JOHN BEL EDWARDS
Governor

JAMES M. Le BLANC
Secretary

State of Louisiana

Department of Public Safety and Corrections

August 24, 2016

ADDENDUM NO. 2

Your reference is directed to File Number 400PUR 202-164, Solicitation No. 3000006078 for the Healthcare Claims Management for the Louisiana Department of Public Safety and Corrections (DPS&C) deadline to receive proposals is 4:30 P.M. CST on September 15, 2016.

The following changes are to be made to the referenced solicitation:

1. RFP Proposal Due Date/Time (throughout RFP)
   Changed to Read: September 15, 2016 4:30 P.M. CST

2. Page 3 of the RFP, Section 2.5 Schedule of Events
   Changed to Read:

Deadline for receipt of proposals	September 15, 2016
Announce award of contractor selection on or about:	September 26, 2016
Contract execution on or about:	November 1, 2016

3. Page 9 of the RFP, Section G, Cost Proposal
   Changed to Read:
   A PROPOSER's base cost score will be based on the cost information and computed as follows:

   CS = (LPC/PC X 30)

   Where: CS = Computed cost score (points) for PROPOSER being evaluated
   LPC = Lowest proposed cost of all PROPOSERs
   PC = Total cost of PROPOSER being evaluated

4. Page 38 of the RFP, Section 16.2 Performance Bond
   Changed to Read: Not applicable

5. Page 38 of the RFP, Section 16.3 Fidelity Bond
   Changed to Read: All Louisiana TPA licensing requirements must be fulfilled, but there is no additional requirement from the DPS&C.

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6. Page 54 of the RFP, Attachment VI: Insurance Requirements for Contractors
Add:

H. <u>WORKERS COMPENSATION INDEMNITY</u>

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

Below are Vendor Inquiries and DPS&C Responses:

Contractor Questions

1. Please confirm that there is a five week implementation time and if on Nov 1, 2016 the new TPA will be processing claims?
   Contractors should submit an implementation time that they are certain they can achieve with claims processing beginning on or as close to November 1, 2016, as possible.

2. Upon award Sept 21, 2016 will data files be ready for exchange and testing to meet the desired go live date of Nov 1, 2016?
   Data files will be ready on or around date of award.

3. Will there be a 834 file layout w/Data and provider file layout? Will data testing be available to begin testing upon award Sept 21, 2016?
   No, DPS&C does not utilize an 834 file. No, data testing will not be available to begin upon award since DPS&C does not utilize the 834 file.

4. On Page 6 1.4.1 Minimum Qualification for Proposer, can you clarify "annual operating cost of the program proposal"? our assumption is the administration fee we will charge to DPS&C.
   Annual operating cost of program proposal is 25% of what it will cost the contractor to administer the program annually.

5. On Page 38 what is the Dollar amount for Performance Bond and Fidelity Bond that the State is asking for?
   Please refer to # 4 and # 5 listed on Addendum No. 2 for this RFP.

6. What is the desired workflow to support the integration with DPS&C's medical appointment scheduling system for claim payment authorization?
   Currently a file is downloaded from the scheduling system into Excel and sent to the current contractor daily.

7. Is there a file format that can be shared for integration with the medical appointment scheduling system?
   File format will be shared upon award.

8. Do you see the Remittance and EOB to be the same thing, if not, can you define what a Remittance vs EOB?
   A remittance could be an EOB, a denial, or any type of notification required to be sent to a provider or facility as required by DPS&C.

9. What role will vendor be required to perform to assist identifying which members are eligible for MA or other insurance?
   DPS&C is currently pursuing solutions in this area and will work with the successful contractor in this endeavor.

10. How will the DPS&C determine point allocation for using one of the Veteran owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships and Louisiana initiative for small Entrepreneurships program participation?
    The proposals will be evaluated and scored in accordance with the criteria stated on page 30 of RFP, Section 3.2.

11. Section 1.2 Statement of Work 7th bullet point, how can we obtain the policy payment guidelines which have been determined by DPS&C's Medical/Health Director?
    Payment guidelines will be shared upon award. Contractor should be able to adjudicate claims using multiple payment guidelines, such as Louisiana Medicaid, Medicare, or any other guidelines specified by DPS&C.

