

## ADDENDUM THREE

Date: March 22, 2012

To: All Bidders

From: Martin Swanson, Buyer  
Nebraska Department of Insurance

RE: Questions and Answers for Request for Proposal Number 12-002Z1  
to be opened March 27, 2012.

Following are the questions submitted and answers provided for the above mentioned Invitation to Bid. The questions and answers are to be considered as part of the Invitation to Bid.

Questions	Answers
<p>1. On page 28 of the RFP there is the following requirement:</p> <p>“Vendor team will be required to maintain at least one full time staff member (preferably the project manager) on-site in Lincoln, Nebraska during project duration. “</p> <p>Can you please define what on site means? Does this person have to be there every business day?</p>	<p>The Department requests that the potential bidder demonstrates whether or not they are willing to meet the on-site requirement. On-site would mean that a member of the project team would be located in Lincoln for the duration of the project.</p> <p>The RFP is amended to state the following:</p> <p>“Vendor team may be required to maintain at least one full time staff member (preferably the project manager) on-site in Lincoln, Nebraska during project duration. “</p>
<p>2. The following questions are respectfully submitted in regards to Section 1. Scope of the Request for Proposal, Sub-section A. Schedule of Events Table listed on page 1.</p> <p>Activity #2: Last Day to Submit Written Questions</p> <p>Does the State of Nebraska have a standard RFP Q&amp;A Template available for the Bidders use? If so, would the State consider publishing this in the bidder’s library?</p>	<p>Yes, the State does have a Q&amp;A template available. You can find the file at the following link <a href="http://www.das.state.ne.us/materiel/purchasing/agency-services-procurement-manual/Addendum-Questions&amp;Answers.doc">http://www.das.state.ne.us/materiel/purchasing/agency-services-procurement-manual/Addendum-Questions&amp;Answers.doc</a></p>

Questions	Answers
<p><b>3.</b> Would the State be amenable to publishing answers to questions in batches as they are received? Given the tight turnaround time for this RFP, receiving clarifying answers pertaining to elements of the RFP/Scope in advance of the State's published Q&amp;A response date of March 24 (which is just three calendar days before the proposal due date) would enable vendors to prepare detailed, responsive proposals to best address the State's needs.</p>	<p>All questions and answers will be published on March 22, 2012. See revised schedule of events.</p>
<p><b>4.</b> Activity #5: Review for conformance of mandatory requirements Date: March 12, 2012</p> <p>Would the state consider updating this entry on the table and provide the Vendors with the State's intent with this activity? This activity on the Schedule of Events is Monday, March 12, 2012 (which is in the past).</p>	<p>This was an oversight and typographical error on the entry table. The previous question response that was given is also incorrect. The actual date should be March 27<sup>th</sup>.</p>
<p><b>5.</b> Activity #6: Evaluation period Date: March 27, 2012 – April 3, 2012</p> <p>Would the State consider changing the beginning of the Evaluation Period to coincide with Activity #4: Proposal Opening requested date change of Friday, March 30, 2012, as stated in question 3C?</p>	<p>The State cannot change the evaluation period or accommodate the requested date change.</p>

Questions	Answers
<p><b>6.</b> References: The RFP appears to request that bidders provide references in a number of different sections of their proposal as followings:</p> <p>D. TECHNICAL REQUIREMENTS (page 27 of the RFP) – bullet 6 (or Roman numeral vi. in the Word version of the RFP)</p> <p>Technical Proposal Section A.3.h. (page 33 of the RFP)</p> <p>Technical Proposal Section A.3.i (Resumes )</p> <p>Technical Proposal Section A.4.f (page 35 of the RFP)</p> <p>Please clarify the State’s intent with regard to the types of references requested in each of the above sections.</p>	<p>Bidders should include all relevant references in bid response. The intent of the multiple reference requests is to ensure that bidder is qualified for specific type of technical Exchange planning scope. The specific instructions related to the Technical Proposal Section of the RFP as well as the requirements on page 33 should be followed to comply with State bid requirements.</p>
<p><b>7.</b> RFP Section IV. D and E: These sections of the RFP indicate that “vendors must comply with the following questions and requirements below.” Please clarify whether the State requires a response to each question individually in its proposal or whether these concepts should be included in the bidders overall proposal. If the State requires a response to each question individually in its proposal, please indicate where in the Technical Proposal (per the prescribed format from page 35) the responses to these questions should be included.</p>	<p>These concepts can be included anywhere in the response but questions should be answered and should be included in the bidder’s overall proposal.</p>
<p><b>8.</b> Technical Proposal Section A.4.c (Technical Considerations) - RFP pg. 35: Please clarify what the State is requesting bidders to supply in response to this section.</p>	<p>Technical considerations are what a bidder should take into account before they start a project, or while they are thinking about a project approach. If your firm/company has any specific technical considerations, please list them in your response under the appropriate section. Some common examples include scalability, integration, and interoperability.</p>

