![AHCCCS - Arizona Health Care Cost Containment System]

Janice K. Brewer, Governor
Thomas J. Betlach, Director

SOLICITATION AMENDMENT #2		
YH 14-0042 Data Analytics Solution for Program Integrity	Solicitation Due Date: **September 30, 2014** **3:00 pm Arizona Time**	Procurement Officer: Mark Held Email: Mark.Held@azahcccs.gov

A signed copy of this amendment must be submitted with your solicitation response.

This Solicitation is amended as follows:

   A. The attached Answers to Questions are incorporated as part of this solicitation amendment.

   B. Page 7, Scope of Work, 4.29.1 Delete the reference to "~~that includes change dates~~".

OFFEROR HEREBY ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THIS SOLICITATION AMENDMENT.	THIS SOLICITATION AMENDMENT IS HEREBY EXECUTED ON THIS DAY, IN PHOENIX, AZ.
SIGNATURE OF AUTHORIZED INDIVIDUAL:	SIGNATURE: **SIGNATURE ON FILE**
TYPED NAME:	TYPED NAME: Meggan Harley, CPPO, MSW
TITLE:	TITLE: Procurement and Contracts Manager
DATE:	DATE: September 18, 2014

Questi on#	VENDOR NAME	Paragraph # or Title	Page #	Vendor Question	Leave Blank for AHCCCS Response
1.	SAS	General		How many fraud investigators does AHCCCS employ?	OIG is staffed by 74 individuals divided into the following units: ➢ Office of Audit Services ➢ Member Fraud Unit ➢ Provider Fraud Unit ➢ Fraud Prevention Unit ➢ Provider Registration Unit Note for further clarification, Hawaii's OIG is expected to be similarly configured with 10-15 staff members.
2.	SAS	2. Project or Service Overview/ Background, First paragraph	4	*"The purpose of this Request for Proposal (RFP) is to solicit proposals from experienced vendors who provide software and services for the support of the Program Integrity activities for the lines of business supported by the Agency. AHCCCS seeks to enhance and increase the effectiveness of the current program integrity efforts through the use of existing software solutions, with proven products that can be readily integrated within existing infrastructure."* As AHCCCS is requesting a solution for multiple lines of business, does AHCCCS prefer one common user interface for all programs or should each line of business have a separate user interface (i.e., one for Arizona Medicaid, one for Hawaii, and one for Corrections)?	AHCCCS expects a single solution that will direct a user to the content appropriate for that user. AHCCCS does not seek any user interface for the Arizona Department of Corrections.

Questi on#	VENDOR NAME	Paragraph # or Title	Page #	Vendor Question	Leave Blank for AHCCCS Response
3.	SAS	2.	4	*"AHCCCS seeks to enhance and increase the effectiveness of the current program integrity efforts through the use of existing software solutions, with proven products that can be readily integrated within existing infrastructure."* Please provide details on the State's "existing infrastructure" that should be considered for integration.	See RFP and Solicitation Amendment #1. Refer to question #3.
4.	SAS	2. Project or Service Overview/ Background, second bullet	4	*"Identify patterns of billing practices and outliers across multiple lines of business, member categories, providers, and health plans, track service levels, and usage to ensure that the programs <u>are not incurring costs for inappropriate care</u> and are not paying for fraudulent services."* Regarding the underlined section, does the state expect the vendor to make Quality of Care decisions, or is the meaning centered on inappropriate payments for claims submitted for reimbursement?	Inappropriate as in medically unnecessary, excessive, fraudulent or inappropriate.
5.	SAS	3.1	17	*"Please limit to 25 pages."* Does the 25 page limit include responses to 3.1.1 – 3.1.29, including the answers to 3.1.12, 3.1.14, 3.1.15, 3.1.16 or exclusive of them?	See Solicitation Amendment #1 wherein the page limit was increased and clarified. Refer to question #29.
6.	SAS	4.29 and 3.1.29	7 and 20	Section 3.1.29 states the technical response should include milestone dates. Does the Project	Milestone dates are required, but a detailed Project Management Plan can be delivered after contract

