

# MEDICAID MANAGED CARE ACTUARIAL AND CONSULTING SERVICES

## REQUEST FOR PROPOSALS (RFP) 5868 Z1

STATE OF NEBRASKA  
DEPARTMENT OF ADMINISTRATIVE SERVICES

JULY 13, 2018

## COST PROPOSAL

## Table of Contents

Table of Contents .....	i
Attachment A Cost Proposal .....	1

## Attachment A Cost Proposal

### Attachment A Cost Proposal Request for Proposal (RFP) Number 5868 Z1

**Bidder is to complete and return this form with their Bid Submission.**

**Bidder is to provide a cost for each Statement of Work (SOW) and for each plan year shown with an "X".**

**BIDDER NAME: MERCER HEALTH & BENEFITS LLC**

As more thoroughly covered in our Technical Response, Mercer based our fixed cost/pricing amounts on the following factors per the RFP:

- Diagnostic-based risk adjustment (using the Chronic Illness and Disability Payment System (CDPS) or with pharmacy enhancements (CDPS+Rx) model) of the Heritage Health capitation rates was required to be included in SOW 1 pricing.
- The additional Policy and Financial Management Consulting Services was required to be combined in the SOW 2 pricing per the State's answer to question 17 in Addendum 2.
- The Department will provide valid and accurate data to support the work required in this RFP.
- The respective rating periods were specified by the State in the answer to question 5.
- Except for the "Capitation Rate Updates - Two (2) or more times per year" under SOW 1 and SOW 6, all other SOW pricing is predicated on the State paying the selected Vendor a quantity of one (1) unit (unless justification for more than one quantity) of the cost/prices submitted. If the State intends to award more than one unit of payment upon service contract award/purchase order for the other SOWs not indicated as EA (each), Mercer would have reduced our cost proposal based on that direction. SOW 8 is assumed to be available for special work/additional project work.

DESCRIPTION	Plan Year									
	January 2019 – December 2019		January 2020 – December 2020		January 2021 – December 2021		January 2022 – December 2022		January 2023 – December 2023	
<b>SOW 1 – Annual Capitation Rate Setting</b>										
Capitation Rate Methodology Development Determination	x	\$90,000	x	\$90,000	x	\$93,500	x	\$96,000	x	\$99,000
Rate Data analysis and Manipulation	x	\$95,000	x	\$95,000	x	\$98,000	x	\$101,000	x	\$104,000
Interim Reporting and other Deliverables for Rate Setting Functions	x	\$40,000	x	\$40,000	x	\$41,000	x	\$42,500	x	\$44,000
Capitation Rate Updates - Two (2) or more times per year	EA	\$30,000	EA	\$30,000	EA	\$30,000	EA	\$30,000	EA	\$30,000
Capitation Rate Finalization	x	\$20,000	x	\$20,000	x	\$20,000	x	\$20,000	x	\$20,000
<b>SOW 2 – Capitation Rate Rebasing – One (1) time for contract duration</b>	\$200,000									
<b>SOW 3 - 1915(b) Waiver</b>	x	\$38,000	x	\$7,500	x	\$39,500	x	\$7,500	x	\$40,500
<b>SOW 4 - PACE</b>	x	\$72,000	x	\$35,000	x	\$74,500	x	\$35,000	x	\$77,500
<b>SOW 5 – 1115 Waiver</b>	x	\$50,000	x	\$25,000	x	\$25,000	x	\$25,000	x	\$55,000
<b>SOW 6- Dental Rate Setting</b>	x	\$12,500	x	\$12,500	x	\$13,000	x	\$13,500	x	\$14,000
Rate Data Analysis and Manipulation	x	\$17,500	x	\$17,500	x	\$18,500	x	\$19,500	x	\$20,500
Interim Reporting and Other Deliverables for Rate Setting Functions	x	\$10,000	x	\$10,000	x	\$10,250	x	\$10,500	x	\$11,000
Capitation Rate Updates - Two (2) or more times per year	EA	\$10,000	EA	\$10,000	EA	\$10,000	EA	\$10,000	EA	\$10,000
Dental Capitation Rate Finalization	x	\$8,500	x	\$8,500	x	\$8,500	x	\$8,500	x	\$8,500
<b>SOW 7- Dental Rebasing– One (1) time for contract duration</b>	\$35,000									

**Please Note:**

**SOW 1** and **SOW 2** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.

**SOW 3** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.

**SOW 4** Upper payment limits for Program for All Inclusive Care for the Elderly (PACE).

**SOW 5** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.

**SOW 6** and **SOW 7** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.

**OPTIONAL RENEWALS**

DESCRIPTION	First Optional Renewal Period – Year One		First Optional Renewal Period – Year Two	
		January 2024 – December 2024		January 2025 – December 2025
<b>SOW 1</b> – Annual Capitation Rate Setting	x	\$104,000	x	\$108,000
Capitation Rate Methodology Development Determination				
Rate Data analysis and Manipulation	x	\$108,000	x	\$112,500
Interim Reporting and other Deliverables for Rate Setting Functions	x	\$46,000	x	\$49,000
Capitation Rate Updates – Two (2) or more times per year	EA	\$35,000	EA	\$35,000
Capitation Rate Finalization	x	\$23,500	x	\$23,500
<b>SOW 2</b> – Capitation Rate Rebasing – One (1) time for contract duration				\$233,000
<b>SOW 3</b> - 1915(b) Waiver	x	\$10,000	x	\$43,000
<b>SOW 4</b> - PACE	x	\$40,000	x	\$85,000
<b>SOW 5</b> – 1115 Waiver	x	\$25,000	x	\$30,000
<b>SOW 6</b> - Dental Rate Setting	x	\$14,500	x	\$15,500
Rate Data Analysis and Manipulation	x	\$21,750	x	\$22,500
Interim Reporting and Other Deliverables for Rate Setting Functions	x	\$11,500	x	\$12,000
Capitation Rate Updates - Two (2) or more times per year	EA	\$12,000	EA	\$12,000
Dental Capitation Rate Finalization	x	\$10,000	x	\$10,000
<b>SOW 7</b> - Dental Rebasing– One (1) time for contract duration				\$40,000