Questions	Answers
<p><b>9.</b> Deliverables: Please clarify how the deliverables listed on page 29 and 30 of the RFP align with the scope of work outlined in the RFP.</p>	<p>The deliverables listed in the deliverables chart on page 29 and 30 directly relate to the scope of work for the project and they are required for each specific department need. Some of the deliverables are related to the development of the Exchange RFPs, but other deliverables in the schedule are directly related to other non-RFP ancillary functions such as project management documents for glide path to certification, and stakeholder feedback engagement forms.</p>
<p><b>10.</b> Vendor Qualifications/Skills/Expertise (RFP page 26): Please clarify how the narrative in the first bullet under this section header differs from the scope of work described in bullets 1, 2, 3 4 and 5 on page 25 of the RFP.</p>	<p>These vendor qualifications are not deliverables per-se but they are understood expectations for any bidder that would be considered required for the project. This was structured this way for administrative ease and these basic contractor tasks that should be regularly expected as part of the basic performance of the contract. This section differs from bullets 1-5 on page 25, as those are directly tied to payment deliverables.</p>
<p><b>11.</b> RFP Section IV.F. (Provide Post Implementation Support): The narrative under this header appears to describe system integration solution evaluation activities that would occur toward the end of the RFP process, but prior to the implementation of the selected system solution. In addition, neither the scope of the contract nor the term of the contract) appear to include any post implementation activities. Please clarify this State's intent for this section of the RFP.</p>	<p>This was not listed in the scope to avoid redundancy. Additionally, this was listed as a required deliverable #9 on page 30. The point of this requirement is to have the bidder evaluate the responses of the RFP(s) (delivered in the contract), in order to provide quality and reliable feedback for the department in choosing a system integration company/firm.</p>
<p><b>12.</b> Key Deliverable #9 in the list of deliverables on page 30 of the RFP appears to occur after the end date of the contract. Please clarify whether the activities associated with Deliverable 9 are included in the scope of this contract.</p>	<p>Key Deliverable #9 may or may not require a 3-6 week contract extension (at the end of the contract) based on Exchange planning and design timelines. Unknown outside mitigating factors such as the United Supreme Court Decision may or may not delay release of said RFP which requires evaluation. Consequently, other factors may allow for RFP release and response evaluation during current contract term, thus requiring no extension.</p>

Questions	Answers
<p><b>13.</b> Regarding Section IV-A, under the heading: Project Related Tasks, 5th bullet down (page 25 in the RFP): (Additionally, qualified vendor will facilitate and help assist the State Exchange Planning Division ...) We assume “State Exchange Planning Division” is effectively the Nebraska Department of Insurance (NDOI) and that “State Exchange Planning Division” work is effectively posted here:  <a href="http://www.doi.ne.gov/healthcarereform/exchange/index.htm">http://www.doi.ne.gov/healthcarereform/exchange/index.htm</a>. Are we correct in this assumption? If we are incorrect, what is the “State Exchange Planning Division” and can you point us to more information on this Division?</p>	<p>This is correct.</p>
<p><b>14.</b> Regarding Section IV-A, under the heading: Project Related Tasks, 6th bullet down (page 25 in the RFP): (Qualified vendor will facilitate and help assist the State Exchange Planning Division on all establishment (gate) review(s), project startup review, project baseline review, preliminary design review schedules, and all other applicable reviews that apply before the system integration process ensues.) This sentence is a repeat of the last sentence in the 5th bullet. Did you intend to include other information in this 6th bullet – or should bidders simply ignore this 6th bullet?</p>	<p>The RFP is amended to remove the 6th bullet referenced in the question</p>
<p><b>15.</b> Regarding Section IV-C, top bullet on page 27: Is the Exchange Resource Virtual Information System (SERVIS) a Nebraska application? Do bidders need pre- requisite software, hardware, or data communications capability to access SERVIS?</p>	<p>SERVIS is a federal software web portal. Access can be granted to State contractors for use during the project duration. Nebraska’s State SERVIS officer can grant access. No software, sophisticated hardware, or data communications capability is required of the bidder. Bidders will need a personal computer to access SERVIS.</p>

