

RFA #07-19

Managed Care Organizations to Provide Physical Health Services in the Commonwealth of Pennsylvania in the Five HealthChoices Zones: Southeast Zone, Southwest Zone, Lehigh-Capital Zone, Northwest Zone, Northeast Zone

Q&A

	RFA Section	Question	Answer
1		I understand this proposal are for MCOs, my question to you is, does this proposal also apply to companies interested in just being subcontractors, within this MCOs proposal being submitted? And if so, how then is the MCO application to be completed, since the other required information being requested, doesn't apply to my company which currently is seeking subcontracting opportunity work to provide nursing supportive services?	No, RFA #07-19 was issued to solicit licensed MCOs to provide physical health services. Individuals or companies interested in providing subcontracted services to HealthChoices Physical Health MCOs must communicate with the MCOs directly.
	RFA Section	Question	Answer
2		We were wondering if you would be able to share a Word version of the RFA files (at a minimum, the HC RFA 07-19 – Final.pdf). We are unable to convert the PDF to a Word document and the PDF does not allow for copy/pasting into other documents.	No, please refer to Addendum 1.
	RFA Section	Question	Answer
3		Regarding the Small Diverse Business (SDB) goal (9%): a. Are all VBEs also considered SDBs? b. Do commitments to VBEs count toward the SDB participation goal?	a. For purpose of setting the SDB participation goal for this procurement, VBEs (DGS-verified Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses) are not considered SDBs. b. Commitments to VBEs do not count toward the SDB participation goal. If a VBE firm is also DGS-verified as an SDB, commitments to that dually-verified firm count toward the SDB participation goal.

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4	Section III-4.C.5.J	Section III- 4. Qualifications. C. Personnel. 5. Subcontracts. J. Resume(s) and responsibilities of individual (if required by the RFA). a. Is item “j” required? If so, what does it refer to?	Yes, item j in RFA Part III Section III-4.C.5 “Subcontracts” is required. The parenthetical statement “if required by the RFA” refers to a circumstance in which the Applicant is proposing to use a subcontractor for which this information is required.
	RFA Section	Question	Answer
5	Part V-3.i Contractor Partnership Program	Based on the calculation below, the anticipated number of positions that will be established as the hiring target. Criteria outlined: For each of the prior three (3) years, provide the number of new hires at your organization’s Pennsylvania offices. The hiring target will be 10% of the average of the annual number of new hires in Pennsylvania over each of the last 3 years. Hiring targets can be discussed with the Office of Income Maintenance CPP staff to determine if a waiver or reduction of this requirement is warranted. In the past, we have been required to include only “non-degree” new hires in Section II: TANF Hiring Section. The PA 1540 has entry information for new hires as “degree” and “non-degree” positions. Are we to include both in the calculation above or only the “non-degree” positions?	Applicants should include all hires, including degree hires in the calculation.
	RFA Section	Question	Answer
6	Part V Contractor Partnership Program	Contractor Partnership Program: Part V does not indicate page limits per question or section. Is there a page limit for the submission of the CPP portion of the RFA?	No limit exists but Applicants should provide a straightforward and concise description as to how it will meet the CPP requirements.
	RFA Section	Question	Answer
7	Section III-5.E. Financial Capability	Please clarify step 2 of the test, “7% of revenue earned by the Applicant or entity(its) during the most recent four (4) calendar quarters”.	The Department will review the information submitted to determine if the Applicant

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			and the entity or entities that own at least 5% of the Applicant have the required equity. In part 2 of the three-part test, the Department will add the most recent four quarters of revenue. That result will then be multiplied by .07.
	RFA Section	Question	Answer
8		Are we required to submit hard copies of the supporting documentation provided as an appendix to the application?	Generally, Applicants should submit hard copies of its supporting documentation with each hard copy of its application. For supporting documentation that is voluminous only (e.g. more than 75 pages), such as financial statements and articles of incorporation, an Applicant may provide an electronic copy of the supporting documentation with each copy of its technical submittal. The Applicant should label (but not locate) the electronic supporting documentation as described in the response to Questions 38, 41 and 42. The electronic copies should be on separate flash drives and conform to the requirements for flash drives described in RFA Part I, Section I-11.A. In addition, in each hard copy of its application, Applicants must include a cover sheet or tab as described in the response to Questions 38, 41 and 42 and must state that the supporting information is being provided electronically.

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9		<p>I-11.B: “Part III, Section III-4.C HealthChoices [zone name] Personnel” III-4.C: “Section III-4.C HealthChoices [zone name 1] Personnel” III-6: “Section III-6 Work Statement Questionnaire HealthChoices [zone name] Zone”</p> <p>Question: Three distinct formats are requested for sections headings and tabs. Could you specify which is the preferred format?</p>	<p>Applicants should provide the Roman Numeral to identify the Part of the RFA, as well as the upper-case letter (if applicable) and numeral (if applicable) designating the section and subsection within the RFA, to which they are responding.</p> <p>The Work Statement Questionnaire in RFA Part III Section III-6 has no upper-case letter designations--- it has section titles, e.g., “Member Management” and numbered questions within each section. Responses for the Work Statement Questionnaire should be labeled as follows: “Section III-6 Work Statement Questionnaire, [Section Title], [Question #]. Further, any response related to any RFA section that describes different, separate, or additional components for the proposed services for a specific zone(s), and NOT in all Zones for which an application is being submitted should be labeled with the HealthChoices Zone(s) (SE, SW, L/C, NE, NW) to which it applies.</p>
	RFA Section	Question	Answer
10		<p>I-11.B: “Applicants may submit one application for multiple Zones; however, if an Applicant is submitting for multiple Zones, any and all portions of the Technical and CPP Submittals that describe different, separate, or additional components specifically designed to address the RFA requirements in one particular Zone must be provided under separate tabs of the Applicant's</p>	<p>RFA Part I-Section I-11.B applies to all parts of the technical submittal, including RFA Part III, Section III-6 Work Statement Questionnaire. Applicants are not required to duplicate responses to any RFA section, including the</p>

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		<p>response for a particular section or question, and clearly labeled as “Section or Question [insert number and name of relevant section or question] HealthChoices [zone name] Zone” and Section or Question [insert number and name of relevant section or question] HealthChoices [zone name] Zone,” respectively.”</p> <p>III-6: “If the Applicant is proposing on multiple Zones, any and all portions of a response to questions in Part III, Section III-6 that describe different, separate, or additional components of the response that is specifically designed to address the needs of one particular Zone should be provided under separately tabbed sections of the Applicant's Technical Submittal, and clearly labeled as “Section III-6 Work Statement Questionnaire HealthChoices [zone name] Zone,” and “Section III-6 Work Statement Questionnaire HealthChoices [zone name] Zone,” respectively.</p> <p>If the Applicant is applying for multiple Zones and its response to any question is the same for all or some of the Zones, it need not duplicate its response for each Zone.”</p> <p>Question: In section I-11.B we are given the option of separating our differing Zone responses by question, and in III-6 this option is not present when discussing separating Zones in the Work Statement Questionnaire. Can we separate our differing Zone(s) responses by question within the Work Statement Questionnaire, or should we provide an entirely separate Work Statement Questionnaire section specific to the Zone(s) we are applying for? If we do not need to duplicate responses that are the same for Zones, can certain questions or subsections be absent from subsequent Zone’s Work Statement Questionnaire if previously addressed?</p>	<p>RFA Part III, Section III-6 Work Statement Questionnaire when its response is the same for all Zones for which it is submitting an application. When an Applicant is applying for multiple Zones and is including different, separate or additional responses specific to a Zone(s), the Applicant must provide the response specific to a particular Zone(s) under a separate tab(s) for the particular section or question of the RFA to which it is responding. Applicants should separate out its different Zone(s) responses by questions for RFA Part III, Section III-6 Work Statement Questionnaire. The Applicant must label the specific response as detailed in the response to question 9.</p>
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	RFA Section	Question	Answer
11		Can the font size in the headings, footers, and tabs be larger or smaller than 12 pt?	Yes, as long as they are readable.
	RFA Section	Question	Answer
12		Are we authorized to abbreviate zone names (e.g. Northeast as "NE") in headings and tabs?	Yes.
	RFA Section	Question	Answer
13		When a section or question applies to all Zones the Applicant is proposing on, is it necessary to list those Zones in the tab?	No. If an Applicant does not reference a specific Zone to which a response applies, the Department will consider the response to apply to all Zone(s) for which an application has been submitted.
	RFA Section	Question	Answer
14	Appendix A	In Appendix A, Draft HealthChoices Agreement, a list of appendices appear on page 7. These appendices were not provided. Could you please provide the appendices to this contract?	The list of appendices in RFA Appendix A Draft HealthChoices Agreement reflects the list of appendices in the current HealthChoices agreements. As with the draft Agreement, these Appendices are subject to change. Appendices to the <u>final</u> HealthChoices Agreement will address the financial terms and will be provided to selected Applicants during negotiations.
	RFA Section	Question	Answer
15	III-6, Planned Approach	III-6, Planned Approach asks for a work plan for implementation of the program. This section is limited to 4 pages. Since it is stated in III-6, "All page limits apply to response text only; not to any requested documents or the question text," can bidders provide a narrative description for the work plan using the 4 pages and submit a detailed work plan as an attachment?	Yes. Applicants may provide a narrative description for the work plan and submit a detailed work plan as supporting documentation.

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16	III-6, Utilization Management	Is there a page limit required for Utilization Management question #5? There is no page limit noted for this question within the UM section, but all other UM questions have specified page limits.	Responses to Utilization Management Question #5 in the Work Statement Questionnaire (RFA Part III Section III-6) should be limited to two (2) pages.
	RFA Section	Question	Answer
17	I-17.C; Appendix E	Please confirm Applicants are not required to list financial capability information submitted in response to RFA Section III-5 in Appendix E, Trade Secret/Confidential Proprietary Information Notice, nor are they required to mark it as confidential, proprietary, or a trade secret in order to protect it from public disclosure and that such information will be automatically protected even if it is not listed in Appendix E and/or otherwise marked.	As stated in RFA Part I, Section I-17.C, "Financial capability information submitted in response to Part III of this RFA is exempt from public records disclosure under 65 P.S. § 67.708(b)(26)." Applicants should label as financial capability information.
	RFA Section	Question	Answer
18	III-4.A	Please clarify the meaning of "corporate identity," including how it differs from "legal status" and what information Applicants should provide to comply with the requirement to describe their "corporate identity."	Corporate identity refers to the corporation's official corporate identity, including its legal name.
	RFA Section	Question	Answer
19	III-4, Corporate Background, Contract Terminations	Some Applicants are part of large organizations that include numerous Affiliates who do not hold Medicaid managed care contracts such as the one at issue in this RFA. To avoid inundating the Department with terminations of contracts that are not related to the subject matter of this RFA, please confirm that this question is limited to terminations of Medicaid, CHIP, and Medicaid Medicare Plan (Duals) managed care contracts.	Yes. This response may be limited to terminations of Medicaid, CHIP and Medicaid/Medicare Plans agreements and contracts.