12. Section 1.2.2 Performance Measures bullet point 4, Please indicate how Primary Care Providers are identified on the Provider Feed file?
    Currently, primary care providers are not identified differently on the provider file. Primary care is determined by services billed on the claim.

13. Will the Primary Care Provider's specialty be on the provider file?
    Yes, provider's specialty is included on the provider file.

14. Under Medicare, Observation is up to 72 hours. In the RFP you have a maximum of 30 hours. Is this a Business Rule change specific to DPS&C?
    The 30 hour maximum is according to Louisiana Medicaid guidelines.

15. Will the Parish jails have the ability to submit eligibility in an 834 format?
    No, the Parish jails will not have the ability to submit eligibility in an 834 format.

16. Is an eligibility file expected to be sent to or received from (or both) the parishes?
    Contractor should have the ability to receive files from any facility responsible for covered persons.

17. What steps have you currently implemented to identify other insurance for inmates?
    DPS&C is currently pursuing solutions in this area and will work with the successful contractor in this endeavor.

18. Section 1.4.1 Is the proof of licensure a TPA license.
    Yes, the proof of licensure is a third party administrator license.

19. Is this RFP for the contract Correct Care Integrated Health currently has with the DOC?
    Yes, CorrectCare Integrated Health is the current contractor.

20. The OTS PMO office is requesting a copy of the entire RFP relating to Methods and the Offender Management System.
    a. Is there any way I can get a copy of the RFP?

    Please submit a public records request in accordance with Louisiana Public Records Act, R.S. 44:1-44.

21. Section G. Cost Proposal (page 9) and Section 3.1 (page 29). Would you please clarify the inconsistency in the cost score formula as the formula on page 9 uses 40 points as the multiplier whereas the formula on page 29 uses 30 points as the multiplier?
    As per # 3 listed on Addendum No. 2, the cost score formula on page 9 should read as follows:

    A PROPOSER's base cost score will be based on the cost information and computed as follows:

    CS = (LPC/PC X 30)

    Where: CS = Computed cost score (points) for PROPOSER being evaluated
    LPC = Lowest proposed cost of all PROPOSERs
    PC = Total cost of PROPOSER being evaluated

22. Section 1.27.2 Termination of the Contract for Convenience (page 20). Would the DPS&C consider dropping the termination for convenience? If not, would the DPS&C give one hundred eighty (180) calendar written notice of such termination instead of thirty (30) calendar days? The concern is that the vendor would have spent considerable financial and manpower resources which it plans to recoup over the potential three year contract period only to have the contract terminated without any cause.
    No, the Termination of Contract for Convenience requirements will not be changed.
    No, the DPS&C will not give one hundred eighty (180) calendar written notice of such termination instead of thirty (30) calendar days.

23. Attachment VI – Insurance Requirements, Waiver of Subrogation (page 55). Our insurance underwriter has told us for many years that this can't be added to a Professional Liability policy. Would the State be agreeable to drop this requirement on the Professional Liability insurance?

    Waiver of subrogation is not relevant to a professional liability policy.

24. Attachment VI – Insurance Requirements, Waiver of Subrogation (page 55). Kentucky law does not allow a waiver of subrogation to be added to a worker's compensation policy. Would the State be agreeable to drop this requirement on the Worker's Compensation insurance?

    As per #6 listed on Addendum No. 2, the following has been added to Attachment VI of the RFP:

    H. <u>WORKERS COMPENSATION INDEMNITY</u>

    In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

25. Section 16.2 Performance Bond (page 38). Is a performance bond required for this contract?

    As per # 4 listed on Addendum No. 2, a Performance Bond is not required for this RFP.

26. Section 16.3 Fidelity Bond (page 38). The bond amount requirement for licensed TPAs in Louisiana is $100,000. Since an amount was not specified in this Section, what amount is the DPS&C requesting?

    Please refer to # 5 listed on Addendum No. 2 of this RFP.

27. Can you clarify the Proposal Response Format (Section 1.5, pages 7-10)? It appears the format would be A-G, in that order, but under E, it says the proposal shall be divided into four mandatory parts. Would it be acceptable to submit items/sections A – F, followed by cost proposal Veteran/Hudson certification, and signature page?