Questions	Answers
<p><b>16.</b> Are the winners of RFP 11-001Z1 (PCG) and RFP 11-002Z1 (HMA) allowed to bid on this RFP (12-002Z1)? If the answer is “yes”; will PCG and HMA be allowed to cite their work under these contracts (001Z1 and 002Z1, respectively) in their response to RFP 12-002Z1?</p>	<p>Yes, to both questions.</p>
<p><b>17.</b> Regarding Section IV-E.B, 5th bullet down (page 28 of the RFP): (Vendor will be required to have constant communication with Exchange Planning Division by email, telephone (cell and LAN phone), and conference call.) We assume by “LAN phone” you mean “land line telephone” – are we correct? If not, could you explain the meaning of a “LAN phone”?</p>	<p>This is correct.</p>
<p><b>18.</b> Section 1, page 1: This section states that the contract will be effective April 12, 2012 through August 11, 2012; however, some of the requested services in Section IV G.1 page 29 appear to extend beyond August 11, 2012 (e.g., RFP response assessment, ongoing project management documents for Glide Path to Certification).</p> <p>What is the State’s anticipated timeframe for these services?</p>	<p>See #12.</p>
<p><b>19.</b> Is the State seeking a full-time onsite presence from the selected contractor beyond August 11, 2012?</p>	<p>No.</p>
<p><b>20.</b> Is the State seeking costs for these services and, if so, should we provide a fixed-fee cost or will these services be provided on a time-and-materials basis?</p>	<p>The State would expect a fixed-fee cost.</p>
<p><b>21.</b> Section 1, page 1: Please clarify the term “continued planning” from the definition of the scope of the RFP. Is this work an extension of previous procurement(s) or is this an entirely separate procurement?</p>	<p>Yes, this is a continuation of work on a large scale project. Previous work is available on the NDOI website at:</p> <p><a href="http://www.doi.ne.gov/healthcarereform/exchange/Health_Insurance_Exchange_Planning.pdf">http://www.doi.ne.gov/healthcarereform/exchange/Health_Insurance_Exchange_Planning.pdf</a></p>

Questions	Answers
<p><b>22.</b> Section IV E.1d, page 27: Would the State consider a team approach to meeting the full- time onsite requirement, provided that at least one senior member of our team would be onsite at any given point during the contract period?</p>	<p>Yes. We intend to provide maximum vendor flexibility for this requirement.</p>
<p><b>23.</b> Section IV E.2e, page 27: Does 'constant communication' required by the Vendor with the Exchange Planning Division fall within the traditional business work day (8am to 5pm) or extend beyond those hours?</p>	<p>Yes, there is no expectation of weekend communication, or communication outside of normal business hours of 8-5 CST.</p>
<p><b>24.</b> Section IV G.1, pages 28-29: Some of the services requested in <i>Section IV C</i> (Scope of Work) are not listed in the key activities and deliverables presented on page 29 (e.g., managing all grant administration activities, developing Exchange grant applications, developing a cost allocation methodology, and potentially developing more than one RFP).</p> <p>Since the RFP requests a total fixed price to perform all of the requirements of the RFP, how should we factor in costs for non-deliverable based work (e.g., managing grant administration activities) and deliverables that are not listed in the Key Activity and Deliverable table provided in Section IV G.1 (e.g., developing Exchange grant applications)?</p>	<p>Please refer to page 29, under deliverables schedule information. The State explains the terms of the deliverable schedule. These are required deliverables, but the bidder must propose the schedule that works best for them. The schedule is blank in order to provide maximum flexibility for the bidder. For items under "Required Skills and Expertise", these vendor qualifications are not deliverables per-se but they are understood expectations for any bidder that would be considered required for the project. This was structured this way for administrative ease and these basic contractor tasks that should be regularly expected as part of the basic performance of the contract. This section differs from bullets 1-5 on page 25, as those are directly tied to payment deliverables.</p>
<p><b>25.</b> To help ensure an "apples to apples" comparison among proposals, would the State please provide an estimate of the total number of RFPs and grant applications to be developed by the selected contractor?</p>	<p>Please refer to page 24, under RFP #1; it says "bidder will include proposed approach to RFP development". Grant applications would be limited to one.</p>
<p><b>26.</b> General Question: Is the State currently working with external consultants to provide HIX-related services? If so, are these firms eligible to propose on this work?</p>	<p>No, the State is not working with any consultants currently on this project. Firms that previously worked with the Department would be eligible to submit proposals.</p>