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20	III-4.A	Some Applicants are part of large organizations that include numerous Affiliates who do not hold Medicaid managed care contracts such as the contract that is the subject matter of this RFA. Disclosing terminations of managed care contracts held by Affiliates in other lines of business, would result in the production of voluminous amounts of information that is not related to the subject matter of this RFA and which may not even reflect on the quality of services provided by the Applicant's larger organization, where most, if not all such terminations, are due to circumstances other than poor or non-performance on the part of Applicants' Affiliates (e.g., such terminations may be due to, for example, a customer obtaining more favorable pricing elsewhere, a customer's changing business needs, etc.). If the Department seeks terminations of managed care contracts held by Affiliates in other lines of business, may Applicants limit responses regarding such contract terminations to terminations due to poor or non-performance? To be clear, we are proposing to limit contract terminations for Affiliates in other lines of business only. We are not suggesting that terminations of Medicaid, CHIP, and Duals managed care contracts should be limited to terminations for poor or non-performance.	See response to Question 19.
	RFA Section	Question	Answer
21	III-4.A	Please confirm that the request for any significant litigation or investigations of Applicants' Affiliates is limited to the Affiliates in the Medicaid managed care line of business.	Yes, as well as CHIP and Medicaid/Medicare managed care agreements and contracts.
	RFA Section	Question	Answer
22	Appendix H	Question 11 in Appendix H seeks the disclosure of prior suspensions or debarments but does not provide an applicable lookback period. Most organizations will be unable to produce this information for an unlimited time frame, if the information has been destroyed in compliance with applicable document retention policies. Please confirm that Applicants may apply a five-year lookback period, which is consistent with the five-year lookback period	Yes, in responding to Appendix H, Applicants may apply a five (5) year lookback period to the requirement to disclose prior suspensions or disbarments.

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		applied to a similar requirement found in Section 19(2)(e)(2) of Exhibit D, Standard Terms and Conditions for Services, to Appendix A.	
	RFA Section	Question	Answer
23	Exhibit D, Standard Terms and Conditions, Section 19	Section 19(2)(e) of Exhibit D, Standard Terms and Conditions for Services, states that if a Contractor cannot make the certifications requested in subparts (1)-(5) of that section, it must submit a written explanation with its application. RFA Section 1-11(B)(1)-(3) enumerates what must be included in each application, but there is no reference to the requirements in Section 19(2)(e) of Exhibit D. Please confirm that Applicants are not required to address Section 19(2)(e) of Exhibit D with their applications and that instead, the Department will require contract awardees to address this section at the time of contract signature or at such other time designated by the Department. If this is incorrect and the Department would like Applicants to address Section 19(2)(e) with their applications, please indicate where any responsive information should be placed in their submittal.	If an Applicant is unable to make the representations contained in the RFA Part I, Section I-23, the Applicant must disclose as part of its application. See RFA Part I, Section I-23. Applicants should include such information as part of its Tab 4 Prior Experience response.
	RFA Section	Question	Answer
24	Exhibit E, Department of Human Services Addendum to Standard Grant Terms and Conditions	Section S, Act 13 Application to Contractor, of Exhibit E, Department of Human Services Addendum to Standard Grant Terms and Conditions, (Section S) states that a Contractor is required to submit with their bid, certain information for personnel having direct contact with facility residents or unsupervised access to their personal living quarters. RFA Section 1-11(B)(1)-(3) enumerates what must be included in each application, but there is no reference to the information required by Section S. Please confirm that Applicants are not required to submit the information required by Section S with their applications and that instead, the Department will require contract awardees to address this section at the time of contract signature or at such other time designated by the Department. If this is incorrect and the Department would like Applicants to provide any	An Applicant is not required to provide information responsive to Exhibit E Section S of the draft Agreement with its application. RFA Appendix A and its Exhibits, including Exhibit E, are a DRAFT HealthChoices Agreement provided to allow Applicants to understand the scope and nature of the services required.

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	RFA Section	Question	Answer
		information responsive to Section S with their applications, please indicate where such information should be placed in their submittal.	
25	I-11.B.1	RFA Section I-11.B.1 requires applicants to organize their technical response into ten tabs. There is no tab for RFA Section III-1, Nature and Scope of the Project. Please confirm that no response is required for this section. If a response is required, please indicate where in the technical proposal it should be included.	No response is required for RFA Part III Section III-1, "Nature and Scope of the Project."
		information responsive to Section S with their applications, please indicate where such information should be placed in their submittal.	
	RFA Section	Question	Answer
26	V-1	In response to Question 62 in connection with RFP #06-15 in 2015, the Department indicated that hiring commitments for the Contractor Partnership Program could include those by parents and affiliates. Please confirm that the same approach will apply here and that Applicants may include not only their own and their subcontractors' hiring commitments, but also the hiring commitments of their parents and affiliates.	Applicants may include hires by any subcontractor, parent company or affiliate towards satisfying the target. Applicants should include subcontractors, affiliates or parent companies in its CPP submittal. Additionally, as part of its CPP submittal, the Applicant must state how the it will collect the hiring information from each affiliate, subcontractor, or parent company. Regardless of the entity doing the hiring, the Applicant is responsible for submitting the required reports.
	RFA Section	Question	Answer
27	Appendix I	In response to Question 172 in connection with HC Expansion RFP #06-15, the Department confirmed that "geographic boundaries of the United States" includes all fifty states and any geographic area owned or governed by the United States, including but not limited to, Guam, Puerto Rico, and the Virgin Islands. Please confirm that the same definition of "geographic boundaries of the United States" applies to this RFA.	Confirmed.

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28	Appendix K	Would we be permitted to change our commitments to specific SDBs beginning in the second contract year, assuming our total percentage commitment stays at 9% or greater?	Yes. Please see RFA Appendix K SDB-3 SDB Utilization Schedule which states, “In the first Agreement year, each SDB participation commitment listed below, and the total percentage of the SDB participation commitment, will become obligations of the selected Applicant’s Agreement. In the second and subsequent years of the Agreement, the total percentage of the SDB participation commitment will become an obligation of the selected Applicant’s Agreement and the selected Applicant will be required to utilize the SDBs listed below; however, the selected Applicant will be permitted to add additional SDBs to meet their total percentage of SDB participation commitment.” The selected Applicant may also adjust the amounts of the commitments to the SDBs listed on SDB-3 SDB Utilization Schedule in the second and subsequent years; however, all listed SDBs must be used.
	RFA Section	Question	Answer
29		Why are veteran owned SDB excluded from Medicaid CHC PA RFA?	The Commonwealth is making a policy change to separate VBEs (DGS-verified Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses) from SDBs to ensure that both the SDB and VBE programs

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			comply with legal requirements of goal setting. The Commonwealth will set a separate VBE participation goal whenever possible. Please see response to Question 30.
30		From my initial understanding, veteran owned small diverse business is EXCLUDED from the recent PA CHC Medicaid RFA, is this correct? If so, why the have the certification of a small diverse business if it doesn't mean anything for state contracts?	For this specific RFA, DHS and BDISBO researched available VBE firms to perform commercially useful functions under this RFA; however, DHS and BDISO found that VBE participation opportunities for the scope of work for this RFA are de minimis. Therefore, no VBE participation goal was set for the resulting agreements. The Commonwealth will set a VBE participation goal whenever possible.
31		We are a Commonwealth certified SDB and will attend the pre-proposal conference on November 5. May we please have a list of meeting attendees and their email contact information?	The PowerPoint Presentation and list of attendees was posted to eMarketplace after the Pre-Application Conference. Refer to Addendum 3.
32		Appendix F is labeled 'Applicant Managed Care Experience and References', however the References section is absent. Is there a preferred template or format to submit References to complete Appendix F?	RFA Appendix F is deleted and replaced with the revised Appendix F, provided with Addendum #6.
33		I'm an SDB/WBE looking to network with potential prime contractors at the meeting next week! Do you have a list of prime contractors/contacts that are expecting to attend the meeting and/or shown interest in bidding on the solicitation?	Please refer to Addenda 1 and 3.

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	RFA Section	Question	Answer
34	Work Statement Questionnaire: Planned Approach	<p>Provide a work plan for program implementation. At a minimum, the work plan should include:</p> <ul style="list-style-type: none"> • A description of all activities necessary to obtain required contracts for your provider network as specified in the Agreement; and • An itemization of activities that you will undertake from notification of selection for negotiations to Readiness Review and to implementation of Program services. The Applicant Will identify established deadlines, timeframes and responsible individuals or functional leads for each activity. <p>(Limit to four pages)</p> <p><u>Question:</u> Will a response be considered compliant if it references a Readiness Review/Implementation work plan as an attachment to the Technical Submittal? Or do we need to respond to this question in the body of the Technical Submittal within the 4 page limit?</p>	Please refer to the response to Question 15.
	RFA Section	Question	Answer
35	Tabs - Page 9	<p>On Page 9, there is a discrepancy between the order of the tab layout requested in the Technical Submittal and the actual order of the Technical Submittal. The requested tab (pg. 9) layout asks for: Tab 1: TOC, Tab 2: Zone(s) of Operation, Tab 3: Management Summary, Tab 4: Prior Experience, Tab 5: Personnel, etc. However, the Part III Technical Submittal is laid out as follows (pgs. 22-23): III-2 Zone of Operation, III-3 Management Summary, III-4 Qualifications, III-5 Financial Capability, etc.</p> <p>1) Should Tab 4: Prior Experience encompass III-4 Qualifications (Letter A Corporate Background and Letter B Corporate Experience)?</p> <p>2) Should Tab 5 Personnel encompass III-4 Qualifications (Letter C Personnel)?</p>	Applicants should follow the format, including the order and use of headings as required in RFA Part I, Section I-11.B. Tab 4 Prior Experience should include responses to RFA Part III Sections III-4.A Corporate Background and III-4.B Corporate Experience, and Tab 5 Personnel should include responses to RFA Part III, Section III-4.C Personnel.

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36	SDB Submittal: Tabs	Is there a requirement/layout for how the tabs should be labeled in the separate SDB submittal?	See, RFA Appendix K SDB-1, V.1. Each separate SDB Participation Submittal and accompanying required documentation must be labeled to identify the Zone to which it applies.
	RFA Section	Question	Answer
37	CPP Submittal: Tabs	Is there a requirement/layout for how the tabs should be labeled in the separate CPP submittal?	No. Applicants should follow the general requirements for applications that are listed in RFA Part I, Section I-11.
	RFA Section	Question	Answer
38	<u>I-11.B</u>	If MCOs would like to include relevant information as an additional Appendix (per section B. Application Format, page 8), should they be inserted after all of the <u>required</u> appendices, or directly behind the section that the Appendix is referencing? Also, what naming convention should reference appendices follow?	<p>Applicants who wish to include additional information that relates to a particular section of its response should insert it directly after that particular section, with a tab or cover page labeled as directed by the responses to Questions #9 and #10, but with the addition of appropriate language such as “Additional Information”, “Appendix” or “Supplement”.</p> <p>Applicants who wish to include additional information that relates to multiple sections of their response should insert it after all of the required appendices, with a tab or cover page labeled “Additional Information,” “Appendix” or “Supplement,” and should include a cover sheet or tab for each document that clearly states each and every section of the response to which that document pertains.</p>

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			In all portions of their response, Applicants must clearly label, by tab or cover sheet, every document provided, to indicate each and every section to which it pertains.
	RFA Section	Question	Answer
39	Appendices	How should requested Appendices, such as company bylaws, Articles of Incorporation, etc. be labeled in the Appendices? For example, should tabs state "Appendix <?>: Articles of Incorporation; Appendix <?> Bylaws, etc.?"	Please refer to responses to Questions 8, 9, 10, 38, and 42. On the tab or cover sheet, Applicants should accurately identify the content of all supporting documentation.
	RFA Section	Question	Answer
40	Appendices, Page 10, letter d	Do required Appendices (e.g. Bylaws, Articles of Incorporation, etc.) and reference Appendices need to follow the formatting instructions referenced on page 10, letter D (i.e. a page number and identification of the Applicant in the footer)? Or is that requirement only applicable to the primary Tabs of the submittal?	Generally, all pages of all supporting documentation should follow the formatting instructions in RFA Part I Section I-11.B.1.d. If supporting documentation pre-exists the application and has its own formatting, including numbering, the Applicant is not required to reformat to conform to the RFA requirements; however, the supporting documentation should have numbering.
	RFA Section	Question	Answer
41	Appendices, Page 10, letter e	Is it permissible for MCOs to include a page in front of each Appendix that identifies the Appendix name, Application section, and page number to which it applies?	Yes. Please refer to the response to Question 38.
	RFA Section	Question	Answer
42	Appendices, Tabs - Page 9	Page 9 of the RFA requires 10 primary tabs. Should the Appendices that follow be labeled as separate tabs: Tab 11 = Appendix I, Tab 12 = Appendix L, Tab 13 = Appendix C? Also, should they follow the order on page 9, or should they be in alphabetical order (Appendix C, Appendix I, Appendix L)?	For the Technical Submittal, with the exception of Appendix F, which should appear as Tab 10 as directed in RFA Part I Section I-11.B.1.a, the appendices listed in RFA Part I Section I-11B.1 should be tabbed and labeled with the letter name of the Appendix, and should be placed

