



Commonwealth of Pennsylvania

Date: **May 30, 2014**
Subject: **Healthy Pennsylvania Program**
Solicitation Number: **RFA 04-14**
Opening Date/Time: **June 10, 2014 12:00 PM**
Addendum Number: **2**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Complete response to Question #3 and additional questions and answers posted.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Pennsylvania Department of Public Welfare
Division of Procurement
Room 402 Health and Welfare Building
625 Forster Street, Harrisburg, PA 17120

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Barry Bowman
Title: Project Officer-RFA #04-14
Phone:
Email: babowman@pa.gov



pennsylvania
DEPARTMENT OF PUBLIC WELFARE

May 30, 2014

RE: *Responses to questions submitted under Request for Application (RFA) #04-14*

The Department of Public Welfare (Department) is issuing responses to questions received on or before May 30, 2014. Any questions submitted that do not appear in this posting remain under review. The Department intends to issue responses to all remaining questions that have not been formally addressed in this posting on June 5, 2014.

Please note that the Department intends to close the question submission period for RFA #04-14 on June 2, 2014 at 12:00pm. Any additional questions submitted after that deadline will be considered as part of the discussions with selected applicants.

The Department is pleased with the positive response regarding the Healthy Pennsylvania Program and RFA # 04-14.

Barry Bowman,
Project Officer—RFA #04-14
Department of Public Welfare
Office of Medical Assistance Programs
Bureau of Managed Care Operations

RFA #04-14
Questions by Topic
As of 05/30/2014

Section 1 - RFA/Draft Agreement/Participation

The Department's complete response to the following question (previously Question 3 in this section) was not included in the Addendum posted on Wednesday, May 28, 2014. The question and the complete response are as follows:

3. Q. For Section II-5 of the RFA is DPW seeking Geisinger Health Plan's 2015 QHP self-certifications to prove compliance with state and federal laws regulating health insurance coverage? Or is DPW seeking the 2015 self-certifications? Or both?
 - A. The 2015 plan form filing, with the updated Compliance Checklist and Certification, should be refiled to comprise a complete product filing with PID. The Compliance Checklist and Certification should be substantially identical to the form provided in the Pennsylvania Bulletin for use in 2015.

Section 2- Enrollment Related

No additional questions at this time.

Section 3- Network Requirements/Development

1. Q. In follow up to a question asked and responded to verbally at the bidder's conference, please confirm that the Commonwealth will accept an NCQA "Accredited" rating as meeting the NCQA requirement. This differs from what appears in the RFA at Part III, Section III-3D and we are seeking written confirmation of this change.
 - A. Applicants must have a recent NCQA health plan accreditation of *COMMENDABLE* or *EXCELLENT*. The Department may consider Applicants with the NCQA Accreditation of *ACCREDITED* if their inclusion is in the best interest of the Commonwealth. New Health Plan Accreditation through NCQA's New Health Plan (NHP) Accreditation will also be considered by the Department. Please see Section III-3 of the RFA.
2. Q. Please confirm that the physical and behavioral health benefits package is not a required submission for the application but that it should be submitted as part of the plan form filing with PID in accordance with II-5 of the RFA, "Compliance

with Insurance Requirements.” It is our understanding that to pass this required element the Applicant must, at a minimum, provide a statement at the time of application describing its plan to have the certification in place by August 4, 2014. Please clarify as this seems to conflict with the response provided to the first question listed under Section 9, “Behavioral Health,” on page 32 of the Responses to questions issued by DPW on May 28, 2014.

A. The Department’s response to Question 1, Section 9, Behavioral Health should have been:

Please refer to Exhibit B to Attachment A Draft Agreement of the RFA. Exhibit B serves as a broad description of the minimum benefits required. An Applicant should include in each PCO product form filing Physical and Behavioral Health benefits packages that include amount, duration and scope of all benefits provided by its product. Additional details may be required to be provided to DPW.