Questions	Answers
<p><b>27.</b> Under Section I. Scope of the Request for Proposal, the following RFP narrative and questions are respectfully submitted:</p> <p>The qualified contractor will assist the State in developing multiple request for proposals, assist with project management, assist with grant administrative functions, facilitate inter-agency working groups, assist in the glide path to federal certification, develop potential exchange funding grants, develop cost allocation methodology between Department of Health and Human Services Division of Medicaid and Long term care and the Department of Insurance, participate in user group discussions, monitor federal regulations and changes to regulations, align advanced planning documents with exchange planning goals, track the progress of other state implementations, provide technical and quality review of NDOI request for proposal bids , between state agencies, development of stakeholder feedback documents and other related Exchange ancillary functions. Bidders must bid on all components of the RFP.</p> <p>In the paragraph above, the State is requesting the bidder to develop “multiple requests for proposals”; however, Key Deliverable #8: “Health Insurance Exchange Request for Proposal Document” implies there is one (1) RFP. Please clarify.</p>	<p>Please refer to page 24, under RFP #1; it says “bidder will include proposed approach to RFP development”. The implication is for example of deliverable deadline only. Please refer to page 29, under deliverables schedule information. The State explains the terms of the deliverable schedule. These are required deliverables, but the bidder must propose the schedule that works best for them. The schedule is blank in order to provide maximum flexibility for the bidder.</p>
<p><b>28.</b> A contract resulting from this Request for Proposal will be issued for a project of five (5) months effective April 12, 2012 through August 11, 2012.</p> <p>It is not clear what the expectations are for post-implementation support. Could the State provide more details on expectations in this area?</p>	<p>See #12</p>

Questions	Answers
<p><b>29.</b> Under Section III. Terms and Conditions; Section B. Award, the following RFP narrative and questions are respectfully submitted:</p> <p>Please refer to Appendix B for Nebraska Department of Insurance standard contract clauses.</p> <p>Where can bidders find Appendix B?</p>	<p>The standard contract clauses are already included in the agency RFP boilerplate. The reference to appendix B is an oversight.</p>
<p><b>30.</b> Under Section IV. Project Description and Scope of Work, Sub- section C. Additional Required Tasks, the following RFP Narrative and questions are respectfully submitted:</p> <p>iv. Qualified vendors will be expected to confirm that Advance Planning Documents (APD) and Planning Advance Planning Documents (PADP) are aligned with Exchange development goals and Exchange developmental documents to correctly facilitate planning and design in relation to coordination of program integration efforts. Evaluation of said documents should confirm that processes are aligned and satisfactory in regards to federal compliance standards. Recommendations and solutions for remedy are required if processes are not probably aligned (if applicable.)</p> <p>Q. What, if any, APDs (e.g. PAPD/PAPD-U; IAPD/IAPD-U) have been submitted to CMS and for what scope of work? Have any of the submissions been approved?</p>	<p>Work regarding APDs is currently a function of NE DHHS Division of Medicaid. The NDOI cannot comment on Medicaid agency activities at this current time.</p>
<p><b>31.</b> Would the State please provide information on the systems used by the Department of Health and Human Services as the MMIS and the eligibility determination system? (Developer of system, year of implementation, who manages the system)</p>	<p>The information related to Nebraska’s DHHS IT infrastructure in the report may be viewed at:</p> <p><a href="http://www.doi.ne.gov/healthcarereform/exchange/Health_Insurance_Exchange_Planning.pdf">http://www.doi.ne.gov/healthcarereform/exchange/Health_Insurance_Exchange_Planning.pdf</a></p>

