

## ADDENDUM TWO

**DATE:** July 11, 2013
   
**TO:** All Vendors
   
**FROM:** Michelle Musick, Buyer
   
 State Purchasing Bureau
   
**RE:** Questions and Answers for RFP Number 4425 Z1
   
 to be opened July 24, 2013

Addendum to RFP, page 25

Under IV B. Project Environment, the following is hereby amended and replaced with

4. MLTC is developing the Long-Term Care Managed Care program that will provide long term services and supports in the home/community setting or nursing facility to Nebraska Medicaid enrollees. The Long-Term Care managed care initiative is expected to manage physical, behavioral, and dental health services, as well as long-term care services required by the client.

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
<p>1. Page 25, Section IV.A - This section indicates that the price for each Scope of Work (SOW) project must be included in each year of the initial period. Form B of the Cost Proposal includes shaded boxes in the initial years that appear to indicate prices are not required for certain SOWs during certain years of the initial period. Can the State please confirm what is expected to be included in Form B in each year of the contract?</p>	<p>The RFP is amended to read on Page 25, Section IV.A: Proposed pricing for each Scope of Work project below must be included in accordance with Form B of the Cost Proposal. A price is not required for shaded boxes.</p>

QUESTIONS	ANSWERS
<p>2. Page 26, Section IV.B - The State indicates several current waiver populations that are expected to be included in the Long-Term Care Managed Care program (LTC MC). Will the State use 1915(b)(c) or 1115 waiver authority for LTC MC? Has the waiver application been filed with CMS and can it be shared with bidders? If the waiver application has not yet been filed, can the State provide an outline of the program including services covered, populations covered, eligibility criteria and any other relevant policy decisions that have been made to this point?</p>	<p>The State plans to use 1915(b)/(c) concurrent waiver authorities. Amendments to existing (b) and (c) waivers have not filed with CMS. This is a link to existing waivers: <a href="http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/Waivers.html?filterBy=nebraska">http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/Waivers.html?filterBy=nebraska</a></p> <p>Please note the 1915(c) waivers included in LTC MC are “NE HCBS for Aged &amp; Adults &amp; Children w/Disabilities” and “NE TBI”.</p> <p>Policy decisions made to this point are included in the RFP and in the addendum to the RFP below.</p>
<p>3. Page 26, Section IV. - The State indicates that services will be delivered through a shared risk MCO model. Please elaborate on the options being considered for shared risk.</p>	<p>The shared risk model has not yet been finalized. MLTC may solicit the actuarial consultant’s opinion on risk sharing arrangements that optimize the program’s goals.</p>
<p>4. What Actuarial Firm is the incumbent for the previous contract?</p>	<p>There is no incumbent Actuarial Firm. This is the first RFP and contract for this program.</p>
<p>5. Can you provide the level of compensation under the prior contract?</p>	<p>See the answer to question #4.</p>
<p>6. Are any prior actuarial interim or final reports available for review? If so, how can we request those reports?</p>	<p>See the answer to question #4.</p>
<p>7. The RFP seems to request Corporate references related to the company in addition to individual references for key personnel included in the work plan. Is it the intention of the State to have at least three references for Corporate in addition to at least three references for each key personnel?</p>	<p>Yes, it is the intention of the State to have at least three references for Corporate in addition to at least three references for each key personnel member. The Corporate reference must be listed for each narrative project description as outlined in Section V.A.3.h. (Summary of Bidder’s Corporate Experience) found on page 33 of RFP. The references for Corporate and key personnel may be from the same entity.</p>
<p>8. What are the names of the bidders that provided questions related to the RFP 4425Z1?</p>	<p>In order to protect the integrity of the RFP process, the State will not comment on who provided questions during the question and answer period.</p>
<p>9. Why is an RFP being released at this time?</p>	<p>The State plans to develop and implement managed long-term care services. Actuarially sound capitation rates must be developed.</p>

QUESTIONS	ANSWERS
10. Can the State make available the winning proposal the prior time this contract was awarded?	See the answer to question #4.
11. What are the estimated hours per year by scope of work (SOW) to provide the services included in SOW 1 - 3?	Bidders are expected to determine the number of hours per year required to complete SOW 1-3.
12. Confirm SOW 1 - 3 are to be proposed on an annual fixed fee basis by SOW for each of the five years of the potential contract period, and that the fixed fee can vary by contract year. For example, a rebasing year may include more hours (and therefore more fees) than an adjustment year. Or is the fixed fee to be proposed for the entire three (or potentially five) year period?	SOW 1-3 are to be proposed on a fixed fee basis for each year as listed on Form B, Cost Proposal.” The years which are shaded on Form B do not require a cost proposal.
13. Confirm SOW 4 is to be proposed as an hourly rate per consultant.	SOW 4 is to be proposed as an hourly rate for each staff position expected to complete special consulting projects.
14. Who is the current vendor who provides these services?	See the answer to question #4.
15. When does the current contract for these services expire?	See the answer to question #4.
16. Is the current contract for these services on an hourly or fixed fee basis?	See the answer to question #4.
17. What were the hours and fees for the past three years for this contract?	See the answer to question #4.
18. How has the scope of work changed from the current contract to the proposed scope of work?	See the answer to question #4.
19. Confirm that physical and mental health capitated rate setting actuarial services are not included in the SOW.	Physical and behavioral health capitated rate setting actuarial services are not included in the SOW. However, physical and behavioral health services will be a part of the benefits package of managed long-term care. See below, Addendum to RFP under IV B. Project Environment, #4.
20. If physical and mental health capitated rate setting is not included in the SOW, who currently performs these services?	The link to this information is located at <a href="http://das.nebraska.gov/materiel/purchasing/4191.htm">http://das.nebraska.gov/materiel/purchasing/4191.htm</a>

QUESTIONS	ANSWERS
<p><b>21.</b> Explain if/how the long term managed care program is expected to integrate with the physical and mental health managed care program over the next few years. Is there an intention to expand integrated programs such as PACE and/or long term care managed care? If so, what is the timeline for the expansion?</p>	<p>See below, Addendum to RFP under IV B. Project Environment, #4.</p> <p>The State expects to implement long-term managed care and is open to expanding the PACE program as providers submit applications.</p>
<p><b>22.</b> How many in-person meetings are anticipated with the consultant? What is the anticipated frequency of phone or web meetings?</p>	<p>The number of in-person meetings and frequency of phone or web meetings will be dictated by the work. It is anticipated six to eight in-person meetings over the initial three year contract period and up to two meetings per month via phone or web.</p>
<p><b>23.</b> Please provide a list of current MCOs or HIOs operating in the state Medicaid program so we can confirm there is no conflict of interest.</p>	<p>Current physical health managed care health plans are identified at the following link:  <a href="http://dhhs.ne.gov/medicaid/Documents/PB1215.pdf">http://dhhs.ne.gov/medicaid/Documents/PB1215.pdf</a></p> <p>The current behavioral health managed care health plan is identified at:  <a href="http://dhhs.ne.gov/medicaid/Documents/pb1332.pdf">http://dhhs.ne.gov/medicaid/Documents/pb1332.pdf</a></p>