**Please Note:**

**SOW 1** and **SOW 2** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.  
**SOW 3** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.  
**SOW 4** Upper payment limits for PACE.  
**SOW 5** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.  
**SOW 6** and **SOW 7** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.

BIDDER NAME: MERCER HEALTH & BENEFITS LLC

DESCRIPTION	Second Optional Renewal Period – Year One		Second Optional Renewal Period – Year Two	
		January 2026 – December 2026		January 2027 – December 2027
<b>SOW 1</b> – Annual Capitation Rate Setting	x	\$113,000	x	\$117,500
Capitation Rate Methodology Development Determination				
Rate Data analysis and Manipulation	x	\$116,000	x	\$121,000
Interim Reporting and other Deliverables for Rate Setting Functions	x	\$51,000	x	\$54,000
Capitation Rate Updates – Two (2) or more times per year	EA	\$37,500	EA	\$37,500
Capitation Rate Finalization	x	\$25,000	x	\$25,000
<b>SOW 2</b> – Capitation Rate Rebasing – One (1) time for contract duration				\$246,500
<b>SOW 3</b> - 1915(b) Waiver	x	\$11,000	x	\$46,000
<b>SOW 4</b> – PACE	x	\$42,500	x	\$90,000
<b>SOW 5</b> – 1115 Waiver	x	\$30,000	x	\$30,000
<b>SOW 6</b> - Dental Rate Setting	x	\$16,250	x	\$17,000
Rate Data Analysis and Manipulation	x	\$23,500	x	\$25,000
Interim Reporting and Other Deliverables for Rate Setting Functions	x	\$12,500	x	\$13,000
Capitation Rate Updates - Two (2) or more times per year	EA	\$13,000	EA	\$13,000
Dental Capitation Rate Finalization	x	\$11,000	x	\$11,000
<b>SOW 7</b> - Dental Rebasing– One (1) time for contract duration				\$45,000

**Please Note:**

**SOW 1** and **SOW 2** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.

**SOW 3** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.

**SOW 4** Upper payment limits for PACE.

**SOW 5** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.

**SOW 6** and **SOW 7** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.

BIDDER NAME: MERCER HEALTH & BENEFITS LLC

DESCRIPTION	Third Optional Renewal Period – Year One		Third Optional Renewal Period – Year Two	
		January 2028 – December 2028		January 2029 – December 2029
<b>SOW 1</b> – Annual Capitation Rate Setting				
Capitation Rate Methodology Development Determination	x	\$122,000	x	\$128,000
Rate Data analysis and Manipulation	x	\$125,000	x	\$130,000
Interim Reporting and other Deliverables for Rate Setting Functions	x	\$56,000	x	\$59,500
Capitation Rate Updates – Two (2) or more times per year	EA	\$40,000	EA	\$40,000
Capitation Rate Finalization	x	\$27,500	x	\$27,500
<b>SOW 2</b> – Capitation Rate Rebasing – One (1) time for contract duration		\$260,000		
<b>SOW 3</b> - 1915(b) Waiver	x	\$12,000	x	\$49,500
<b>SOW 4</b> - PACE	x	\$45,500	x	\$97,000
<b>SOW 5</b> – 1115 Waiver	x	\$65,000	x	\$30,000
<b>SOW 6</b> - Dental Rate Setting	x	\$17,750	x	\$18,500
Rate Data Analysis and Manipulation	x	\$26,000	x	\$27,500
Interim Reporting and Other Deliverables for Rate Setting Functions	x	\$13,500	x	\$14,000
Capitation Rate Updates - Two (2) or more times per year	EA	\$14,000	EA	\$14,000
Dental Capitation Rate Finalization	x	\$12,000	x	\$12,000
<b>SOW 7</b> - Dental Rebasing– One (1) time for contract duration		\$50,000		

**Please Note:**

- SOW 1** and **SOW 2** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.
- SOW 3** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.
- SOW 4** Upper payment limits for PACE.
- SOW 5** is a Statement of Work project in the Plan Year shown in which the deliverables will impact the next Waiver Period.
- SOW 6** and **SOW 7** are Statement of Work projects in the Plan Year shown in which the deliverable will impact the next Year Plan.



**OPTIONAL SERVICES**

BIDDER NAME: MERCER HEALTH & BENEFITS LLC

Provide the hourly rate for additional consulting services for new Statements of Work. There is no guarantee regarding the number of hours that will be used.

Also for SOW 8; Statement of Work for Special Work Projects to be determined and based upon the staffing and hourly rates provided below

The bidder must list each role/title and provide an hourly rate. These rates are fixed for the initial term of the contract. At renewal time, rates may increase by no more than 5% with supporting justification for any increase.

POSITION ROLE/TITLE	UOM	Rate
All Professional Staffing Positions Roles/Titles	HR	\$250.00



Mercer Health & Benefits LLC  
2325 E. Camelback Road, Suite 600  
Phoenix, AZ 85016 USA