Questions	Answers
<p><b>32.</b> Would the State please provide information related to the systems utilized by the Department of Insurance for Exchange related functions, i.e. plan approval and rate reviews? (Developer of system, year of implementation, who manages the system)</p>	<p>For plan approval and rate review the State of Nebraska uses SERFF. The State uses another program for rate review that is a web based tool. SERFF is managed by the NAIC and it was implemented in 2005. The web based tool is managed by Untra in conjunction with SERFF, and was implemented in 2011.</p>
<p><b>33.</b> Cover sheet and procurement website both indicate questions are due by Saturday, March 24. Schedule of Events on page 1 indicates questions are due by March 20, with State responses posted on the website by March 24. Please clarify. If this is the schedule, is it possible to call for questions by an earlier date so that bidders can get responses sooner than 3 days prior to the submittal date (March 27)? Alternatively, would DOI consider accepting proposals electronically rather than requiring hardcopies (which would allow bidders additional time to factor NDOI question responses into their final bids, while eliminating the time required to prepare and deliver hardcopies)? We understand that NDOI has an aggressive time frame for this work, and wish to make the most efficient use of everyone's time.</p>	<p>See #3</p>
<p><b>34.</b> Under Section IV, project description and scope of work, it states that "The bidder must provide the following information in response to this Request for Proposal". Are bidders required to response to subsection A – Project Environment?</p>	<p>No.</p>
<p><b>35.</b> Does DOI have an idea as to the number of inter-agency working groups (NDOI and NEDHHS) and meetings that will require facilitation so that bidders can better estimate their time/resources/costs for this work.</p>	<p>There is no estimate at this time, but bidder should assume that working group meetings would be ongoing throughout the development of the RFP(s), and that they would occur multiple times throughout the work week during the duration of the project.</p>

Questions	Answers
<p><b>36.</b> Please provide an estimate of the number of user group and stakeholder discussions that will be required, so that bidders can estimate the time/resources/cost for this.</p>	<p>User group discussions are generally initiated by the federal government, so the amount of discussions varies. Generally, there have been 4-5 user group calls per month. For stakeholder discussions, it is hard to estimate the amount of required meetings, but it safe to assume, that there will be numerous discussions, as the NDOI highly values stakeholder input in the planning and design process.</p>
<p><b>37.</b> Will achieving federal certification impact NDOI approval of final completion of this work? [In other words, if there is a delay at the Federal level, how does that impact the contractor?]</p>	<p>No, achieving federal certification is not a requirement of this particular contract. Rather, this contract is to prepare, if necessary and if the policymakers so deem to do so, the documents and RFPs and other ancillary work to prepare for the creation of an exchange. It is expected that the winner of this contract(s) will comply with all laws and regulations when creating said RFPs ensuring that the bid winners for those particular contracts are in compliance for purposes of certification.</p>
<p><b>38.</b> Can DOI please clarify responsibility for preparing the APD and PADP documents (see page 26, 4th bullet under “Additional Required Tasks”).</p>	<p>SERVIS and CALT are federal software web portals. Access can be granted to State contractors for use during the project duration. Nebraska’s State CALT/SERVIS officer can grant access. No software, sophisticated hardware, or data communications capability is required of the bidder. Bidders will need a personal computer to access SERVIS/CALT.</p>
<p><b>39.</b> Under “D. Technical Requirements”, page 27, 5th bullet, what is meant by the term “assessments” in the statement “Previous experience and expertise in development of similar assessments”?</p>	<p>In this context, assessments are used as a synonym for project.</p>
<p><b>40.</b> Is there a set timeframe that NDOI will require for review of draft deliverables?</p>	<p>See #27.</p>
<p><b>41.</b> Can DOI describe how the bidder’s response will be scored, e.g., the point value of various proposal sections and the total potential score for bids.</p>	<p>Per page 5, section J; evaluation criteria will become public information at the time of the Request for Proposal opening.</p>

Questions	Answers
<b>42.</b> Will the State provide a list of firms who submit questions for this RFP?	Per page 5, section J, list of respondents will become public information at the time of the Request for Proposal opening.
<b>43.</b> Has the State determined a target budget for this scope of work?	No, the State is currently operating the Exchange planning division under a \$5,400,000 million dollar federal grant.
<b>44.</b> Would the State consider reducing the performance bond to less than 100% of the contract value?	The State cannot reduce the performance bond.
<b>45.</b> Could the State provide guidance and/or suggestions as to the desired make-up of the project team (size, roles, job categories, etc.)?	No, this is part of the bidder's proposed approach to the project.
<b>46.</b> Does the State envision options to extend the work beyond the stated five (5) month time frame?	See #12
<b>47.</b> Is there a page limit to the RFP response?	No.
<b>48.</b> Is there a font size limit to the RFP response?	No, but the NDOI prefers 10-12 pt. font size.