ADDENDUM TWO

DATE: October 4, 2012

TO: All Vendors

FROM: Mary Lanning & Michelle Musick, Buyers
State Purchasing Bureau

RE: Questions and Answers for RFP Number 4119Z1
to be opened October 15, 2012, 2 PM Central Time

Following are the questions submitted and answers provided for the above mentioned Request For Proposal. The questions and answers are to be considered as part of the Request For Proposal.

QUESTIONS	ANSWERS
1. **Proposal Due Date Extension** – We request a two week extension to the proposal due date of October 15. The reason for this request is to provide adequate to review the responses to the Second round of questions and incorporate into a proposal response?	Due to short federal timelines the State cannot delay the proposal due date.
2. **SAAS Solution** – Would the State consider a SaaS solution as that would reduce the project implementation timeline and thus project risks associated with the aggressive Federal deadlines?	The bidder may only submit SAAS components that relate directly and solely to the Insurance Exchange functionality. All functionality that is shared or in any way related to the shared Medicaid functionality or underlying shared system must be a COTS component or solution. Any SAAS component or functionality related to Medicaid, Medicaid functionality, or an underlying system that Medicaid will utilize cannot be SAAS and will not be considered per the Mandatory Requirements in Appendix A.

QUESTIONS	ANSWERS
3. Federal Schedule Relaxation – Given the aggressive Federal deadline of January 1, 2014 and earlier certifications, do you intend to request an exception or timeline extension from CMS?	The timeline set in federal statute is not eligible for an extension from CMS.
4. Liquidated Damages/Penalty/Retainage/Performance Bond/Time of Essence – Would the State consider relaxing or removing the Liquidated Damages/Penalty/Retainage/Performance Bond/Time of Essence requirements given the aggressive Federal deadlines, anticipated project start of November/December 2012 and the current RFP implementation approach?	Addendum One, dated September 25, 2012 was amended in the answer to Question 53 to reflect the following: The SLAs/KPIs submitted with the proposal will become the binding agreements, and indicators. Bidders that do not propose KPIs and SLAs will be held to the suggested KPIs and SLAs included in the RFP. The State will not to change Penalty, Retainage, Performance Bond, or Time of Essence requirements.
5. II.G.4 Paragraph II.G. (SUBMISSION OF PROPOSALS) states, "Proposals must reference the request for proposal number and be sent to the specified address." The address for the State Purchasing Bureau is specified, yet no delivery methods are specified. Are FedEx/UPS/USPS shipments allowed? Is hand-delivery of the proposal allowed?	FedEx, UPS, USPS and hand delivery are all acceptable delivery methods but the RFP responses must be received in the State Purchasing Bureau by October 15, 2012, 2:00 P.M. Central Time.
6. F1.; Table 3; Page 44 This table speaks about the Call Center Telephony system and indicates that: "Solutions that easily integrate with the States existing Call Center Telephone System will be given preference" Please provide details about what components of the telephony system are available for the vendor to use – e.g., IVR, ACD, Voice Message, Call Recording, Workforce Management, etc. Please also provide a description of the products including the manufacturer and software version.	There are no components of the State's telephony system that are available for the vendor to use. The bidder's proposed call center must be a stand-alone system, but shall be able to facilitate warm transfers to ACCESSNebraska (a call center on the State's telephony system). The State's IVR system is Avaya MPS 500, ACD system is Avaya CS1000, and utilizes a customized version of the Avaya Contact Center solution for Call Center applications.