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			after the ten primary tabs, in alphabetical order. Additional appendices should be labeled and placed according to the instructions in the response to Question 38.
	RFA Section	Question	Answer
43	Appendices, Tabs - Page 9	For the RFA tabs, can the Appendices be abbreviated? For example, can Appendix I state: "Appendix I" instead of "Appendix I - Domestic Workforce Utilization Certification?"	Yes.
	RFA Section	Question	Answer
44	Covers	What language is required on the covers of the Technical submittal, SDB submittal, and CCP submittal, respectively? For example, should the cover state, at a minimum, the RFA # and type of submittal?	Yes. The cover page should also include the Applicant's name.
	RFA Section	Question	Answer
45	Originals	Should the binder with the original wet signature forms clearly be labeled as "original" on the cover of the binder? Should the remaining binders be labeled as "copies" on the cover?	Yes. Yes.
	RFA Section	Question	Answer
46	Redactions	If MCOs submit a redacted version of the Technical submittal, will an electronic copy on a flash drive suffice? Or, are MCOs also required to PRINT (1) hard copy of the redacted version too?	An electronic copy of the redacted version of the Technical Submittal is sufficient.
	RFA Section	Question	Answer
47	Redactions	Are MCOs only permitted to submit redactions to the Technical submittal, and not to the SDB or CPP submittal?	MCOs may submit redactions to the SDB and CPP submittals to the extent an Applicant considers information in those submittals to be confidential, proprietary or trade secret protected.

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	RFA Section	Question	Answer
48	Page 33, Utilization Management, Question #5: Describe your observation payment policy and specify what process is and will be in place to provide for timely responses to provider questions or concerns, and outline what processes are in place when considering if an inpatient stay is downgraded to observation status.	Please advise on the page limit for Page 33, Utilization Management, Question #5: "Describe your observation payment policy and specify what process is and will be in place to provide for timely responses to provider questions or concerns, and outline what processes are in place when considering if an inpatient stay is downgraded to observation status."	Please refer to the response to Question 16.
	RFA Section	Question	Answer
49	Appendix A	Given that Appendix A is a locked PDF, can MCOs provide their suggested changes in a separate document/table?	Applicants are not to provide requested changes to RFA Appendix A Draft HealthChoices Agreement. RFA Appendix A is a DRAFT HealthChoices Agreement provided to allow Applicants to understand the scope and nature of the services required and is subject to change. Selected MCOs will be provided an opportunity to discuss the HealthChoices Agreement during negotiations. RFA Part III Section III-8, "Objections and Additions to Standard Grant Terms and Conditions" limits requested changes to those terms and conditions set forth in Exhibits D or E of RFA

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			Appendix A Applicants should include any such objections or additions with a tab labeled as a response to RFA Section III-8 . This response must clearly identify each specific term or condition of Exhibits D or E of RFA Appendix A that an Applicant wishes to negotiate, change, or add.
	RFA Section	Question	Answer
50	Appendix A	There are discrepancies in the verbiage between Appendix A (effective January 1, 2021) and the 2020 Draft HealthChoices Agreement that is currently being circulated to MCOs for review, separate from the RFA process. Is this intentional?	Yes.
	RFA Section	Question	Answer
51	Appendix O (referenced in Part I, Page 4)	Are MCOs that currently have a HealthChoices contract required to complete/sign Appendix O, given that they already have access to the HealthChoices Extranet?	No, although an authorized representative may not need to complete the hard copy form, an individual who currently does not have access will need to complete the online registration process, including the completion of an electronic version of the form.
	RFA Section	Question	Answer
52	Appendix O	Are incumbent MCOs required sign and complete "Appendix O: Commonwealth IT Resource User Agreement," referenced in the 3rd paragraph on page 4 of the RFA? Or is it not applicable?	Please refer to the response to Question 51.
	RFA Section	Question	Answer
53	Appendix O	Are incumbent MCOs required to register/request access to the "Commonwealth Information Technology resources," referenced in the 3rd paragraph on page 4 of the RFA? Or is it not applicable?	Please refer to the response to Question 51.

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	RFA Section	Question	Answer
54	Appendix O	Will any RFA information be posted to the HealthChoices Extranet site referenced in Appendix O? If so, which documents?	<p>The Department is not sure as to what is meant by “RFA information”. The RFA, its appendices and all addenda to the RFA are or will be posted to the DGS eMarketplace site at: http://www.emarketplace.state.pa.us/Solicitations.aspx?SID=RFA%2007-19.</p> <p>RFA Appendix A, Draft HealthChoices Agreement, includes multiple references and links to urls and material to the type of material that is on the HealthChoices Extranet site. Examples from Appendix A include:</p> <ul style="list-style-type: none"> • Exhibit M(1), Standard XV, Letter B, MIS and Systems Performance Review Standards • Exhibit KK(2), page 2, PH-MCO Fraud and Abuse Referral Form Templates • Exhibit XX, page 1, Encounter Data Certification Process Details <p>The HealthChoices Extranet also includes Managed Care Operations Memoranda and System Notices to clarify operational policies and procedures and current information regarding managed care systems, eligibility, enrollment, reimbursement and encounter data submission requirements, policies and procedures.</p>

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	RFA Section	Question	Answer
55	Format - Page 10	Do organizational charts need to abide by the 12 pt. font size? Or can they be considered a "graphic" and be 9 pt. font or smaller?	No, 12-point font is not required for organizational charts; however, the chart must be readable.
	RFA Section	Question	Answer
56	Appendix D	The top of Appendix D Application Cover Sheet states: "Enclosed in two separately sealed submittals is the application of the Applicant identified below for the above-referenced RFA." Should this actually state "Enclosed in three separately sealed submittals" since there is a Technical submittal, SDB submittal, and CPP submittal?	Yes.
	RFA Section	Question	Answer
57	Work Statement Questionnaire, VBP Question #7: Describe how you will extend the VBP targets in Section VII.E to all affiliated lines of business operating in Pennsylvania. Provider detail for each affiliated line of business to include current expenditures for VBP and what strategies have been and will be used.	Can DHS provide clarification on what line of business this question is referring to (i.e. just Medicaid/CHIP)? Are Medicare and Commercial included?	<p>This question and the related language of Appendix A, Draft HealthChoices Agreement, Section VII.E.8. includes Medicare, Commercial, Medicaid, CHIP and all affiliated lines of fully-insured businesses operating in Pennsylvania.</p> <p>Also note that the Work Statement Value-Based Purchasing Question #7 in the original posting of RFA #07-19 mistakenly omitted the words "fully-insured" in several locations. Please see the revised Question No. 7 in Addendum 6, which deletes and replaces Addendum 4.</p>
	RFA Section	Question	Answer
58	Personnel	Please define Provider Claims Educator.	See RFA Appendix A, Draft HC Agreement, Section V.N Other Administrative Components,

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	RFA Section	Question	Answer
			pages 84-85, for a description of the responsibilities and administrative functions of the Provider Claims Educator.
59	III.7 - Items C. and D.	Are Applicants required to submit any documentation in response to C. Emergency Preparedness and D. Disaster Recovery, or are the sections informative?	Applicants should state how they will meet each of the Requirements of RFA Part III, Section III-7. Responses shall be provided within Tab 8, as required by RFA Part I, Section I-11.B.
60	Page 27, Subcontracts., Letter J	Page 27, letter J: MCOs are instructed to provide resumes and responsibilities of subcontract individuals (if required by the RFA). Does this mean that MCOs only need to provide resumes for subcontractors if they are included in "Appendix G: Executive Staff & Key Administrative Personnel Checklist?"	Yes. Please refer to the response to Question 4.
61	Page 27, Subcontracts., Letter J	Under Letter J on page 27 (Subcontracts), MCOs are required to provide "Resume(s) and responsibilities of individual (if required by RFA). Should this be interpreted as providing the resume/responsibilities for the primary point of contact (1 person) at the subcontracting entity?"	Please refer to the response to Questions 4 and 60.
62	References paragraph, page 24, 1st paragraph "The Applicant must also completed Appendix F, Applicant's Managed Care Experience and References. The Applicant must include	In the references requirement paragraph on Page 24 of the RFA, please advise what criteria MCOs should provide for references, as it is not expressly stated in the RFA or Appendix F. For example, should reference information include the following: Name of contract, Type of Contract, Contract Description, Approximate Annual Contract Value, Contracting Officer and Telephone, Time Period in Which the Service was Provided.	Please refer to the response to Question 32.

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	<p>all information being requested, including the name, title and contact information for the contact person listed in Appendix F. The Department will select three (3) appropriate entities to contact as corporate references for the Applicant. In its discretion, the Department may contact additional listed entities. "</p>		
	<p>RFA Section</p>	<p>Question</p>	<p>Answer</p>
<p>63</p>	<p>References paragraph, page 24, 1st paragraph "The Applicant must also completed Appendix F, Applicant's Managed Care Experience and References. The Applicant must include all information being requested, including the name, title and</p>	<p>There is no clear place to list corporate references in Appendix F. Should MCOs provide a list of references immediately following Appendix F?</p>	<p>Please refer to the response to Question 32.</p>

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	contact information for the contact person listed in Appendix F. The Department will select three (3) appropriate entities to contact as corporate references for the Applicant. In its discretion, the Department may contact additional listed entities. "		
	RFA Section	Question	Answer
64	Resumes, Page 24-26	For the Executive Management team (page 24) and all Key Administrative Positions listed on page 26, are narrative biographies acceptable in lieu of formal resumes? Meaning that if biographies are provided, MCOs do not have to provide resumes, as the RFA states "through resume or similar document?"	Yes, if the "narrative biographies" contain all relevant information typically found in standard formal resumes, and if they are brief and concise documents organized in a manner that permits the reader to easily glean relevant information.
	RFA Section	Question	Answer
65	Job Descriptions, Page 24	Last paragraph, page 24: the RFA speaks to job descriptions. Are job descriptions only required for staff that are currently NOT employed with the MCO and will be hired in the future? Meaning that for all currently employed staff listed in the Personnel section, job descriptions are NOT required? Appendix G's checklist states that job descriptions are required for all staff by listing checkmarks in the JD column.	As stated in the Executive Staff and Key Administrative Personnel Checklist in RFA Appendix G, job descriptions, including minimum required education and experience must be provided for ALL Executive Management and Key Administrative Positions, regardless of whether a specific individual is currently employed by the Applicant.

