

# Nebraska Department of Health and Human Services

Nebraska Medicaid Claiming | RFP 110145 03

Cost Proposal

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## TABLE OF CONTENTS

Cost Narrative .....	1
110145 03 Attachment 4 .....	2

## COST PROPOSAL

### Cost Narrative

Public Consulting Group LLC (PCG) is pleased to submit our price proposal for **Nebraska Medicaid Claiming** to the Department of Health and Human Services (DHHS). We have reviewed and carefully considered the costs associated with providing the project requirements in the RFP. PCG understands the challenging financial environment facing Nebraska school districts and school districts across the country and the corresponding fiscal pressure imposed upon Nebraska school districts to continue to “do more with less.” As this is a revenue-generating project for the Nebraska school districts, we recognize the importance of maintaining efficient and effective processes and operations. We were disappointed that our bid to partner with DHHS on this engagement was not selected in 2017. We have worked hard to make our pricing as competitive as possible as part of continuous efforts to improve the efficiency of our PCG Claiming System and procedures for processing MAC and Annual Cost Settlement claims and payments. As we have mentioned in this RFP, we have an extensive list of projects in Nebraska currently which allows us additional efficiencies which are reflected in our proposed price as well. In addition to the scope of work in this RFP, we also believe our core competencies in public sector arena can bring mutual benefits to both entities. These factors allow us to offer a reduction in fees over our previous bid in 2017.

### Pricing Terms Summary

PCG is offering the following advantageous terms to DHHS as summarized below.

- ▶ We are offering a price at the same annual fixed rate for the initial three years of the contract even though there is a perpetual increase of costs that we that will incur from year to year.

#### Annual Fixed Rate

<b>Random Moment Time Study:</b>	\$100,000.00
<b>Medicaid Administrative Claiming:</b>	\$100,000.00
<b><u>Annual Cost Report and Settlement:</u></b>	<u>\$125,000.00</u>
<b>Total:</b>	<b>\$325,000.00</b>

- ▶ Our proposed price is over **25%** less than the annual price currently being paid by DHHS to your existing vendor.
- ▶ Our fixed fee structure allows DHHS to claim the 50% FFP from the federal government, thus reducing the net cost to the state of Nebraska.
- ▶ Costs in these areas include the audit, communication, documentation, helpdesk, start-up, system, and training supports associated with all deliverables.

As requested in the RFP, we have completed and included **110145 O3 Attachment 4** on the following page. This details our annual pricing over the initial three years of the contract.

<b>Bidder Name: Public Consulting Group LLC</b>				
The Contractor shall be compensated based upon the terms and conditions set forth in Section. IV, Payment. Method of compensation shall be quarterly based upon the DHHS' approval of deliverables required under Section. V., Project Description and Scope of Work, Subsection J, Deliverables. Payments shall begin upon the contract start date and will be based upon the contracted amount as indicated on the Cost Sheet. Payments shall be distributed equally every quarter, pending submission of invoice upon approval by DHHS.				
<b>MIPS/Administrative Claiming Deliverables</b>	<b>Cost Per UOM Year 1</b>	<b>Cost Per UOM Year 2</b>	<b>Cost Per UOM Year 3</b>	<b>Total Cost</b>
Development and maintenance of Random Moment Online System	\$ 18,500.00	\$ 18,500.00	\$ 18,500.00	\$ 55,500.00
Development and implementation of statewide Random Moment Time Study (RMTS)	\$ 71,000.00	\$ 71,000.00	\$ 71,000.00	\$ 213,000.00
Development and maintenance of Cost Reporting Online System	\$ 32,500.00	\$ 32,500.00	\$ 32,500.00	\$ 97,500.00
Cost settlement amount for each school provider annually	\$ 42,000.00	\$ 42,000.00	\$ 42,000.00	\$ 126,000.00
School provider-specific interim rate methodology				\$ -
Interim rates for each school provider annually				\$ -
Quarterly RMTS updates				\$ -
Quarterly cost reports	\$ 89,000.00	\$ 89,000.00	\$ 89,000.00	\$ 267,000.00
Development of quarterly cost report outcomes				\$ -
Annual cost reports	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00	\$ 108,000.00
Monthly RMTS and Cost Report Help Desks Report				\$ -
School provider Audit Process and Plan	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00	\$ 108,000.00
Audit Process and Plan annual update				\$ -
Outreach materials				\$ -
Policies and Procedures Manual				\$ -
Start-Up Plan				\$ -
Closeout Plan				\$ -
Development and Maintenance of School Provider Manual				\$ -
School provider program newsletter				\$ -
Annual Training Plan				\$ -
<b>Total</b>	<b>\$ 325,000.00</b>	<b>\$ 325,000.00</b>	<b>\$ 325,000.00</b>	<b>\$ 975,000.00</b>

There may arise from time to time a need for work not originally specifically delineated in this RFP but considered within the scope of work. This additional work may stem from legislative mandates, emerging trends, and regulatory changes unknown at the time of the RFP. The State may request the contractor, subject to mutual agreement by both parties, to engage in short-one time special consulting projects, related to State benefit plans. The bidder should provide the hourly rate for each Staff position used to complete one-time special consulting projects in the following table. Please identify any additional Staff titles and their appropriate rates, which bidder believes may be used to complete said projects. All special consulting project costs must be based upon the hourly rates provided below per Section V, F. Project Planning and Management, 3. Consulting Work. Cost points will be calculated by averaging the hourly rates and multiplying by a quantity of 200 hours.

<b>Position Title</b>	<b>Hourly Rate</b>	<b>Identify as Employee or Subcontractor</b>
Project Manager		
IT Specialist(s)	\$ 185.00	Employee
Financial Analyst(s)		
Business Analyst(s)		
Communications Specialist(s)		
Administrative Assistant(s)		
Manager	\$ 320.00	Employee
Associate Manager	\$ 300.00	Employee
Senior Consultant	\$ 270.00	Employee
Consultant	\$ 225.00	Employee
Senior Advisor	\$ 250.00	Employee
Account Manager	\$ 178.00	Employee
Lead Business Operations Analyst	\$ 178.00	Employee
Claims Analyst	\$ 100.00	Employee