    Yes, it would be acceptable to submit items/sections A – F, followed by cost proposal, Veteran/Hudson certification, and signature page as long as all mandatory parts are included.

28. (Page 4, Section 1.1) Is the claim volume anticipated to continue to be around 7,500 per month?
    Yes, although these numbers are approximate and subject to change.

29. What is the current volume of paper versus EDI claims submitted?
    The current volume is approximately 50% paper claims and 50% EDI claims.

30. (page 23-24, Section 2.3) Does "manual" refer to paper claims? In what format(s) will the contractor receive manual claims: 1500, UB04, or both? Is the contractor expected to accept and process from non HIPAA standard claim formats?
    Yes, manual refers to paper claims. The contractor will receive both 1500 and UB04 forms. No, the contractor is not expected to accept and process from non HIPAA standard claim formats.

31. (page 25, Section 2.4) What is the frequency and location of the provider trainings?
    The frequency and location of provider trainings is determined on an as needed basis by the DPS&C.

32. (page 25, Section 2.4) What is the frequency and location of the client meetings?
    The frequency and location of provider trainings is determined on an as needed basis by the DPS&C.

33. (page 26, section 2.6.1.1) Please clarify "integration with DPS&C's medical appointment scheduling system for claim payment authorization". What system is DPS&C using for appointment scheduling? Will the Contractor be using 278's for authorizations? If so, what is the frequency for the 278?
    DPS&C uses ECeptionist for scheduling. Currently a file is downloaded from ECeptionist into Excel and sent to the current contractor daily. We do not currently use 278s for authorizations.

34. (page 28, section 2.6.1.6) The requirement states "Ability to support and apply negotiated provider pricing..." - How is the negotiated pricing communicated between DPS&C and the Contractor? What is the frequency?
    Claims payment pricing is communicated between DPS&C and the contractor via DPS&C written policies and business rules. Any changes and/or updates are communicated with the contractor as soon as possible. The pricing may change as DPS&C deems necessary.

35. (page 28, section 2.6.1.9) How will the provider file be shared? In what format and frequency?
    The current vendor will provide an excel spreadsheet during transition/implementation. The contractor will be expected to update/maintain provider information from that point.

36. How many contracted and non-contracted providers does DPS&C currently utilize?
    For third party administration claims adjudication purposes, the DPS&C does not currently use contracted rates with providers.

37. What types of providers does DPS&C utilize? How many providers are there for each type, i.e. the number of hospitals, the number of PhDs, etc.? What is the claim volume for each type of provider?

Claims Received 11/1/2015 - 7/31/2016		
SPECIALTY	**# OF CLAIMS**	**# OF PROVIDERS**
ASC - Hospital Based	38	2
Adult Nurse Practitioner	44	2
Allergy & Immunology	8	2
Ambulance-Air	3	1
Ambulance-Group	1507	22
Anesthesiology	1092	131
Audiology	7	4
CRNA	1275	206
Cardiology	2772	129
Cardiovascular Disease	3822	78
Certified Nurse Midwife	3	1
Clinic/Health Center	1	1
Clinical Medical Lab	5	3
Clinical Pathology	336	17
Colon & Rectal Surgery	17	5
Critical Care Medicine	221	11
Critical Care Surgery	5	1
Cytology	94	2
Dentist	291	6
Dermatology	125	11
Durable Medical Equipment	16	4
Ear Nose and Throat	1	1
Electromyography	12	4
Emergency Medicine	8097	593
Endocrinology	74	11
Family Medicine	2977	142
Family Nurse Prac	3	2
Family Practice	25	4
Gastroenterology	344	42
General Dentistry	25	5
General Practice	177	4
General Surgery	40	4
Geriatrics	26	2
Hand Surgery	7	3
Hematology	973	8
Hematology & Oncology	351	18
Hospice/Palliative Med	1	1
Hospital	28896	85
Hospitalist	649	49
Independent Phys Assn	29	1
Infectious Disease	358	34
Insurance Company	193	9