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			For all Executive Management (also referred to as “Key Personnel”) positions, Applicants must also provide a resume (or similar document) if the position is currently filled by a specific individual.
	RFA Section	Question	Answer
66	III-4.C.1 Page 25 Executive Management	Page 25, 1. Executive Management, states the "Director of Quality Management" and "Information Systems Coordinator." However, neither of those positions are listed in Appendix G, Executive Staff and Key Administrative Personnel Checklist. Please advise.	<p>RFA Appendix G is deleted and replaced with the revised Appendix G, provided with Addendum #6.</p> <p>The Director of Quality Management listed in RFA Part III Section III-4.C.1 is the same position as the Director of Quality Management/QM Coordinator listed in revised RFA Appendix G.</p> <p>The Information Systems Coordinator listed in RFA Part III Section III-4.C.1 and in RFA Appendix A Section V.M is the same position as the Chief Information Officer/IS Coordinator listed in revised RFA Appendix G.</p>
	RFA Section	Question	Answer
67	III-6 Work Statement Questionnaire, Provider Network Composition and Network Management, Question 1	<p>The cited acts are large and comprehensive – please advise what MCOs are specifically supposed to address in this question: Work Statement Questionnaire, Network: Describe how you will comply with and require your providers in your network to comply with the following:</p> <ul style="list-style-type: none"> • The Labor Anti-Injunction Act, 43 P.S. 206a - 206r, and the Pennsylvania 	Applicants should respond by explaining how they will comply and how they will require network providers to comply with these legal requirements.

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		<p>Labor Relations Act, 43 P.S. 211.1 - 211.13.</p> <ul style="list-style-type: none"> The Americans with Disabilities Act, 42 U.S.C. 12101 et seq., Section 1557 of the Patient Protection and Affordable Care Act (ACA), 42 CFR 438.3(f)(1), and 42 CRF 438.100(d). 	
	RFA Section	Question	Answer
68	SDB Submittal	<p>Page 9, the RFA states: "If submitting for multiple Zones, Applicants must include separate SDB submittals for each Zone in its application." Does this mean that MCOs should submit an SDB submittal with separate tabs for <u>each</u> Zone (NW, SW, L/C, NE, SE), even if the required SDB forms are the same across all Zones?</p>	<p>Yes. Applicants must submit a separate SDB submittal along with the associated required documentation for each Zone for which it is applying, even if the required SDB forms are the same across all Zones. Failure to submit an SDB Participation Submittal and accompanying required documentation for a Zone will result in the rejection of the application for the Zone(s) for which an SDB Participation Submittal and required documentation was not submitted. See, RFA Appendix K SDB-1.VI.3.</p>
	RFA Section	Question	Answer
69	Miscellaneous/NA	<p>My hope is to best connect with you with regard to networking with the interest of subcontracting with the primary contractors who are looking into the RFA 07-19.</p> <p>Any information you can share with me would be greatly appreciated. Do you have any lists of meetings previously held and those in attendance who are interested in the RFA 07-19 that you are permitted to share with me?</p> <p>Also, I will be attending the meeting on 11-05. Do I need to pre-register?</p>	<p>Please refer to Addenda 1 and 3.</p>
	RFA Section	Question	Answer
70	CPP Submittal	<p>Do TANF beneficiaries hired by subcontractors count towards the overall Contractor Partnership Program hiring target?</p>	<p>Yes.</p>

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	RFA Section	Question	Answer
71	Appendix E	Appendix E, Trade Secret/Confidential Proprietary Information Notice, states Applicants should “mark the submitted material in such a way to allow a reviewer to easily distinguish between the parts referenced below” followed by the table format including the page number, description, and explanation. RFP I-17.A. Confidential Information states, “Applicants should not label application submissions as confidential or proprietary or trade secret protected.” Please confirm whether or not Applicants should specifically label each page where confidential, proprietary, or trade secret information is contained in the original copy of the Application, in addition to also providing a redacted version and completing Appendix E. If pages in the original application should be labeled, please indicate in what manner this should be done.	Applicants that wish to identify information as confidential, proprietary, or trade secret must complete RFA Appendix E. Applicants must also redact the confidential, proprietary, or trade secret information within an electronic redacted version of the submittal(s). Applicants should not mark its hard copy pages of the application. See also the response to Questions 46 and 47.
	RFA Section	Question	Answer
72		RFP I-11.A. Application Requirements states that if Applicant designates information as confidential or proprietary or trade secret, Applicant must also include one redacted version of the Technical Submittal. Please confirm that if Applicant has information designated as confidential or proprietary or trade secret in the SDB or CPP submittals, a redacted version should also be submitted.	Yes, see response to Questions 46 and 47.
	RFA Section	Question	Answer
73	Appendix E	Please confirm that in the Appendix E, Trade Secret/Confidential Proprietary Information Notice, in the Page Number field Applicants may note which submittal is being referenced. [Example SDB, p.1]	Yes.
	RFA Section	Question	Answer
74	Appendix F	RFA III-4, B, Page 24, states, “The Applicant must also complete Appendix F, Applicant’s Managed Care Experience and References. The Applicant must include all information being requested, including the name, title, and contact information for the contact person listed in Appendix F.” However,	Please refer to the response to Question 32.

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	RFA Section	Question	Answer
		the current version of Appendix F does not provide where the name, title, and contact information for the contact person should be provided. Can the Department please provide guidance on how this disclosure should be completed, or indicate if an updated version of Appendix F will be released?	
75	Appendix F	Appendix F requires Applicants to list “Name of Individual Completing This Appendix F.” Can the Department provide some guidance with respect to whom the Department would expect to be listed? The information may vary widely between Applicants and may include subject matter expert names, Health Plan Personnel, or corporate individuals assisting in preparation of the RFA response. Alternatively, does the Department intend for this to be the place where the name, title and contact information for the reference contact person to be listed?	RFA Appendix F is deleted and replaced with the revised Appendix F, provided with Addendum #6. Applicants should list the required contact information for both the individual at the State Agency as well as for the individual for the Applicant who is responsible for the completion of the form and has knowledge of the agreement with the state listed. The Issuing Officer may contact this individual for the Applicant for assistance or information if the Department is unable to contact or does not receive necessary information from the Contact Persons at any of the State Agencies listed in the submitted copies of RFA Appendix F.
	RFA Section	Question	Answer
76		RFA III-4, B, Page 24, states the “Department will select three (3) appropriate entities to contact as corporate references for the Applicant. In its discretion, the Department may contact additional listed entities.” Can the Department please provide additional detail as to the timing and format of outreach to references? In an effort to make sure the Department receives the requested information from Applicants’ references in a timely fashion, providing the approximate timing and manner of the outreach would ensure the reference contact is aware and available.	Please refer to the response to Question 75. The Issuing Officer will select and attempt to contact at least three (3) entities at the telephone numbers and Email addresses listed for the Contact Persons at the State Agencies listed, as soon as possible after receipt of applications.

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	RFA Section	Question	Answer
77		Regarding References, if the Department is unable to reach or does not receive an appropriate response from a reference, will the Department notify the Applicant to help obtain a reference, or would the Department pick another reference from Appendix F to contact, to ensure Applicants are not penalized for a non-responsive reference which may be outside of the Applicant’s control? (Reference contacts may leave their current job posts, retire or be otherwise not available to respond in a timely fashion due to unforeseen circumstances). Alternatively, would the Department consider allowing Applicants to submit inquiries to the sole point of contact for this RFA during the evaluation period to confirm all of the references Department may have contacted, responded timely and completely?	Please refer to the response to Questions 75 and 76.
	RFA Section	Question	Answer
78		Appendix F states, “The Applicant must complete a separate APPENDIX F for each state where the Applicant has contracted with a state agency to provide managed care services since January 2015.” Can the Department please confirm that Applicants who may have affiliates operating similar managed care programs in other states are required to complete Appendix F for each of these affiliates?	Yes, also see response to Question 105.
	RFA Section	Question	Answer
79		RFA Section III-5 Part E states in the three-part equity test that part 1 equals \$25 million. Under the Appendix A Section V11 A.2, the part 1 equals \$20 million. Please confirm which amount is correct.	The amount of \$25 million shown in RFA Part III Section III-5, Part E is the correct figure.
	RFA Section	Question	Answer
80		Exhibit B (3) Part II states the Department will make payments for Provider P4P based on a PMPM rate, noted in Appendix 3f. This Exhibit also states the payments are part of the monthly capitation identified in Appendix 3b. We do not see this defined in the Appendix B financial data and ask that the Department please advise. Also, please provide Appendix 3f.	Please refer to the response to Question 14.

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	RFA Section	Question	Answer
81		Please provide Appendix 3h, Medical Loss Ratio Reporting and Remittance Requirements, as we have not identified any language on minimum MLR requirements or remittance provisions in other sections of the RFA or contract.	Please refer to the response to Question 14.
	RFA Section	Question	Answer
82		As the majority of any eligible enrollees are already enrolled with existing MCOs in each region, unless a preferential assignment methodology is implemented, any new entrant would likely not be able to reach a sustainable enrollment level within a reasonable period of time. Does the Department plan to adopt an auto-assignment algorithm for the implementation of the new contract that will facilitate baseline enrollment levels needed to support new entrant short and long term financial viability and stability? Will the Department consider adopting any MCO enrollment minimum or maximum thresholds?	The use of any such preferential assignment methodologies, auto assignment algorithms, or enrollment thresholds, are matters to be determined and discussed during Readiness Review.
	RFA Section	Question	Answer
83		Exhibit Z does not appear to address assignment of potential displaced members in the event an incumbent is replaced. How does the Department anticipate those members being assigned?	Potentially displaced members will be offered and encouraged in the first instance to choose a new managed care plan. These members will be assisted by the Department’s independent enrollment broker. If a member fails to make a choice, the member will be auto-assigned to a plan in accordance with the Department’s auto-assignment methodology.
	RFA Section	Question	Answer
84		We understand that members will be given an opportunity to change plans at the time of implementation for the new contract. However, if an existing enrollee’s MCO has been awarded a contract to continue operations within	Please see response to Question 82.

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	RFA Section	Question	Answer
		that enrollee’s service area, will that enrollee be auto-assigned back to their current MCO in the absence of a proactive choice to change MCOs?	
85		Does the Department plan to provide a mechanism such as auto assignment preference or market share minimum or maximum to provide a new entrant the ability to gain viable membership levels?	Please refer to the response to Question 82.
		that enrollee’s service area, will that enrollee be auto-assigned back to their current MCO in the absence of a proactive choice to change MCOs?	
86		Please provide data on the percent of members in the HealthChoices program by region/that self-select a MCO versus those that are auto assigned.	The ongoing monthly and annual choice rate of HealthChoices enrollees who make an active selection, both statewide and in each HealthChoices Zone, is approximately 70-75%. The monthly choice rate dipped to approximately 63% during major population expansions in January 2017 and January 2018, but in both cases returned to approximately 70% by the following month.
		that enrollee’s service area, will that enrollee be auto-assigned back to their current MCO in the absence of a proactive choice to change MCOs?	
87	III-5.B.7, 8-10	The Financial Capability section III-5 of the RFA requests a Bond rating under Part B.7. In Part B.8-10, it requests ratings from AM Best, S&P, and Weiss. Is a specific bond rating being requested in B.7 or does B.8-10 meet the requirements?	The bond rating under RFA Part III, Section III-5.B.7 is specific to bonds issued whereas the ratings requested under RFA Part III, Section III-5. B.8-10 are for the company as a whole.
		that enrollee’s service area, will that enrollee be auto-assigned back to their current MCO in the absence of a proactive choice to change MCOs?	
88	III-5.E	Regarding Section III-5 Part E, the applicant or entities who are an HMO or licensed insurer must meet the three part equity test prior to submission of the application. In our experience, initial investment for new incumbents would be required for licensure, with on-going capital required when operational with risk business. For new incumbents, would the Department be open to other forms of proof such as a parental guarantee that the	If the Applicant does not have the required equity as described in RFA Part III Section III-5 E or the alternative equity as described in Part III Section III-5 G, the Applicant must explain why and provide how the equity requirement will be met if the Applicant is selected, and

