for such support, maintenance, and hosting for years following the initial five (5) year period not increasing annually beyond ~~three~~ **five** percent (~~3~~ **5**%) or the percent increase in the consumer price index for all Urban Consumers, US City Average (C.P.I.-U) for the preceding year, whichever is less.

18. **Exhibit A, Standard Contract, Article 47 Change Order Rate and Procedure, Item 47.3 is modified as follows:**

47.3 With respect to any change orders issued in accordance with this Article, the Licensor shall be compensated for work performed under a change order according to the hourly change order rate specified in the attached Exhibit A. If there is a service that is not defined in the change order rate, the Licensor and the State will negotiate the rate. The Licensor agrees that this change order rate shall be a “fully loaded” rate, that is, it includes the cost of all materials, travel expenses, per diem, and all other expenses and incidentals incurred by the Licensor in the performance of the change order. The Licensor shall invoice the Licensee upon acceptance by the Licensee of all work documented in the change order, and the Licensee shall pay invoice amounts on the terms set forth in this Agreement. **The Seller acknowledges and agrees that the fully loaded change order hourly rates in Exhibit A must remain valid for the duration of the Agreement, with annual increases not to exceed the lesser of a five percent (5%) increase or an increase in the consumer price index, all Urban Consumer U.S. City Average (C.P.1.-U).**

19. **Exhibit B, LIQUIDATED DAMAGES & PERFORMANCE STANDARDS, page 156, first bullet point is modified as follows:**

- System Availability: All Licensor and All Components: The Licensor proposed solution, ~~including all MPI instances,~~ shall operate 24 hours per day, and support a 99.99% uptime per month, and is subject to a up to a \$5,000 penalty for each 15-minute occurrence of downtime outside of the 99.99% uptime requirement. Uptime shall be calculated by the following formula:

20. **Exhibit B, LIQUIDATED DAMAGES & PERFORMANCE STANDARDS, page 156, third bullet point is modified as follows:**

- Transaction Timeliness: User interface (GUI) components ~~of all MPI instances~~ shall support a two (2) second or less average response time for selected processes measured daily. Averages exceeding three seconds will be considered an outage and the Licensor shall be assessed damages of \$2,500 per day. Selected processes include:

21. **Exhibit B, LIQUIDATED DAMAGES & PERFORMANCE STANDARDS, page 157, fifth bullet point is modified as follows:**

- Licensor shall have a Disaster Recovery (DR) plan approved by the State upon system go live, including a separate DR site with a separate physical location from the primary hosting site. Upon each anniversary of contract execution, the Licensor shall provide documentation that the DR environmental test has been conducted within the past year and shall provide written results to the State. The written results shall include any remediation and the accompanying remediation schedule necessary to correct any failures or findings that were identified as a result of the DR test. Failure to provide the results to the State on **a quarterly** ~~an annual~~ basis is subject to a penalty of up to \$50,000 per month until the report is completed and provided to the State.

22. **Exhibit B, LIQUIDATED DAMAGES & PERFORMANCE STANDARDS, page 159, first bullet point is modified as follows:**

- Should the Licensor have more than 50 outstanding service-related Help Desk tickets **that average in excess of 72 hours from submission**, the Licensor is subject to a penalty of up to \$2,500.00 per calendar day.

Each Vendor will receive an email from invites@microsoft.com with instructions to set up your SharePoint account and upload the Vendor's proposal.

RFP responses are due Tuesday, September 13, 2022, by 2:00 p.m. CST.

If you have any questions concerning the information above or if we can be of further assistance, please contact Jill Chastant at 601-359-9152 or via email at itprocurement@medicaid.ms.gov.