



Process Improvement Summary of Feedback

Health Plan Roundtables and One on One Meetings

February 12, 2026

SUMMARY

AHCCCS is committed to strengthening the process used to procure Medicaid managed care contractors for the ALTCS E/PD and AHCCCS Complete Care (ACC) and ACC-RBHA programs. As part of the process, the agency retained an independent consultant, the Pacific Health Policy Group (PHPG), to assist in obtaining stakeholder input through a variety of methods:

- Public meetings (“Roundtable Listening Sessions”)
- One-on-One meetings between AHCCCS leadership and interested stakeholders (with PHPG in attendance)
- Reviewing written responses to an AHCCCS Request for Information (RFI)

AHCCCS held an initial planning Roundtable in June 2025, to identify RFP-related topics for further discussion at three subsequent Roundtable meetings. Sixteen discrete topics, framed as questions, were selected and grouped into three broader categories: General RFP Process; Proposal Evaluation Criteria; and Decision-Making and Contract Transition. (Stakeholders also were invited to raise any RFP-related matters not already addressed through one of the topics) Based on the initial Roundtable, AHCCCS determined the need for the use of a consultant to support the ongoing process improvement initiatives needed.

Consultant Role

PHPG facilitated the three additional Roundtables, each organized around one of the broad categories. PHPG combined Roundtable findings with stakeholder input from the one-on-one meetings and written RFI responses to document stakeholder observations across the 16 discrete topics.

The purpose of this report is solely to accurately communicate stakeholder observations.

Findings – Overarching

Most stakeholders expressed support for the overall RFP framework that AHCCCS has developed through its 30 years of competitive procurement experience. With a few exceptions, stakeholder recommendations were oriented towards strengthening existing processes, rather than making wholesale changes.

Three themes appeared throughout the stakeholder process, regardless of the specific topic being discussed. These were:

- **Understanding Agency Priorities** – AHCCCS historically has defined its priorities for the upcoming contract period in advance of RFP release. Offerors use this information to guide their investment and partnership strategies and to inform the content of their proposals. Stakeholders asked that such guidance be shared as early as possible in the procurement cycle and that AHCCCS incorporate the stated priorities into its evaluation criteria.

- **Transparency** – Stakeholders urged greater transparency in all aspects of the RFP process, while recognizing that the agency must preserve some confidentiality in certain areas such as the evaluation process.
- **Evaluator Training and Expertise** – Stakeholders perceived many of the issues arising from the most recent procurement to be associated with the evaluation structure and application of evaluation criteria. They recommended that the evaluation team include individuals with appropriate expertise, both holistic and subject matter specific, and that evaluators undergo robust training to prepare for their task.

In many instances, stakeholder recommendations amounted to a return to AHCCCS pre-COVID-19 procurement practices. The agency's two most recent procurements occurred during and immediately after the COVID-19 Public Health Emergency. Longstanding RFP processes that may contribute to transparency (e.g., pre-proposal conferences) and evaluator cohesion (e.g., in-person evaluator training) were suspended. Restoring these practices would address many stakeholder recommendations.

Findings – General RFP Process

Stakeholders considered six questions pertaining to the General RFP Process for Managed Care Organization (MCO) Procurements:

1. Arizona has traditionally awarded Medicaid managed care contracts through a competitive solicitation process. Some states award Medicaid managed care contracts through a non-competitive or semi-competitive applications process that results in more health plans being awarded contracts. Should Arizona consider deviating from its competitive process model?
2. What information should be included in the RFP to mitigate confusion or concern among respondents when drafting proposals?
3. How can AHCCCS provide information about evaluation and scoring that is sufficient to allow respondents to raise questions or concerns prior to proposal submission, without compelling respondents to “write to the test”?
4. What technical proposal content would best enable AHCCCS to differentiate respondents in terms of their ability to meet agency objectives, particularly if all respondents can meet minimum performance standards?
5. AHCCCS has used a ranking method to evaluate proposals over multiple procurement cycles. Should this method be retained or modified, and if modified, how and why?
6. In addition to what has been discussed, how can AHCCCS raise confidence in the fairness of future procurements?

Stakeholder observations are summarized in the table below.