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	RFA Section	Question	Answer
		applicant will be properly capitalized when operational under a risk contract?	provide financial documentation that supports the funding of the equity requirement.
89	III-5.E	The section references “Appendix 3K” that provides the criteria for inclusion in the High Cost Risk Pool that would not require the risk protection reinsurance. Please provide Appendix 3K so we can understand the criteria.	With regard to Appendix 3k, please refer to the response to Question 14. The risk strategy that applies to the agreement year will be released when rate offers are available.
		applicant will be properly capitalized when operational under a risk contract?	provide financial documentation that supports the funding of the equity requirement.
	RFA Section	Question	Answer
90	Appendix B	Please confirm whether the data underlying the CY2018 Average Rates presented in Appendix B and the encounter data included in the CY2020 Data book represents actual levels of provider contracting by each MCO, or if the data has been adjusted to reflect 100% of the Medicaid fee schedule.	The CY 2018 Average Rates represent actual payments to the MCOs for CY 2018 dates of service. The rate ranges developed by Mercer for CY 2018 included an adjustment to inpatient acute care services to reflect reimbursement levels at least equivalent to Fee for Services reimbursement levels. The encounter data used for the CY 2020 Data Book consist of actual encounters submitted by the MCOs for CY 2017 dates of service without adjustment.
	RFA Section	Question	Answer
91	Appendix B	Average HealthChoice rates paid in calendar year 2018 are included in Appendix B. It is noted that these rates include amounts for APR payments to hospitals, administrative expense related to the Gross Receipts Tax, and maternity kick payments. In order to assist the bidders in understanding the full financial picture of the HealthChoice program, will the Department please consider providing detail of the average rates paid with a breakout of the major components, specifically separating any pass-through payments that would not be considered at risk to the plans? Additionally, can more	The Base Capitation Rates include an MCO Assessment Amount. The MCO Assessment Amount is the amount included in the Base Capitation Rates for the MCO Assessment fee inclusive of a multiplier that accounts for the PH-MCO’s responsibility to pay the MCO Assessment fee for partial member months. The MCO Assessment Amount for 2018 is

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Q&A

information be provided on any supplemental payment arrangements that currently exist?

\$20.09 (\$19.87 MCO Assessment x 1.011 multiplier).

The table below shows the maternity amounts separated from the TANF/MAGI previously provided:

2018 Average Rates				
Zone	TANF/MAGI	SSI/BCC	Newly Eligible	Maternity
SE	\$295.94	\$1,333.73	\$491.13	\$32.65
SW	\$280.62	\$1,038.82	\$461.73	\$25.32
L/C	\$258.80	\$1,033.43	\$468.18	\$29.53
NE	\$236.92	\$990.10	\$416.88	\$22.74
NW	\$251.90	\$908.82	\$414.02	\$23.30

The APR payments to hospitals for 2018 as reported by the MCOs were:

PMPM					
	SE	SW	L/C	NE	NW
TANF-MAGI	\$16.11	\$14.26	\$11.60	\$9.85	\$11.51
Disabled – BCC	\$76.69	\$53.27	\$45.67	\$40.34	\$39.28
Newly Eligibles	\$25.58	\$22.31	\$23.20	\$19.38	\$17.19
Total	\$28.51	\$23.58	\$19.93	\$17.27	\$18.03

The Enhanced Access Specialty Physician Services

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Q&A

			<p>payments for 2018 as reported by the MCOs were:</p> <table border="1"> <thead> <tr> <th></th> <th>SE Only</th> </tr> </thead> <tbody> <tr> <td>TANF-MAGI</td> <td>\$3.79</td> </tr> <tr> <td>Disabled BCC</td> <td>\$9.79</td> </tr> <tr> <td>Newly Eligibles</td> <td>\$5.11</td> </tr> </tbody> </table> <p>Please remember the provided financial information is for 2018 and is subject to change and is provided for informational purposes only.</p> <p>Exhibits B(1) through B(6), previously provided in RFA Appendix A Draft HealthChoices Agreement, includes information on supplemental payments to the MCOs.</p>		SE Only	TANF-MAGI	\$3.79	Disabled BCC	\$9.79	Newly Eligibles	\$5.11
	SE Only										
TANF-MAGI	\$3.79										
Disabled BCC	\$9.79										
Newly Eligibles	\$5.11										
	RFA Section	Question	Answer								
92	Appendix A, Draft HealthChoices Agreement, Section II, Definitions, Section V.A.4 Expanded Services	<p>Appendix A, page 18 defines Expanded Services as: "Any Medically Necessary service, covered under Title XIX of the Social Security Act, 42 U.S.C. 1396 et seq., but not included in the State's Medicaid Plan, which is provided to Members."</p> <p>Appendix A, page 43 says: "These must be services that are generally considered to have a direct relationship to the maintenance or enhancement of a Member's health status, and may include various seminars and educational programs promoting healthy living or illness prevention, memberships in health clubs and facilities promoting physical fitness and expanded eyeglass or eye care benefits."</p>	Expanded Services are not limited to services deemed medically necessary.								

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Q&A

	RFA Section	Question	Answer
		Can the Department please confirm that Expanded Services are not limited just to services deemed medically necessary, but may include those that maintain or enhance a Member’s health status?	
93		Please confirm that the only subcontractors agreements that must be submitted as appendices to the RFA are those with subcontractors in which Applicant has an ownership interest.	For the application, Applicants must submit its agreements with those subcontractors with which the Applicant has an affiliated relationship.
	RFA Section	Question	Answer
94		Would the Department allow Applicants to submit additional supplemental information/documents, outside of those being asked for in the RFA, if they help support our response? If so, can the Department please confirm that these supplemental materials will not count towards page count?	Yes. Please refer to the response to Question 38 and RFA Part I Section I-11.B. Supplemental materials will not count against page limits.
	RFA Section	Question	Answer
95		Question #5 under Utilization Management in the Work Statement Questionnaire does not include a page limit. Can the Department please confirm if there is a page limit for addressing this question?	Please refer to the response to Question 16.
	RFA Section	Question	Answer
96	Appendix A, Exhibit BBB	Please provide clarity around the statement "If the PH-MCO fails to submit Outpatient Drug Encounter Data when invoiced to manufacturers for rebate, at least 90% are collectable within 90 calendar days of invoicing by the Commonwealth a sanction of \$25,000 per quarter shall be imposed until the PH-MCO reaches the 90% threshold." Is the PH-MCO sanctioned for failure to provide the encounter data within the 90 days of invoicing or for failure of manufacturers to pay within 90 days? As worded, the requirement is not entirely clear.	Selected MCOs must report Outpatient Drug Encounter Data to DHS so that DHS may invoice for drug rebates. The Department may impose an assessment on a PH-MCO if rebates for MCO paid claims are not collected because the PH-MCO failed to provide all outpatient drug information, including National Drug Codes (NDCs) and accurate NDC units for all drug claim types, NCPDP, 837 Professional, 837 Institutional, as designated by the Department.

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	RFA Section	Question	Answer
97	Appendix A, Exhibit BBB	The requirement in 'b' states "Should the PH-MCO receive a request to dispense medication prescribed by a BH Provider not listed on the BH-MCO's Provider file, the PH-MCO must work through the appropriate BH-MCO to identify the Provider. The PH-MCO is prohibited from denying prescribed medications solely on the basis that the BH-MCO Provider is not clearly identified on the BH-MCO Provider file". As we understand it, the PH-MCO must pay the claim even if the BH-MCO Provider is not clearly identified on the BH-MCO Provider file. Can the Department clarify what "work through the appropriate BH-MCO to identify the Provider" means? What is the expectation of the PH-MCO after it pays the pharmacy claim at point-of-sale and what is the timeframe in which this retrospective action must occur?	The PH-MCO must contact the appropriate BH-MCO to seek information to confirm whether the BH provider who prescribed the medication is or should be listed on the BH-MCO Provider file. No specific timeframe has been established, but the PH-MCO should do so as soon as possible, ideally before further prescriptions from the provider in question are presented to the pharmacy.
	RFA Section	Question	Answer
98	Appendix A, Section V.G	After reading the Member Services section on pages 74-76 we want to clarify that the standard member services call center needs to be operational Monday thru Friday from 9am to 5pm plus one evening per week or weekend per month for non-emergency problems. Please confirm that the requirement for a 24/7, staffed call center applies only to emergency issues, inquiries, and problems handled by a clinical team.	Confirmed.
	RFA Section	Question	Answer
99	III-6 Work Statement Questionnaire, Planned Approach, Question 1	Can you confirm that the project plan for implementing this business can be an attachment and the maximum of 4 pages allocated to the summary that supports the plan?	Yes, see responses to Questions 15.
	RFA Section	Question	Answer
100		Would the Department allow bidders to include large attachments, for example, those over 100 pages, (including annual financial reports) in the electronic submission only?	Please see response to Question 8.
	RFA Section	Question	Answer
101		Please confirm that the corporate history and relevant experience requested to meet qualification requirements pertains to situations where Applicant or	RFA Part III Section III-4.A Corporate Background requires : "...If the experience of a

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		<p>its affiliates was responsible for, and ultimately accountable for, the delivery of Medicaid managed care services. Information on Applicant’s prior experience working with, and the experience of, subcontractors it may choose to contract with for specific benefits (e.g. dental, vision, and pharmacy) should be provided in response where requested in Section III-4.C. 5.e and f.</p>	<p><i>proposed subcontractor is being used to meet the qualifications and requirements of this RFA, the Applicant must provide the same information as listed above for the subcontractor. This information must be presented separately within this section, clearly identifying the subcontractor’s experience and name.”</i></p> <p>Applicants should submit information as to relevant prior work and experience related to managed healthcare services, including, Medicaid, CHIP and Medicare/Medicaid dual programs, as well as the experience being requested in RFA Part III, Sections III-4.A and B.</p> <p>Information submitted in response to RFA Part III Section III-5.C.5.e and f is required to establish the relevant experience and qualifications of all subcontractors the Applicant proposes to use in the provision of services to HealthChoices beneficiaries.</p>
	<p>RFA Section</p>	<p>Question</p>	<p>Answer</p>
<p>102</p>	<p>III.4.A</p>	<p>Please confirm that for experience evaluation and approach applicability to proposed operations under the RFA, the relevant experience and requested information in Section III-4.A pertains to experience operating Medicaid managed care programs. Please confirm that the Department is not asking Applicants to disclose information on contracts unrelated to managed care, such as office supply/maintenance or administrative support vendors.</p>	<p>Information submitted in response to RFA Part III, Section III.4.A should pertain to relevant prior work and experience related to the provision of managed care services, including but not limited to CHIP and</p>