QUESTIONS	ANSWERS
7. Page 57, Section H.2 states “The bidder’s proposal must include a brief narrative describing the overall approach to the bidder’s Exchange organization and staffing including subcontractor(s), which addresses the entire scope of work to be performed. Maximum page limit is three (3) pages”. Are the organizational charts excluded from the 3 page maximum limit for this section?	Yes, charts are excluded as the page limit of three (3) only applies to the narrative.
8. Page 58, Section 4 states “Key Personnel shall meet or exceed the qualifications and experience or equivalent outlined in the table below” This language conflicts with table title “Recommended Qualifications”. Are the qualifications listed in Table 7 required to be met or exceeded or are the requirements recommendations only?	Key Personnel shall meet or exceed the qualifications and experience or equivalent outlined in the RFP.
9. RFP Section IV.J.3 states that “the bidder should provide a table listing each of the PMP subcomponents (below), an indication that the bidder understands what is required to develop the component, and any clarifying comment about each component.” One of those subcomponents is DD&I, whose description reads: “In the proposal, the bidder must provide a table listing each of the below listed subcomponents, an indication that the bidder understands what is required to address the component, and any clarifying comment about each component.” Is the RFP asking for a table within a table, or should the DD&I table reside elsewhere?	The DD&I Table can be provided separately from the table. The State is not requiring the table be within the other table.

QUESTIONS	ANSWERS
10. Please provide clarification on the solution. Is it the State's intention to own the hardware procured for this solution and deploy it in the state's data center OR have the solution hosted in a data center? If the former, will the bidder be able to obtain information on the State's data center capabilities and specifications? Does the state intend to assume all monitoring and maintenance of the hardware once installed in the State's data center? If the latter, will the bidder be expected to host the solution for a period of time and then migrate the solution to the State's data center over time? Does the State realize that if the solution is to be hosted, pricing for the migration to the State's data center may inflate the cost?	The State's intention is to own the procured hardware and the primary location would be in a data center located at the State, but would consider having it hosted at a bidder's data center until some future date when it would be migrated to State's data center. The State can provide requested data center capabilities and specifications. The State intends to monitor and maintain hardware as the long-term goal, but may require initial assistance in the monitoring and maintenance of the hardware, depending on the hardware that is implemented. Yes, the State does understand the cost to migrate to the State's datacenter may impact the cost.
11. The RFP states (on page 24) that the Nebraska Exchange Solution should be designed, developed and implemented in a manner that should leverage, when possible, its existing infrastructure. Can you please list those elements of existing infrastructure that you would recommend that vendors take a strong look at?	All elements of the existing infrastructure are addressed in the RFP.

QUESTIONS	ANSWERS
12. As a guiding principle for the project and in an effort to reduce project risk, we are considering a separation of this project deliverables into two phases. The first phase shall consist of those activities absolutely critical to Exchange Launch. The second phase shall consist of those activities that are part of the Exchange but that may be legitimately deferred to a post-launch phase without any material negative effects. We believe that such separation is an important lens to simultaneously act on the demanding timelines while managing a number of unknowns. Would NDOI recommend such an approach, or do you insist on all project deliverables being delivered prior to Exchange launch?	The State will consider deliverable approaches proposed by the bidder.
13. Cost development for this proposal is somewhat complicated by the uncertainty surrounding the state's potential desire to participate in the FFE. While it is possible that you may wish to operate your own state Exchange by Jan 1, 2014, but it is also possible, according to the RFP, that you may default to the FFE for year one and operate a state Exchange by Jan 1, 2015. We would suggest that this scenario be addressed by providing you two separate options for a price proposal -- one assuming that the state launches by Jan 1, 2014 and the other, assuming that the state launches by Jan 1, 2015. Would you recommend this approach? Do you have any alternative suggestions? If you recommend the option, we would plan to submit two cost sheets for the two options as part of our proposal.	The State requires one cost proposal sheet per proposal response. The mention of the FFE is only included because CMS may decide beyond the State's decision to require an FFE for a short duration.

QUESTIONS	ANSWERS
14. Page 27 of the RFP states that "The bidder should propose a solution that meets all of the state's desirable requirements and is consistent with the standards and requirements outlined in this RFP". As a guiding principle for timely completion of project deliverables, we believe that certain desirable requirements may be safely deferred to a post-launch phase. While we do not seek the state's assent or opinion on whether a particular requirement may be deferred, we'd like to solicit your feedback on whether a carefully selected subset of requirements may be deferred safely to a post-launch phase, or if the state's position is that every desirable requirement needs to be met pre-launch.	See answer to Question 12
15. The ACA mandates QHP's include pediatric dental care and allows standalone Dental Plans that cover the pediatric dental care requirements. However, the ACA has no eligibility requirements or rules regarding Dental Plans in general. Could NDOI please clarify whether the Dental Plan requirement mentioned on page 32 of the RFP ". Determine eligibility for Qualified Health Plans (QHP) and Dental Plans based on potential eligibility" is intended to apply only those pediatric requirements mandated by ACA? Or is there a desire to have a separate requirement, to be described by NDOI, for dental plans more broadly?	This is intended to apply only to those pediatric requirements mandated by ACA.