General RFP Process Topics

Topic	Observations
Competitive or Non-competitive Process	Six of the eight health plans participating favored retaining a competitive RFP process while two suggested either application or hybrid options. Feedback indicated that a competitive process encourages innovation and reduces the risk of enrollment being spread too thinly across plans.
Steps to Reduce Confusion/Concern	<p>Stakeholders emphasized the importance of transparency regarding how RFP responses will be scored, so that respondents can understand better the agency's priorities. Stakeholders recommended reinstating the pre-proposal conference step, which was a part of pre-COVID-19 procurements.</p> <p>Stakeholders also emphasized the importance of ensuring all parties have a common understanding of terminology.</p>
Appropriate Information on Evaluation and Scoring without respondents "writing to the test"	<p>Stakeholders disagreed as to the validity of the concern regarding "writing to the test." Some viewed this as the purpose of the RFP, while others believed that AHCCCS must ensure a meaningful way to differentiate between respondents.</p> <p>Most agreed that more information on AHCCCS evaluation priorities would be helpful in guiding responses but also acknowledged that the information should not be so granular as to result in uniform responses.</p>
Technical Proposal Content to Differentiate Respondents	<p>Stakeholders agreed that content should be member-centered, and that investments/innovations (in-state or other) should be part of the proposal. Stakeholders offered a variety of suggestions for differentiating respondents in a manner consistent with advancing member-centered program objectives.</p> <p>Stakeholders did not agree on how investments should be defined or evaluated.</p> <p>Stakeholders identified two pre-COVID-19 RFP components that should be restored and used as an aid in differentiating responses: 1) use of scenarios (case studies) and 2) asking respondents to address how they will advance the agency's long term strategic vision.</p> <p>Several stakeholders recommended differentiating between responses at the GSA level for at least some submission items.</p> <p>A provider stakeholder recommended prioritizing evidence of provider engagement and collaboration, as a point of differentiation.</p>
Ranking or Other Method	A majority of RFI responses endorsed moving from ranking to an absolute scoring system
Additional Steps to Raise Confidence in Fairness	Stakeholders from organizations that protested the previous procurement awards asked that steps be taken to ensure they would not be disadvantaged as

	<p>a result in the next procurement cycle.</p> <p>A provider stakeholder recommended involving outside, neutral participants in the evaluation.</p>
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Findings – Proposal Evaluation Criteria

Stakeholders considered five questions pertaining to Proposal Evaluation Criteria for MCO procurements:

1. What would be an appropriate team structure for future procurements, in terms of the number of team members, their qualifications, and the team's role in the evaluation?
2. How should the following evaluation components be weighted (out of 100%): Past performance/experience; written technical proposal; oral presentation; and price?
3. How should AHCCCS evaluate and verify Arizona-based and non-Arizona experience?
4. How should AHCCCS evaluate price?
5. What types of investments and partnerships should be considered in the evaluation?

Stakeholder observations are summarized in the table on the following page.

Proposal Evaluation Criteria

TOPIC	Observations
Appropriate Evaluation Team Structure	<p>Stakeholders endorsed the idea of more senior AHCCCS staff serving on the evaluation team. They also agreed on the importance of AHCCCS selecting true Subject Matter Experts to serve as at least a component of the evaluation team. Evaluator training should be robust and should include interrater reliability steps to verify evaluators understand and apply criteria in a consistent manner.</p> <p>Stakeholders urged that evaluators do not play any role (other than explaining their rationale) in the event of a protest that requires AHCCCS leadership to decide whether to accept or reject an ALJ advisory opinion. The protest adjudicator(s) should be kept “walled off” from the procurement until that stage.</p>
Weighting of Proposal Components	<p>There was consensus that the written technical proposal should be the most heavily weighted component of the RFP because it examines plan operations (or future initiatives).</p> <p>Stakeholders felt that price should have the lowest weight because of the small portion of the capitation rate that is bid.</p> <p>Stakeholders felt that past performance, including investments in the program by incumbents, and oral presentations should have intermediate weights. A slight majority of stakeholders saw past performance as the more important of the two.</p>