Section 4- Covered/Non-Covered Services

The Department’s complete response to the following question (previously Question 7 in this section) was not included in the Addendum posted on Wednesday, May 28, 2014. The question and the complete response are as follows:

7. Q. Regarding compliance with insurance requirements, will the form filing and compliance checklist that were submitted to PID last year be sufficient documentation for purposes of the RFA?

A. The 2015 plan form filing, with the updated Compliance Checklist and Certification, should be refiled to comprise a complete product filing with PID. The Compliance Checklist and Certification should be substantially identical to the form provided in the Pennsylvania Bulletin for use in 2015.

Section 5 - Operations/Compliance/Oversight

No additional questions at this time.

Section 6- Systems/IT

No additional questions at this time.

Section 7 - Premiums/Copayments/Cost Sharing

No additional questions at this time.

Section 8 - Pharmacy

1. Q. Is retail supply limited to 30 days or is the intent to allow 31 to 90 day supply to be dispensed at retail pharmacy? If 31 to 90 day supply procured at retail pharmacy, will stepped copay apply (i.e., 2 copays for 31 to 60 days, 3 copays for 61 to 90 days)?

A. Copays do not vary based on the amount dispensed. Retail supply is not limited to 30 days. The intent is to allow the use of mail order or retail for prescription fills from 31 to 90 days. The only cost-sharing responsibility of members in 2015 will be the DPW Medical Assistance copay schedule found at the link below: http://www.dpw.state.pa.us/cs/groups/webcontent/documents/bulletin_admin/d_005972.pdf

2. Q. Please clarify whether the intent is for all “infused” drugs to be covered under the pharmacy benefit? What is generally covered under pharmacy is only “infused medications that can be self-administered” such as therapy like factor products (for hemophilia), while infused therapies that are administered in a physician office or a facility clinic are covered under the medical benefit?

A. Route of administration does not dictate how the drug is covered. If the drug is dispensed or administered outside of the inpatient setting, it is covered under the PCO Pharmacy benefit.

Section 9- Behavioral Health

No additional questions at this time.

Section 10 – Financial

1. Q. Please clarify if the difference in non-participating provider reimbursement regulations for emergent services in Healthy PA program (relative to current A. Medicaid) was reflected in draft rates as presented. Please specify key assumptions and quantify impact of that difference. Please further clarify if the expected non-participating provider reimbursement for emergent services is expected to revert to Medicaid methodology and level or follow commercial regulations and level of reimbursement. Please further clarify, if non-participating reimbursement reverts to commercial rates, how this disincentive to contract at lower than commercial rates was reflected in Healthy PA unit cost assumption.

Based on available information, DPW’s actuary targeted a mid-point between Medicaid and commercial pricing when developing the draft potential 2015 HPA rates. DPW wants to increase access and provider capacity in this program and to lay the groundwork for a seamless transition by members to employer sponsored or exchange market coverage. The actuary did not differentiate between participating and non-participating providers in the pricing assumption.

2. Q. Could the Department provide all cost sharing anticipated including the specific co-payments for specific services that will apply to the program?

A. This is provided in a document that is posted with these questions and answers.

http://www.dpw.state.pa.us/cs/groups/webcontent/documents/bulletin_admin/d_005972.pdf

3. Q. What is the Commonwealth's standard for determination of what constitutes reasonably necessary costs? How was that factored in to the rates?

Healthy PA rates were developed based on available information. More information on how the Healthy PA rates were developed is found in the updated Healthy Pennsylvania RATE METHODOLOGY NARRATIVE prepared by Mercer and provided with these questions and answers.

4. Q. Please confirm retroactivity should be assumed and apply to this program and how retroactivity for the Healthy PA program differs in process relative to the current Medicaid program. Please indicate if any adjustments in the draft rates have been made for these variances, if any.

A. DPW will provide details once there is an agreement on the standard terms and conditions of the waiver with CMS. If the PCO enrollment date is after the hospital admission date, the PCO is not responsible for the stay.