QUESTIONS	ANSWERS
16. The state's decision on whether it intends to go-live on Jan 1, 2014 or default to the FFE can have significant impact on project assumptions and unknowns. By way of example, on page 32, the RFP requires the Exchange to coordinate with NE-DHHS to ensure "multiple right doors" for consumers. It is our experience that this requirement may be interpreted in narrow or broad ways and depending on the interpretation, implementing such coordination would require multiple design cycles. If the state decides ultimately to implement the Exchange by Jan 1, 2014, does the state see it as being in its best interest to reserve for itself the ability to interpret this requirements in a manner that optimizes its ability to go-live in a compliant fashion?	The State does see it as being in its best interest to reserve for itself the ability to interpret this requirement in a manner that optimizes its ability to go-live in a compliant fashion.
17. Certain aspects of implementing the Exchange are subject to changes in scope, given that guidance from CCIOO is not complete. In such instances, it becomes difficult for a bidder to precisely estimate costs and a project plan -- the bidder is necessarily required to make educated judgments. When we make such judgments, we plan to state our assumptions and qualifiers to such open items as part of our cost submission and our project plan. Does NDOI have any objections to such an approach?	The State requires fixed cost proposals regardless of the uncertainties in federal regulation and guidance. Assumptions and qualifiers are acceptable as long as they do not cause a deviation from the fixed cost proposal.
18. On page 34 the RFP lists a variety of required environments. A COTS approach often allows a developer to consolidate these environments, will the state accept a solution which consolidates these environments in the interests of efficiency, if functionality and security are preserved?	Yes.

QUESTIONS	ANSWERS
19. On page 34 of the RFP, the state requests that the Exchange offer shared Business Rules functionality, would the state be satisfied with an approach which uses a service that limits sharing to the needs of the client rather than allowing the client to come through the full Exchange solution?	The State requires a shared business rules engine that can be utilized by both NDOI for MAGI determinations of QHPs, and assessments of Medicaid. Additionally, NE-DHHS must be able to access the shared business rules engine in order to make eligibility determinations for Medicaid based on MAGI, as well as use for redeterminations and assessments.
20. We would appreciate an elaboration of your requirements discussing how notifications and content management need to be accessible by external services. we understand the need for the document management system to be accessible by web services. However, the language of page 34 leaves some ambiguity as to whether something more is required.	The requirement is intended to provide for a solution that is useable by multiple state agencies in order to meet the regulatory requirements of the ACA. The State is open to other proposed solutions besides the web services.
21. On page 35 the state requires the contractor to support and participate in the ELC reviews with CMS/CCIIO, including travel to CMS/CCIIO headquarters. Such support has significant cost implications and we would like to understand this better. Is it the state's position that the state will take responsibility for creating deliverables for ELC reviews that are not part of the contractor deliverables, or are you expecting bidders to create such deliverables?	After contract award, the contractor must create the ELC deliverables for the ELC reviews with CMS/CCIIO. The State will work with the contractor to ensure the deliverables are State specific, but the contractor will have responsibility for the deliverable.
22. Page 35 of the RFP requires contractor to develop a Safeguard Procedures Report(SPR), Safeguard Activities Report(SAP), Corrective Action Plan(CAP) and System Security Plan(SSP), with the SPR produced six months before the go live date. Is the state taking responsibility for these or planning to offer additional support to contractor in order to produce these, or is this solely a contractor responsibility?	The State will work with the contractor to ensure the deliverables are state specific, but the contractor will have responsibility for the deliverable.