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			Medicare/Medicaid dual programs, as well as Medicaid managed care services.
	RFA Section	Question	Answer
103	III.4.A	Please confirm that requested contract/agreement cancellations or terminations are those that were terminated for convenience or lack of performance before completion of the contracted term and does not include, for example commercial insurance contracts that may end early due to non-payment of premium that occur in the standard course of business within the healthcare industry (e.g. annual election).	Yes, confirmed. Also see response to Question 19.
	RFA Section	Question	Answer
104	III.4.A	The Applicant must describe the corporate history and relevant experience of the Applicant and any subcontractors. It additionally provides “If an Applicant is proposing to use the services or products of a subsidiary or affiliated firm, the Applicant must describe the business arrangement with that entity and the scope of the services the entity will provide.” Please confirm subsidiary or affiliated firms are not considered subcontractors for purposes of this RFA.	Applicants will need to describe the business arrangement with its subsidiary and affiliated firms. The Department is unable to make a determination without specific information.
	RFA Section	Question	Answer
105	Appendix F	As noted in Appendix F – Offeror’s Managed Care Experience and References, please confirm that “Applicant” can include the experience of its affiliates that have experience in providing Medicaid managed care services through programs of similar scope, size and complexity to HealthChoices, and will be leveraged by the Applicant, throughout its response where such affiliates are administered by the same entity.	Confirmed, except to note that experience and references submitted in response to revised Appendix F, provided with Addendum #6, should include managed care services provided through contracts or agreements with state agencies since January 2015, which may include CHIP and Medicare/Medicaid dual programs.
	RFA Section	Question	Answer
106	I-3, Certificate of Authority and County Operational Authority	Based on the timeline in the RFA, please confirm whether full network adequacy is considered a requirement in order to pass Readiness Review, or if new entrants having demonstrated significant development and have a	No later than three (3) months prior to the date on which the selected Applicant begins to provide services to program beneficiaries, a

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		clear plan to fully meet prior to go-live will meet Readiness Review requirements, and what date the Department anticipates making Readiness Review decisions.	selected MCO must have established network adequacy sufficient to obtain Department of Health (DOH) operating authority in each county in each Zone for which it is selected. As part of Readiness Review, a selected Applicant must also demonstrate compliance with the final network adequacy standards in Exhibit AAA Provider Network Composition/Service Access for each HealthChoices Zone, which will be based on CMS network adequacy standards in 42 CFR § 438.68. The Department anticipates that it will render a Readiness Review “go/no-go” decision for each selected MCO for each Zone three (3) months prior to the Operational date. The Department may delay this decision or program implementation in any or all Zones.
	RFA Section	Question	Answer
107		Is it permissible for the PH-MCO to offer adult members a modest financial incentive (approximately \$10) to complete a health risk assessment or health needs screener to obtain useful data for managing population health and improving outcomes? Contract section V.F.3.f (PH-MCO Outreach Activities) prohibits the value of an incentive from exceeding the cost of a service, however the act of completing a health risk assessment is not a covered service, nor is there a cost associated with it.	Yes, the Department has approved exceptions to permit similar incentives for completing a health risk assessment in the HealthChoices Physical Health Program on a case-by-case basis, subject to Department review of the value, nature and design of the incentive program.
	RFA Section	Question	Answer
108		Can the Department confirm whether or not the Director of Quality Management and SIU Director are included in executive management? The positions appear in the RFA and Appendix A however are omitted from Appendix G. Additionally, Appendix G lists a Chief Information Officer	The Director of Quality Management position, which is referred to in revised RFA Appendix G as the Director of Quality Management/QM Coordinator, is included in Executive Management. The Special Investigations Unit

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		however the RFA and Appendix A list an Information Systems (IS) Coordinator, is this the same position?	(SIU) Director is NOT included in Executive Management, but is included in Key Administrative Positions as listed in RFA Part III Section III-4.C.2. The SIU Director position was accidentally omitted from the original version of Appendix G. The Chief Information Officer/IS Coordinator in revised RFA Appendix G and the Information Systems Coordinator in RFA Part III Section III-4.C.1. are the same position. Please refer to the revised Appendix G, provided with Addendum #6.
	RFA Section	Question	Answer
109		New entrants to the market will have a significant number of new hires in advance of readiness review and throughout the very early parts of the contract in order to staff an entire, high quality health plan. For the Contractor Partnership Plan, can the State confirm how will the 10% of new hires will be calculated to avoid any initial inflation?	The hiring target should be an average of the last 3 years of all Pennsylvania hires. The average number of hires submitted as part of the implementation plan would not typically reflect hires made after an agreement is awarded; however, individuals are hired during readiness review will count towards the target. Awardees are encouraged to work with local Employment and Training providers to fill those positions with CPP eligible candidates.
	RFA Section	Question	Answer
110		In the context of the Commonwealth’s Information Technology Policies (ITPs) and expectations under I-28, please clarify if MCOs participating in the HealthChoices Program are considered a department, board, commission, or council “under the Governor’s jurisdiction,” or an agency that is not under the Governor’s jurisdiction.	Participating MCOs are not any of the listed entities; however, through an MCO’s agreement with the Department, the MCO has agreed to follow all Information Technology Policies (ITPs) and DHS Business and Technical Standards. Please note that applications must

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			be submitted on the basis that all ITPs and DHS Business and Technical Standards apply. An Applicant should list any of the ITPs or DHS standards that it believes are not applicable and its rationale for concluding that the ITP or DHS standard does not apply. DHS may accept or reject Applicant’s request that an ITP or DHS standard not apply.
	RFA Section	Question	Answer
111		In section I-11, Application Requirements, Part B. Application Format, it is specified that 12pt font is to be used. Would the Department allow for larger font sizes in headers to easily identify sections/requirements?	Please refer to the response to Question 11.
	RFA Section	Question	Answer
112		Please confirm Tabs 1 through 10 are minimal tab requirements and that the applicant may include additional tabs, as necessary.	Confirmed. Please refer to the response to Questions 38 and 42.
	RFA Section	Question	Answer
113		Please confirm the files and folders the Department desires to be on each of the Technical, SDB, and CPP Submittals.	For the technical submittal, please see RFA Part I Section I-11.B and responses to Questions 35 and 38. In regards to the SDB Submittal, please see RFA Part I Section I-II and Part IV Section IV-1, RFA Appendix K SDB-1, and SDB-2 and the response to Question 36. In regards to the CPP Submittal, it should be a single submittal with its responses organized in the same order as listed in RFA Part V Section V-3. Also see the response to Question 37.

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	RFA Section	Question	Answer
114		Please confirm all requested Technical Appendices are to be located at the end of our technical response. Are additional appendix/attachment tabs allowed for ease of review?	You should place appendices as described in the responses to Questions 38 and 42. See response to Question 112 on additional appendices.
	RFA Section	Question	Answer
115	I-11.B.3.e	The RFA reads, "e. Materials provided in an Appendix must identify the application section, including page number to which it applies. Appendices also must be specifically referenced in the body of the application to which it applies." Please indicate whether the page number referenced above is the page number in the RFA or the page number in the Respondent's application.	Applicants should provide both the page number(s) in the RFA and the page number(s) of the Applicant's application to which the appended material applies.
	RFA Section	Question	Answer
116		The Department states 11x17 inch paper may be used for graphical exhibits, tables, and material in appendices and a font size lower than nine (9) should not be used. Please confirm graphical exhibits and tables within the narrative may also be no smaller than nine (9) point font.	Confirmed.
	RFA Section	Question	Answer
117		Section 1.0 states "The Applicant must disclose any significant litigation or investigation related to the provision of managed care or health care services during the (2) years preceding the issuance of this RFA, including any such litigation or investigation of an Affiliate of the Applicant." In order to provide the Department with the most relevant information, can the Department please clarify the "significant" threshold? Similar questions in past RFPs/RFAs in the Commonwealth and in other states used material financial threshold as established by GAAP standards or set the disclosure threshold at a specific dollar amount, i.e. \$2 million. Other questions have required disclosures of events that would significantly affect the Applicant's ability to provide services as required by this RFA.	Applicant must disclose any significant litigation or investigation relating to the provision of managed care or healthcare services that would significantly affect the Applicant's ability to provide services as required by the RFA or that reflect upon the Applicant's integrity and reliability, which may not necessarily be based on a specific monetary limit.

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	RFA Section	Question	Answer
118		Appendix H requires Applicants to provide “narrative on any pending lawsuits or investigations involving the Applicant or any affiliate.” Please confirm the required disclosures for pending lawsuits and investigations in Appendix H are of the same scope as disclosures required in section 1.0 for litigation or investigations during the past two years.	Yes.
	RFA Section	Question	Answer
119	Appendix A, V-1, page 45	Applicants must submit Participation submittal and associated required documentation. In the event an SDB loses its SDB distinction prior to the start of the contract award date but following submission of the RFA response, will the Commonwealth provide to the MCO a grace period necessary to find a replacement SDB?	See RFA Appendix K, SDB-1, II.2. SDBs must be DGS-verified as of the Application due date and time. If a firm loses its SDB verification between the Application due date and the agreement award date, an MCO will not be required to locate a replacement SDB but will still be required to utilize the business.
	RFA Section	Question	Answer
120	I-11 and III-5, B.1.a, Application Format, and Part III, Technical Submittal, pages 9 and 27	In response to Part III, Sections 111-1 through 111-8; The Technical Submittal must include a Transmittal Letter and include Tabs I through IO. Applicants must format their technical responses as follows: <ul style="list-style-type: none"> o Tab 1: Table of Contents o Tab 2: Zone(s) of Operations o Tab 3: Management Summary o Tab 4: Prior Experience o Tab 5: Personnel o Tab 6: Work Statement Questionnaire o Tab 7: Financial Capability o Tab 8: Requirements o Tab 9: Objections to the Standard Terms and Conditions o Tab 10: Applicant's Managed Care Experience and References (Appendix F) 	See response to Question 35.

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		<p>There are several discrepancies noted in Part I-11, B.1.a (RFA page 9) regarding Technical ordering and tab titles, versus the ordering and titles of some of the sections listed in Part III, Technical Submittal. Please confirm the order and tab section titles for the technical response should be as follows:</p> <p align="center"> Tab 1: Table of Contents Tab 2: Zone(s) of Operations Tab 3: Management Summary Tab 4: Qualifications (as opposed to Prior Experience, per RFA page 23) Tab 5: Financial Capability (as opposed to Personnel, per RFA page 27) Tab 6: Work Statement Questionnaire Tab 7: Requirements (as opposed to Financial Capability, per RFA page 31) Tab 8: Objections and Additions to Standard Terms and Conditions (as opposed to Requirements, per RFA page 43) Tab 9: Applicant’s Managed Care Experience and References (Appendix F) Appendices and Attachments </p>	
	RFA Section	Question	Answer
121	Appendix A, Section V.M, page 81	<p>Full-time Administrator, Full-time Program Manager, Full-time CFO</p> <p>Page 83 states, "These full time positions must be solely dedicated to the PA HealthChoices Program." Is the Commonwealth expecting the individuals filling these positions to have no other job responsibilities outside of those for the HealthChoices program? Is it expected they dedicate 100% of their time to the PA HealthChoices program or 100% of the time they dedicate to these positions? In other words, can they also hold other positions within the</p>	<p>Except for the CFO, all Executive Management positions must be full-time solely dedicated to the Physical Health HealthChoices Program. See RFA Appendix A, Section V.M. Please note that the Full-time Administrator may be the same person as the full-time HealthChoices Program Manager.</p>