Internal Medicine	10173	585
Interventional Radiology	5	2
Laboratory	118	10
Maternal & Fetal Medicine	42	9
Nephrology	544	51
NeuroRadiology	8	1
Neurology	588	59
Neurosurgery	174	18
Nuclear Medicine	22	3
Nurse Anesthetist	58	6
Nurse Practitioner	834	77
Obstetrics	8	1
Obstetrics & Gynecology	453	55
Oncology	120	5
Ophthalmology	921	33
Optometrist	1	1
Optometry	1	1
Oral & Maxillofacial Sur	144	3
Oral/Maxillofacial Surge	235	8
Orthopedic	195	8
Orthopedic Surgery	344	33
Otolaryngology	360	27
PA-Phys Assistant	176	51
Pain Management	1	1
Pathology	2670	70
Pediatric Cardiology	1	1
Pediatric Emergency Med	1	1
Pediatric Nephrology	1	1
Pediatric Urology	81	3
Pediatrics	185	18
Physical Medicine/Rehab	10	3
Plastic Surgery	53	8
Podiatry	4	3
Prosthetics/Orthotics	10	3
Psychiatrists	309	26
Psychiatry	70	9
Psychologists	1	1
Pulmonary	413	46
Pulmonary Disease	24	3
Qualified Autism Svc Prv	3	2
Radiation Oncology	3	1
Radiology	14947	413
Registered Nurse	6	1
Rheumatology	38	6
Sleep Medicine	3	2
Sleep Study	10	3
Sports Medicine	166	7
Surgery	1196	115
Technician	2	1

Thoracic Surgery	196	12
Urology	444	30
Vascular Surgery	252	17
Totals	**91,564**	**3,515**

38. Will DPS&C have the ability to report in an 834 all membership historical data in order for the contractor to properly process claims (original and appeals) and measure 'filing limits'?
    No, the DPS&C does not utilize an 834 file.

39. What is the current volume of calls by month?

Month	Total Inquiries
Nov-15	122
Dec-15	444
Jan-16	1,120
Feb-16	1,487
Mar-16	2,590
Apr-16	1,525
May-16	1,368
Jun-16	1,455
Jul-16	1,208
Aug-16	349
Total	11,668

40. What is your processing policy for claims that fail to have the required authorization?
    The DPS&C's processing policy varies depending on covered person population. DPS&C policy will be shared with the contractor that is awarded the contract.

41. (page 24, section 2.3) The section states that the contractor will provide "a process for adjudicating claims for which the contractor will not remit payment but will instead remit the claim and appropriate claim adjustment documentation to the party responsible for payment" - Is the contractor expected to coordinate benefits with other health insurance coverage that the inmates may have?
    Yes, the contractor will be expected to coordinate benefits with other coverage.

42. (page 27, section 2.6.1.1) The section states that "All claims must be adjudicated and paid, if applicable, within 30 days of receipt by the contractor." - Should the contractor expect to pend and hold any claims that require additional information from DPS&C or the provider?
    Yes, the contractor should expect to pend claims that require additional information.

43. (page 25-26, Section 2.6) Are the reports that are expected to be mailed or sent electronically to providers in addition to the remittance advices being issued with claim adjudication? Does the DPS&C have a preferred standard format for the reports sent to

all providers? Are the provider reports for both contracted providers and non-contracted providers?

Yes, the reports that are expected to be mailed or sent electronically to providers are in addition to the remittance advices being issued with claim adjudication. Yes, DPS&C have a preferred standard format for the reports sent to all providers. Yes, the reports are for all providers.

44. Is the DPS&C currently contracted with a vendor for the services requested in this RFP and, if so, who is the current vendor? What is the annual contract value?

    The current vendor is CorrectCare Integrated Health. The current annual contract value is $1,323,840.

45. Whether companies from Outside USA can apply for this? (like,from India or Canada)

    All companies are welcome to apply, but clear and concise communication skills are essential to successfully fulfilling the requirements of the contract.

46. Whether we need to come over there for meetings?

    No meetings are required prior to the award. Contractors should provide their post award on-site availability in their proposal as stated in the RFP.

47. Can we perform the tasks (related to RFP) outside USA? (like, from India or Canada)

    All companies are welcome to apply, but clear and concise communication skills are essential to successfully fulfilling the requirements of the contract.

48. Can we submit the proposals via email?????

    No, proposals must be submitted in accordance with RFP page 6, Section 1.4.

THIS ADDENDUM IS HEREBY OFFICIALLY MADE A PART OF THE REFERENCED PROPOSAL.