QUESTIONS	ANSWERS
23. Page 40 of the RFP references data sharing between the Exchange and Medicaid, the Exchange and the Federal Data Hub and in other places to data sharing between the Exchange and agencies. Could the state please elaborate? Specifically, we seek a listing of systems, agencies and business processes the states sees as being linked in this manner. We also seek to understand if your requirements in this regard exceed ACA mandates in any way.	NDOI requirements do not exceed the ACA mandates. The data sharing required between the Exchange and agencies is outlined in the applicable federal regulations for the Exchange that relate to data exchange, compliance, and reporting.
24. Is the State indicating that the web service for Medicaid eligibility screens, p.40 of the RFP, will be available to the Exchange by April 2013?	No. The NDOI does not have information regarding the availability of Medicaid Eligibility Screens.
25. On page 41 the State talks about the system of record for the Exchange and for Medicaid. Is it the state's position that the system of record for the Exchange and Medicaid will be shared? A principal design and project management issue here is that the sharing of systems of record between two large systems has the potential to introduce significant project risk. An alternative, potentially less risky approach is for the Exchange to be the system of record for all Exchange programs -- but thereafter be required to promote data needed to broader state-wide systems. Does the state have an opinion or clarification on this issue? Would the state consider both approaches, subject ultimately to a decision that reduces project and cost risk?	The States position is that the Exchange is to be the system of record for all Exchange programs where applicable. Thereafter the Exchange will be required to promote data needed to broader state-wide systems. Additionally, insurers will remain the system of record for other Exchange related functionality such as individual market premium billing.
26. Would the state be open to a project management calendar that implements Data Warehouse functionality in a future phase, rather than at the go live date, but no later than within the first 6 months after launch?	The State will consider proposals that stagger data warehouse functionality as long as the required data element components of implementation effort are compliant with federal certification standards.

QUESTIONS	ANSWERS
27. Page 46 of the RFP lists a number of interfaces between the Exchange and Medicaid Eligibility systems. Finalizing these interfaces would require extended lead times, would the state be open to solutions that initially handled these interfaces manually and implemented automated actions/updates in the future? We're particularly interested in whether the state has flexibility in this regard in the event of a Jan 1, 2014 launch.	The State seeks a solution that fulfills and satisfies federal regulatory requirements. However, the State will consider other proposed approaches meeting the current initial January 1, 2014 compliance date as long as those approaches meet federal regulatory requirements.
28. The RFP states on page 46 that NE-DHHS is just procuring the Eligibility System, can the State confirm that the vendor of that solution will be available to finalize specifications by February 2013 and will meet all deadlines so as not to impact the October 2013 go-live date of the Exchange? Assuming such is not the case, will the state be open to an approach that implements MAGI eligibility only independently in the Exchange and thus reducing overall project risk? If not, can the state elaborate on any other approaches to mitigation of project risk?	The State is unable to confirm as to when the specifications will be finalized. The State is open to solutions that satisfy federal regulatory requirements only.
29. Page 47, b RFP: Will the state be able to work with the Exchange to provide data needed to verify Native American/Alaska Indian status in time for implementation testing by June 2013? If not, is it an acceptable approach to defer such testing until such time this data is available? If not, can the state offer any other guidance?	No, the State is unable to provide this data at this time and is unable to speculate as to when the data will be available. Native American/Alaska Indian status may require paper verification initially until data is available.
30. On page 16 the State requires a performance bond of 15% of contract amount valid for the life of contract to include any renewal and/or extension periods. Can the state clarify that this should cover the period of optional renewals of years 2019-2029?	The performance bond requirement as stated in the RFP applies to the life of the contract and any renewal or extension periods. The performance bond may be issued on an annually renewable basis ensuring there will be no lapse in coverage.

QUESTIONS	ANSWERS
31. On page 42, Will the state procure its own stand-alone accounting system to manage Exchange accounting functions? We are assuming that the Exchange solution to support the data generation of invoicing, premium and fee collections, and disbursements in a loadable format (.CSV or .XLS) for the State to load to its accounting system.	The RFP includes the requirements for a stand-alone accounting system to manage the Exchange accounting functions. The Exchange accounting system will be part of the Exchange solution but must be able to interface with the State's accounting system.