Questi on#	VENDOR NAME	Paragraph # or Title	Page #	Vendor Question	Leave Blank for AHCCCS Response
				Management Plan detailed in 4.29 need to be included in the response or delivered after contract start? If the former, is it included in the 25 page limit?	award.
7.	SAS	4.29.1	7	What are the considerations for the project start date of April 1st and deployment date of October 1st? The proposed project start date of April 1, 2015 is 6 months after the RFP due date. Are there technical or resource considerations at AHCCCS preventing an earlier start date?	Yes, there are contractual, technical & resource considerations.
8.	SAS	4.29.1	7	Will AHCCCS accept a project management plan as required in 4.29.1 that meets the October 1, 2015 deployment date, but utilizes a reasonable, but earlier, start date than April 1, 2015 (e.g. February 1, 2015)?	No. See Question # 101 in Solicitation Amendment #1.
9.	SAS	Uniform Terms and Conditions 2.3 and 3.3 Exceptions to Terms and Conditions	23 and 12	*Contract Order of Precedence* *"In the event of a conflict in language between the proposal (including any Best and Final Offers) and the RFP (including AHCCCS policies and procedures incorporated by reference), the provisions and requirements set forth and/or referenced in the RFP (including AHCCCS policies and procedures incorporated by reference) shall govern."* **Section 3.3 Exceptions to Terms and Conditions** allows Offerors to take exceptions to the terms and conditions. In addition, an Offeror may respond with clarification to a technical requirement. In light of the contract provision above, how will AHCCCS document	If exceptions are contained in any Offeror's proposal, and AHCCCS decides that it is in the best interest of the State and the agency to accept those exceptions, AHCCCS will inform the Offeror in writing. It should be noted that ANY exceptions to any part of the RFP requirements may negatively impact an Offeror's susceptibility for award and/or may result in the offer being rejected. "Clarifications" shall not alter the terms and conditions, nor the requirements of the RFP in any way.

Question#	VENDOR NAME	Paragraph # or Title	Page #	Vendor Question	Leave Blank for AHCCCS Response
				acceptance of exceptions and clarifications to terms or requirements presented by the Offeror?	
10.	SAS	General Terms and Conditions		Please provide copies of all AHCCCS Rules, AHCCCS policies and procedures and AHCCCS Rules and Policies that are referenced and incorporated into the RFP.	This information is available on the AHCCCS website at: http://www.azahcccs.gov/reporting/state/state.aspx
11.	McKesson	Scope of Work 4.16	6	How does AHCCCS perform CCI edits in the claims adjudication process today? Do you use a vendor package? If so which one?	AHCCCS/Med-Quest Division (MQD) perform a subset of CCI edits within it's MMIS.
12.	McKesson	Scope of Work 4.16	6	How does AHCCCS envision the use of CCI edits in the Data Analytics Solution which will be using post-pay/historical data?	The CCI edits would be used in conjunction with other algorithms to identify Fraud, Waste and Abuse.
13.	McKesson	Scope of Work 4.29.1	7	The RFP states "Project Management Plan: The Contractor shall provide a project management plan using a proposed project start date of April 1, 2015 and deployment date no later than October 1, 2015 that includes change dates:" Please clarify what is meant by "… that includes change dates"	Page 7, Scope of Work, 4.29.1, the reference to "~~that includes change dates~~" has been deleted.
14.	McKesson	Uniform Terms and Conditions 4.4 & 4.5	26	The RFP stated that approximately $1.7M has been spent over 5 years for the current contract. How much has been budgeted for the vendor delivered Data Analytics Solution and over what period of time does the budget span? Can AHCCCS provide a planning budget amount	See RFP and Solicitation Amendment #1, Question #2

Questi on#	VENDOR NAME	Paragraph # or Title	Page #	Vendor Question	Leave Blank for AHCCCS Response
				(recognizing it is not a commitment) for future years of the 3 year contract?	
15.	McKesson	5.2 & 5.6	8	How many MCOs does each program contract with?	MCO's are contracted with on a state-wide basis. This information is available on the AHCCCS website: http://www.azahcccs.gov/applicants/healthplans/healthplans.aspx http://www.med-quest.us/index.html
16.	McKesson	5.2 & 5.6	8	How many encounters result in FFS carve-outs to non-primary care?	None.
17.	McKesson	Scope of Work 4.23	6	Please clarify what is meant by "lines of business" and provide examples.	CMS-1500, Dental, Inpatient, Long Term Care, Outpatient and Pharmacy within Managed Care, Fee for Service, Third Party Administrator, Behavioral Health Services for both AHCCCS & MedQuest.