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	RFA Section	Question	Answer
122	Appendix A, Section V.O, Administration, page 86	<p>MCO organization which requires them to manage or perform work on other programs within the Commonwealth? In addition, if an MCO is only awarded some zones and not others, are these positions still required to be dedicated "solely" to the HealthChoices program full-time?</p> <p>The PH-MCO must have an administrative office within each HC Zone covered by this agreement. The Department may grant exceptions to this requirement on an individual basis if the PH-MCO has administrative offices elsewhere in Pennsylvania and the PH-MCO is in compliance with all standards set forth by the Departments of Health and Insurance.</p> <p>Please clarify if this means the PH-MCO must have a permanent physical location in each zone of operation? If yes, must all operational business units be present at each location?</p>	<p>Yes, the selected PH-MCOs must have an administrative office that is physically located in each HealthChoices Zone in which they operate, unless the Department grants a specific exemption for each Zone in which they do not.</p> <p>No, the selected PH-MCOs are not required to have all operational business units present at each location.</p>
	RFA Section	Question	Answer
123	Part III, Technical Submittal, Pharmacy/Outpatient Drug, Question 1, page 40	<p>How will you limit payment to only rebate eligible outpatient covered drugs?</p> <p>Please clarify if DHS will provide access and a link to the list of eligible covered rebate drugs the PH-MCOs will need to be compliant with the DHS mandate? We want to ensure the PBM can code correctly. Please clarify if the expectation is for the PH-MCOs to code and use the CMS data base? If yes, please explain what will occur when the CMS lists are no longer consistent with the DHS file?</p> <p>Will DHS penalize MCOs for covering drugs that are processed outside of the rebate eligible outpatient drug list? What happens if an MCO pays for a drug due to medical necessity process where the drug is needed by the member if there are no other alternatives?</p>	<p>The PH-MCO should use the CMS quarterly product data file publicly available on the CMS website to identify Medicaid covered drugs. DHS identifies MCO payment for non-rebate eligible drugs as missed opportunities for drug rebate collection and may impose assessments.</p>

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	RFA Section	Question	Answer
124	Appendix K, page 45	<p>Applicants must submit Participation submittal and associated required documentation</p> <p>Is the Commonwealth’s expectation that the 9 percent admin PMPM be allowed for administrative costs only, or is it a combination of admin and medical? In addition, is the Commonwealth no longer accepting Small Business in relation to the 9 percent administrative PMPM rate.</p>	<p>See RFA Appendix K SDB-1 – I. “The SDB participation goal applies only to the administrative portion of the PMPM rate.” The goal does not apply to medical services provided to program beneficiaries.</p> <p>Applicants will not receive credit toward meeting the SDB participation goal for using Small Businesses who are not otherwise DGS-verified SDBs.</p>
	RFA Section	Question	Answer
125	Appendix K, page 45	<p>If an SDB is currently under contract, is the PH-MCO required to submit a Letter of Commitment for each SDB, or for newly contracted SDBs only?</p>	<p>Yes. See, RFA Appendix K SDB-1, V.1 “For each Zone for which an application is submitted the Applicant must submit along with its SDB Participation Submittal a letter of commitment (LOC) for each subcontractor included in its submitted SDB Utilization Schedule, including SDBs currently under contract with an MCO.</p>
	RFA Section	Question	Answer
126	Appendix K, SDB-3, Page 45	<p>SDB - In the first Agreement year, each SDB participation commitment listed below, and the total percentage of the SDB participation commitment, will become obligations of the selected Applicant’s Agreement.</p> <p>If a MCO is awarded the contract and the utilization of a SDB is for services that will require work to start prior to the contract year(such as staffing firm and onboarding 90 days prior to contract for staffing firm FTEs, but in preparation for the contract year 2021, will that amount paid, if any count towards contract year 2021?</p>	<p>The selected Applicant must meet the commitments set forth in their SDB Utilization Schedule by the end of the first calendar year of the Agreement. The selected Applicants must also meet their overall SDB commitment on a yearly basis. The selected Applicants will be required as part of their annual negotiation of Agreement terms to identify the SDBs they will use in the upcoming year (which must include the SDBs originally listed on the SDB</p>

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			Utilization Schedule) and provide letters of commitment for any newly added SDB. SDBs added in the second or subsequent agreement years must be DGS verified as of the beginning of each Agreement year. The SDB Participation requirements in RFA Part IV, Section IV-3 also apply to those SDBs added in the second or subsequent years. If an MCO successfully completes readiness review, it will receive credit for administrative services provided by SDBs during the readiness review period towards the SDB participation goal for the first Agreement year.
	RFA Section	Question	Answer
127		Is there a cap on the number of employees at an SDB, and assuming the answer is yes, how do you treat part-time employees?	Yes, an SDB must employ 100 or fewer employees. All full time, part time, and temporary employees working for the business must be counted against the applicable employment limitation of 100 full time or full-time equivalent employees. This also includes owners and management personnel for all facilities, including those outside the Commonwealth. The full-time equivalent (FTE) calculation is: <u>All Hours Worked by All Employees</u> Total Hours in a Full-Time Schedule

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	RFA Section	Question	Answer
128		Is the requirement for maximum revenue permitted to remain qualified as an SDB still < \$36M?	To obtain an SDB verification from DGS, the business may not exceed the three-year average gross revenue of \$38.5 Million, regardless of business type.
	RFA Section	Question	Answer
129		What happens if an SDB qualifies on the financial limits (revenue <\$36MM) at the time of contracting but in year 3 it exceeds the limit? How does that impact compliance by the primary contractor of the 9% threshold?	See RFA Appendix K, SDB-1, II.2. SDBs must be DGS-verified as of the Application due date and time. Because the \$38.5 Million is a three-year average, exceeding the amount in one year may not necessarily result in an SDB losing its DGS verification. If a firm listed in the SDB Utilization Schedule loses its SDB verification (for reasons not related to fraud or misconduct) after the Application due date or the beginning of a subsequent Agreement year, the MCO will still receive credit towards their SDB commitment for utilizing the business for the life of the Agreement.
	RFA Section	Question	Answer
130		Is the RFA subject to the procurement code?	A response to this question is not necessary to submit a response to the RFA.
	RFA Section	Question	Answer
131		Can one SDB be present in the proposals of multiple applicants?	Yes. See, RFA Appendix K SDB-1, II.4. "An SDB may be included as a subcontractor with as many primes as it chooses in separate applications."

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	RFA Section	Question	Answer
132		Please explain in greater detail the 9% threshold for successful bidders, specifically focusing on the Good Faith Exception language. If a payor claims a Good Faith Exception, and it can be shown that an SDB actively solicited that payor for business and was not given a chance to participate, can that be the basis for challenging a successful bidder winning business under the RFA? If yes, would the SDB have standing to challenge the award or would that challenge have to come from another primary bidder?	See, Appendix K SDB-5, Guidance for Documenting Good Faith Efforts to Meet the Small Diverse Business Participation Goal. The Department and BDISBO will review the information submitted in support of a waiver request and will determine whether to approve the waiver request. Protest procedures are set forth in RFA Part I Section I-26.
	RFA Section	Question	Answer
133		Are graphics, charts, text boxes, tables, graphs, illustrations and appendices included in overall page count? Is text in graphics, charts, text boxes, tables, graphs, illustrations and appendices counted toward page count? Please also indicate whether any graphics, appendices and tables which can be printed on 11x17 pages count toward the page limit?	For Appendices (including appendices with graphics, charts, text boxes, graphs and illustrations embedded in an appendix), see response to Question 94. If a graphic, chart, text box, table, graph or illustration is part of a response to a question or section if the RFA with a page limit, it is counted towards the page count.
	RFA Section	Question	Answer
134		What is the page limit for Section II-6, UM Question 5? The RFA does not have any required page limits other than in the Work Statement Questionnaire, please confirm that where not specified in the RFA there are not page limitations for the response.	Please refer to the response to Question 16.
	RFA Section	Question	Answer
135		When will the Department provide the Appendices to the draft MCO contract Appendix A to the RFA?	Please refer to the response to Question 14.

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	RFA Section	Question	Answer												
136		Please provide guidance as to how respondents should calculate the percentage of admin PMPM committed to SDBs. In the last RFP, the Department provided Admin PMPM assumptions by zone for respondents to use in this calculation, will the Department be providing such assumptions for this procurement?	<p>The Department is providing the following assumptions for the administrative PMPMs for this procurement:</p> <table border="1"> <thead> <tr> <th>Zone</th> <th>CY2020 Admin PMPM</th> </tr> </thead> <tbody> <tr> <td>SE</td> <td>\$49.72</td> </tr> <tr> <td>SW</td> <td>\$39.15</td> </tr> <tr> <td>LC</td> <td>\$46.81</td> </tr> <tr> <td>NE</td> <td>\$41.65</td> </tr> <tr> <td>NW</td> <td>\$36.68</td> </tr> </tbody> </table>	Zone	CY2020 Admin PMPM	SE	\$49.72	SW	\$39.15	LC	\$46.81	NE	\$41.65	NW	\$36.68
Zone	CY2020 Admin PMPM														
SE	\$49.72														
SW	\$39.15														
LC	\$46.81														
NE	\$41.65														
NW	\$36.68														
	RFA Section	Question	Answer												
137		Please clarify what the Department means by "competitive range" and what you mean by "top of competitive range"? How is this determined: by zone or overall?	The Department assumes that this question relates to RFA Part I, Section I-18.C relating to Best and Final Offers (BAFOs). After determining those Applicants that are eligible for BAFOs in accordance with RFA Part I, Section I-18.B, the Department may further limit its requests for BAFOs to those Applicants whose applications provide the most competitive responses based on the Department's consideration of the evaluation factors. As with its evaluation of the applications, the Department will determine the "top competitive range" of applications for BAFOs by Zone.												

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Q&A

	RFA Section	Question	Answer
138		Is the requirement that Applicants are "qualified, responsible and capable" synonymous with the requirements of I-18,B1-4?	The Department assumes that this question relates to RFA Part II, Section II-6.B relating to Final Ranking and Award. No, RFA Part I, Section I-18.B defines those Applicants that are not eligible for consideration for BAFO requests. RFA Part II, Section II-6.B. may apply both at BAFO and after a BAFO process has been completed.
	RFA Section	Question	Answer
139		Will MCOs have the ability to replace a SDB if the SDB goes out of business or if the SDB is not performing during the term of the HC contract?	The selected Applicants can request that the Department and BDISBO approve a change to the SDB commitments for good cause. See, RFA Part IV, Section IV-3.B.3.
	RFA Section	Question	Answer
140		Since the RFA states that the SDB Participation Goal commitment will be for the first Agreement year, will the MCO receive a new SDB participation goal or be required to negotiate a new SDB participation goal for each subsequent year of the HC contract? If new Agreement for subsequent years, will the department allow SDB vendors be added, deleted or modified at that time?	The Commonwealth's SDB participation goal of 9% will not be changed during the Agreement term and the selected Applicants must meet their SDB commitments made at the time of Application. The selected Applicants can add additional SDB firms during the second and subsequent years to satisfy the committed SDB participation goal. The selected Applicants must also utilize those SDBs listed in RFA Appendix K SDB-3, SDB Utilization Schedule in the second and subsequent years, but may adjust individual percentage commitments to those listed firms. Also see the answer to Question 126.

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Q&A

	RFA Section	Question	Answer
141	III-5 Financial Capability	In the instance where the bidding entity is wholly owned by an entity which in turn is wholly owned by another entity through multiple ownership levels up to the ultimate parent (all wholly owned), is the MCO required to provide the financial documents requested in parts III-5-B.1 through III-5.B-11 (i.e. audited financials, credit agency ratings) for all intermediary ownership entities between the bidding entity and the ultimate parent, or may the MCO limit submission items to the bidding entity and ultimate parent? i.e. Bidding Entity "A" is wholly owned by "Entity B" which in turn is wholly owned by "Entity C", which in turn is wholly owned by "Entity D", which in turn is wholly owned by "Entity E", the ultimate parent of the Bidding Entity. May the MCO limit financial data requested to Bidding Entity "A" and "Entity E" (ultimate parent), or must the MCO submit all applicable financial documents for every entity in the chain of ownership? Also, due to the length of the financials, can they be submitted electronically only?	In this case, the MCO may limit financial data requested to Bidding Entity "A", Entity "B" and "Entity E" (ultimate parent). See response to Question 8 relating to electronic submissions of supporting documentation.
	RFA Section	Question	Answer
142	Appendix K, IV, Calculating SDB participation	For an SDB subcontractor who does service-based work, is the requirement that 50% be done through W-2 employees of the SDB, or would 1099 contractors paid directly by the SDB also qualify?	1099 contractors are considered subcontractors and therefore do not count as employees of the SDB.
	RFA Section	Question	Answer
143	III-6	III-6 provides guidance on the inclusion of zone-specific content under a separate tab. If you are responding by zone, are you allotted the full page count for each zone? If a portion of the response is general and applies to all zones, should that content be duplicated in each zone section or should we include the general response and then the zone-specific content under the separate tabs?	Yes, Applicants may use the full-page count for each Zone-specific response. See RFA Part III, Section III-6, first paragraph. See response to Question 10. Any portion of the response that applies to all Zones need not be duplicated.

