October 27, 2022

Cynthia Smolens
Arizona Health Care Cost Containment System
801 E Jefferson Street
Phoenix, AZ 85034

Re: Letter of Clarification (2) Response for Solicitation #YH23-0003 Travel Related Services Reimbursement

Dear Ms. Smolens:

Medical Transportation Management, Inc. (MTM) is pleased to respond to AHCCS' second clarification letter regarding our proposal for the Travel Related Services Reimbursement RFP. Our responses are provided on the following pages.

AHCCCS may continue to communicate with our principal contact for the proposal:

Contact: Amy Ritchie, Vice President of Proposals
Phone: 636-695-5634 **Email:** aritchie@mtm-inc.net
Address: 16 Hawk Ridge Drive, Lake St. Louis, MO 63367
Fax Number: 636-561-2962

On behalf of MTM, I look forward to the potential for MTM to be selected for the operation of AHCCCS' travel related service reimbursement program and to a long-term partnership with AHCCCS. If you have any further questions, please do not hesitate to reach out.

Sincerely,

Alaina Maciá

Alaina Maciá, President and CEO
314-495-4953 | amacia@mtm-inc.net

Letter of Clarification (2), YH23-0003, Travel Related Services Reimbursement RFP

1. Response to First Clarification

Pertaining to Section 5.3.1.2 of the Special Instructions to Offerors and MTM's response to the first Clarification request:

A. Requests Less than 7-10 Days

What costs are associated with requests that are less than 7-10 days as this may comprise many Fee-for-Service requests. Please detail the costs associated with the "less than 7-10 days" that AHCCCS may incur in the cost analysis.

There are no additional costs for Members who have already been issued an MTM payment card. Our staff can load funds on the same card and can process that payment on short notice. We can release funds within 24-48 hours of a funding request.

Further, there are no additional fees for short notice requests for lodging, airfare, or ground transportation. MTM pays directly for these services; reimbursement is not an option. MTM has national accounts and preferred pricing for hotels, lodging, and transportation. We do not offer reimbursement for these services since Members would be paying retail rates.

The additional costs would only be applicable for meals if MTM does not have time to get a card to the Member or their escort. MTM's initial proposal and cost structure was predicated on the fact that this was a true "reimbursement" program, and we would only be reimbursing Members, not providing advanced funds. If we understand AHCCCS correctly, we cannot provide funds to be available on the actual date of service, as card delivery takes 7-10 days. We have two options to solve for this:

1. Process the payment as a reimbursement after the date of service. We would follow our normal process and issue the card with a 7–10-day lead time. The Member would receive the funds after the date of service, but this is typical of a traditional meal reimbursement program. There is no additional cost for this option.

2. If AHCCS requires funds available on the date of service, and the date of service is less than 7-10 days from the request for a Member who does not already have a payment card, MTM can use a MoneyGram transfer direct to the Member or escort. The Member or escort would simply need to provide an email address and phone number for our team to process the request. The Member or escort would then need to visit a location that processes MoneyGram to receive the funds. The additional cost for the MoneyGram would be $15 which covers the processing costs.

B. Urgent or Rush Fees

What is the urgent or "rush" fees mentioned in the clarification for urgent same day requests for meals and lodging? Please detail the costs AHCCCS may incur related to urgent same day requests as part of the cost analysis.

As noted above, urgent or "rush" fees do not apply to lodging, airfare, or ground transportation. The urgent or "rush" fee only applies to meal reimbursement when a Member or their escort does not already have an MTM reloadable card and assuming AHCCS does not permit us to issue reimbursement after the appointment date. A cost of $15 would be added to the standard administrative fee to cover the cost of a MoneyGram transfer.

C. Deactivating or Disabling Cash Features

Does MTM have a method available to disable or deactivate the cash feature of the card MTM issues, where other functions of the card remain available if needed? Are there additional fees related to the disable/deactivation requested feature? If so, please list as part of the cost analysis.

MTM's payment card includes the ability to pay for goods and services with or without cash back, and to withdraw cash at ATM machines. We cannot disable or deactivate the cash features of this card.

D. Purpose-restricted Cards

Please provide additional information on purpose-restricted cards and the associated cost analysis for its use. AHCCCS does not provide cash for meals. Meal cards would need to be restricted to meals.

MTM is unable to provide restricted reimbursement cards at this time. We reached out to our card provider and discussed options but cannot offer that service with the cards we propose for this program. Our proposed approach reduces member abrasion, confusion, and complaints from cardholders and eliminates the need to issue multiple cards to the same individuals to cover various service types. Our proposed approach also allows cardholders to use the funds outside of standard restaurant and fast-food locations, such as at grocery stores and hospital cafeterias whose vendor codes might otherwise cause a restricted card to decline.

2. Price Sheet

*Pertaining to the Attachment A – Price Sheet: **All** fees shall be inclusive of **all** costs associated with the delivery of the service and includes contractor's staff time, mileage, insurance, and administrative cost. **No additional fees will be paid by AHCCCS.***

A. Pricing Breakdown

AHCCCS is requesting a detailed pricing breakdown of the costs, providing actual dollar amounts, in response to Question 1 A -D above. Pricing breakdown shall include all costs AHCCCS can expect to incur related to all services; routine and urgent, restricted or special program meal cards, or anything that Offeror (MTM) wants to be paid for under the administrative cost breakdown.

Based on AHCCS' feedback on urgent requests, and our understanding that reimbursement after the date of service will not be allowed for meal payments, we propose a slight modification to our pricing:

- Standard requests: **$50**
- Urgent requests for meal or per diem reimbursement booked within 7 days of the date of service: **$65.**
    - *This fee is comprised of our standard administrative cost, plus an additional fee of $15 to cover the cost of a MoneyGram wire transfer.*

As noted in our previous clarification response, MTM provided a $50.00 Administrative Cost for services under this contract. Please note that this is an estimate of the average cost for services requested in the scope of work. We used this format for ease of billing. The actual administrative cost breakdown will vary significantly based on the type of service requested. For example, some requests will be higher-touch and require multiple services to be arranged. Our charge is per request received; for services with multiple components, we will still only bill one administrative fee.

Our administrative fee consists of direct costs (approximately 85% of our fee) and indirect overhead costs (approximately 15% of our fee). A breakdown of this fee is provided below:

Direct Costs:

- Salary and benefits for the following direct support teams:
    - Ancillary services team booking hotels, flights, and meals
    - Accounting team paying providers and/or members
    - Client services support
- Mailing/Postage
- Card issuance fees for member reimbursement

Overhead Costs:

- Salary and benefits of corporate support (e.g. Operations, HR, Finance, Technology, Legal, etc.)
- Technology licenses
- Insurance
- Facilities
- Travel
- Other general and administrative expenses