Evaluating and Verifying Past Performance – Arizona	<p>Stakeholders considered the use of EQRO Operational Review findings to be appropriate for this task, so long as the reviews are for the same program (e.g., ALTCS review for the ALTCS procurement) and truly comparable across all offerors.</p> <p>Medicare STAR ratings also are an appropriate benchmark for comparison (Arizona or other).</p> <p>Several stakeholders recommended using specific performance measures with consistent methodologies across states, such as HEDIS and CAHPS ratings. This could be in lieu of Operational Review findings.</p> <p>There was consensus support for Arizona’s approach of asking a small number of focused technical proposal questions, as opposed to the practice in some states of requiring detailed information about all aspects of a plan’s operations.</p>
Evaluating and Verifying Past Performance – Other States	<p>Stakeholders endorsed allowing offerors to provide data for other states, but the majority wanted greater weight given to states with geography, populations and programs comparable to what is being procured by AHCCCS.</p> <p>Stakeholders, including potential new bidders, recommended that offerors be required to provide comprehensive performance data and not to allow “cherry picking.”</p> <p>Several stakeholders recommended using reference checks to validate information. Others cautioned that it can be challenging to obtain reference data from states because of concerns regarding protests and potential overlap with their own procurement “quiet periods.”</p>
Evaluating Price	<p>Most stakeholders believe the current structure used for evaluating price is reasonable. Several recommended greater clarity regarding line-item definitions when completing the capitation rate spreadsheet.</p>
Investments and Partnerships	<p>Stakeholders did not agree on the definition of “investment”, with some including plan/parent company infrastructure and Arizona-based employees and others seeing these investments as simply a “cost of doing business.”</p> <p>Stakeholders did agree that RFP respondents should demonstrate how investments and partnerships have or will benefit the program, in terms of improving the system of care and/or advancing AHCCCS priorities for the next contract cycle.</p> <p>Stakeholders also commented that the earlier in the cycle AHCCCS provides guidance on its priorities for the next contract period, the better able respondents will be in targeting investments and partnerships that advance these priorities.</p>

Findings – Decision-Making and Contract Transition

Stakeholders considered five questions pertaining to Decision-Making and Contract Transition for MCO procurements:

1. What level of supporting detail is necessary for respondents to understand how evaluators scored proposals and AHCCCS made award decisions?
2. What improvements could be made to the standards and processes for contract award selection?
3. What options should AHCCCS consider for better alignment of contract terms and structure with respect to managed care services across multiple service lines?
4. What practices have helped or hindered member continuity during past transitions?
5. How can AHCCCS support smoother handoffs between contractors?

Stakeholder observations are summarized in the table below.

Decision-Making and Contract Transition

TOPIC	Observations
Level of Supporting Detail Necessary to Understand Scoring and Awards	<p>Stakeholders requested information on preliminary evaluation scores and rationales, along with final consensus documentation, to allow for a better understanding of the evaluators' evolution of thinking.</p> <p>Stakeholders recommended that AHCCCS prepare memoranda explaining key decisions (e.g., number of awards being made) and summarizing the evaluation process.</p> <p>Stakeholders asked for documentation of evaluator qualifications to serve as Subject Matter Experts.</p>
Improvements to Award Standards and Processes	(Stakeholders noted that recommendations made in Roundtable 2 apply here as well.)
Better Alignment of Contract Terms and Structure across Service Lines	<p>Most stakeholders endorsed continuing to award contracts by program, with performance in one program not to be treated as evidence of level of performance in the other.</p> <p>Stakeholders recommended that AHCCCS continue to look for opportunities to streamline language across contracts, while also eliminating extraneous language within contracts, particularly requirements that apply to populations not enrolled under that contract.</p> <p>Stakeholders endorsed keeping contracts on a staggered schedule, to avoid overtaxing State administrative resources.</p> <p>Stakeholders urged AHCCCS to consider the timing of federal D-SNP enrollment requirements when planning for the next ALTCS contract cycle.</p>

Facilitating Member Continuity and Handoffs during Transitions (combination of final two items)	Stakeholders praised AHCCCS' historical management of transitions and hand-offs. Some of the agency's communications during the most recent procurement raised concerns among members and employees (due to schedule and policy changes brought on by the protest). It was recommended that AHCCCS collaborate with MCOs on common scripts when communicating to members and providers on the status of the procurement and any protests.
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Additional information related to the AHCCCS E/PD RFP including major decisions and timeline, can be found on the AHCCCS website at <https://azahcccs.gov/PlansProviders/HealthPlans/YH27-0001.html>