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Q&A

	RFA Section	Question	Answer
144	Appendix C	Please confirm that the subgrantee should be registering with the System for Award Management (SAM) versus the Central Contractor Registration (CCR) which is no longer valid.	Yes.
	RFA Section	Question	Answer
145		<p>The RFA states “The Applicant must also complete Appendix F, Applicant's Managed Care Experience and References. The Applicant must include all information being requested, including the name, title and contact information for the contact person listed in Appendix F. The Department will select three (3) appropriate entities to contact as corporate references for the Applicant. In its discretion, the Department may contact additional listed entities.”; however, Appendix F states: The Applicant must complete a separate APPENDIX F for each state where the Applicant has contracted with a state agency to provide managed care services since January 2015.”</p> <p>HPP Inquiry: There is a discrepancy in the language surrounding Appendix F</p> <ol style="list-style-type: none"> 1. Do applicants (MCOs) that are contracted with the Department in the Commonwealth of Pennsylvania need to provide references? 2. If MCOs contracted with The Department are required to provide references, does each reference need to complete a separate Appendix F or does the MCO complete one Appendix F and list all of the references they are providing? 3. What contact information is needed for each reference (this is not provided in Appendix F)? 4. Please provide the definition of a corporate reference. 	<ol style="list-style-type: none"> 1. Yes. 2. The Applicant is completing Appendix F, not the reference. The Applicant should complete a separate version of revised Appendix F for each contract or agreement with a State Agency for the provision of managed care services. 3. See revised RFA Appendix F included with this Addendum 6. 4. For the purposes of this RFA, and as explained in revised Appendix F, a corporate reference for an Applicant is defined as a state agency with which an Applicant has or had a contract or agreement to provide MA, CHIP or Medicare/MA managed care services since January 2015.
	RFA Section	Question	Answer
146		Due to the importance and complexity of identifying and conducting outreach to members with special needs, would the State consider changing the page limit for Special Needs Question 2 to 6 pages instead of 4?	Yes.

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Q&A

	RFA Section	Question	Answer
147		May we hand-deliver our submission? Will a receipt be provided upon delivery?	Yes. Yes.
	RFA Section	Question	Answer
148		Are there any requirements on the binders or use of binders for the hard-copy submissions?	Applicants should use type of appropriately labeled binders that permit individual pages of their application to be easily removed and replaced, but which securely fasten all parts of their application together in a manner that permits them to be safely transported.
	RFA Section	Question	Answer
149	I-4	<p>“Department may enter into additional agreements with additional qualified PH-MCOs in future years.”</p> <ol style="list-style-type: none"> 1. On what grounds would the Department add additional PH-MCOs after initial awards? 2. What process will the Department use? 3. Will incumbents in other zones be able to compete for new zones in future years if the Department determines additional PH-MCOs are required in a zone? 	<ol style="list-style-type: none"> 1. Such grounds may include, but are not limited to, the withdrawal or termination of selected PH-MCOs. 2. A response to this question is not necessary to submit a response to the RFA. Further, the Department cannot speculate as to future events and circumstances. 3. See prior response.
	RFA Section	Question	Answer
150		Will the slide deck from the Bidders Conference be posted?	Please refer to the response to Question 31.
	RFA Section	Question	Answer
151		SDB Submittal – Does the Department prefer one binder with separate tabs for each zone (with all applicable forms) or separate binders for each zone? i.e. 2 total binder for all zones vs 5 sets of 2 binders?	The Department prefers separately bound SDB documentation for each Zone, as each Zone will be evaluated separately.

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Q&A

	RFA Section	Question	Answer
152		Will MCOs have the ability to replace an SDB if the SDB goes out of business or is not performing during the term of the HC contract?	See response to Question 139.
	RFA Section	Question	Answer
153		Since the RFA states the SDB participation goal commitment will be for the first Agreement year, will the MCO allow SDB vendors to be added or deleted or modified in the subsequent years?	The selected Applicants will not be permitted to delete SDB vendors in the second and subsequent years without the written approval of the Department and BDISBO, but may adjust the individual percentage commitments to those SDB vendors. See the answers to questions 126 and 140.
	RFA Section	Question	Answer
154		Please provide guidance as to how respondents should calculate the percentage admin PMPM committed to SDBs. In the last RFP, the Department provided Admin PMPM assumptions for zone respondents to use in the calculation. Will the Department be providing such assumptions for this procurement?	Please see response to Question 136.
	RFA Section	Question	Answer
155		When will the Department provide the Appendix A to the draft MCO agreement?	The RFA Appendix A Draft HealthChoices Agreement does not have an Appendix A. A draft Exhibit A is attached to RFA Appendix A Draft HealthChoices Agreement.
	RFA Section	Question	Answer
156		What is the page limit for Section III-6.M, Question #5? The RFA doesn't have any page limits other than the Work Statement Questionnaire. Please confirm that where not specified in the RFA.	Please refer to the response to Question 16.
	RFA Section	Question	Answer
157		Are graphics, charts, text boxes, tables, graphs, work statements and appendices included in the overall page count? Is the text within the above included?	Please refer to the response to Question 133.

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Q&A

	RFA Section	Question	Answer
158		Are changes allowed to the sample SDB contract/Model Subcontractor Agreement?	Yes. The selected Applicants may use any subcontract document as long as it meets the requirements set forth in RFA Part IV, Section IV-3.C.
	RFA Section	Question	Answer
159		Can the Commonwealth share the expected timing for announcement of selected Applicants?	The Department's goal is to announce its selection for negotiations in sufficient time, including time for Readiness Review, so that the HealthChoices agreement will be effective January 1, 2021.
	RFA Section	Question	Answer
160		Does the Department plan to adopt any preferential auto-assignment methodology for new entrants to facilitate minimum enrollment levels for financial stability?	Please refer to the response to Question 82.
	RFA Section	Question	Answer
161		Does the Department plan to allow for a second question period to request clarifications on the first round of Q&As?	No.
	RFA Section	Question	Answer
162		Will copies of the sign-in sheets of all attendees be available so that SDBs can make contact with appropriate people?	Please refer to the response to Question 31.
	RFA Section	Question	Answer
163		As an SDB for DGS and looking at 9% commitment, why does the MCO want to commit more than 9%? What is there incentive?	This 9% SDB goal was set based upon an analysis of the available subcontracting opportunities across the entire state for the administrative services that will be provided under the Agreements, the availability of DGS-verified SDBs to perform commercially useful functions, and a consideration of SDB utilization

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Q&A

			on the past Health Choices Physical Health Services agreements. Applicants must meet the SDB participation goal in full or demonstrate they have made Good Faith Efforts to meet the goal in order to be considered responsive and responsible. The Commonwealth encourages Applicants to exceed the SDB participation goal whenever possible.
	RFA Section	Question	Answer
164	RFA, I-3	In the Overview of the Project section, the third paragraph mentions that “the Department may include additional populations to be served or modify benefit packages to be delivered.” Please clarify the criteria and circumstances in which the Department may choose to include additional populations.	A response to this question is not necessary to submit a response to the RFA and requires speculation on the part of the Department.
	RFA Section	Question	Answer
165	RFA, I-11.B.1 Application Requirements; 3-5 Financial Capability; 3-6 Work Statement Questionnaire	In the tab list provided, the Work Statement Questionnaire is Tab 6 and Financial Capability is Tab 7. However, in the Technical Submittal, Section III-5 Financial Capability appears before Section III-6 Work Statement Questionnaire. Please clarify the order of these two sections?	Please refer to the response to Question 35 and 120.
	RFA Section	Question	Answer
166	RFA, I-4	In this section, the fourth paragraph mentions that “The Department may enter into additional agreements with additional qualified PH-MCOs in future years.” Please clarify the circumstances in which the Department may choose to enter into such additional agreements.	Please refer to the response to Question 149.

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Q&A

	RFA Section	Question	Answer
167	RFA, I-11.A Application Requirements	In which of the three separately sealed submittals should the required flash drives be included?	The flash drives should be included with the original copy of the technical submittal.
	RFA Section	Question	Answer
168	RFA, I-11.A Application Requirements	Should the first set of binders be labeled "Original" and the remaining copies labeled "Copy" thereafter?	Yes. Please refer to the response to Question 45.
	RFA Section	Question	Answer
169	RFA, I-11.A	This section states that the applicant must include a redacted version of the Technical Submittal in "Microsoft Office or Microsoft Office-compatible format." Please confirm that Adobe PDF is an acceptable submission format?	Yes.
	RFA Section	Question	Answer
170	RFA, I-11.B.1	Please confirm that, unless specifically noted in the RFA, an attachment supporting the response to a particular question can be included immediately after the response to that question in the Technical Submittal?	Please refer to the response to Question 38.
	RFA Section	Question	Answer
171	RFA, I-11.B.3	Does the department have a preferred naming convention for attachments that support a response to a specific section/question?	Please refer to the responses to Questions 9, 10, 38, and 42.
	RFA Section	Question	Answer
172	RFA, I-18 Best and Final Offers, Section A.3	Would the Department be willing to share what it might anticipate could be included in any requests for revised applications and the subject(s) of pre-selection negotiations?	The Department cannot speculate as to what may be included in a such requests or pre-selection negotiations.
	RFA Section	Question	Answer
173	RFA, 1-26 RFA Protest Procedure	Will prospective Applicants be notified about any protests filed by other prospective Applicants or Applicants prior to the Application submission deadline?	The Department will notify the Office of Medical Assistance Programs and any Applicant reasonably susceptible of award, if any such Applicants exist at the time a protest has been filed. Please see RFA Part I, Section I-26, last paragraph.

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Q&A

	RFA Section	Question	Answer
174	RFA, I-18.B.1.; I-18.B.4.; II-1.C. Mandatory Responsiveness Requirements; IV-2. SDB Participation Goal; Appendix J	If the Commonwealth provides an estimated membership on which to calculate percentage commitments that is lower than the membership ultimately realized by a selected Applicant, will that applicant be held to the same percentage commitment at the higher membership?	Selected Applicants must meet the 9% participation target for each Agreement year. The <u>percentage</u> commitments made by Applicants will become contractual obligations of the selected Applicants and will be monitored on a monthly basis See response to Question 136.
175	RFA, II-1.C. Mandatory Responsiveness Requirements; IV-2. SDB Participation Goal; Appendix J	If the Commonwealth chooses not to provide either the Administrative PMPM and/or an estimated membership, how will the Commonwealth determine that an Applicant is responsive or otherwise able to meet the 9% SDB Participation Goal with the Applicant’s underlying SDB commitments? Unrealistically low membership and/or low Administrative PMPM estimates by an Applicant could result in that Applicant significantly overestimating the percentage commitment represented by its spend with SDBs.	See response to Question 136.
176	RFA, II-6.D	This section reads, “Subject to subsection E and F and for each Zone, the Department shall select for grant agreement negotiations the Applicants with the highest overall scores.” Please confirm that the term “grant agreement” means any contract with a selected applicant?	It means the HealthChoices Agreement negotiations.
177	RFA, III-4 Qualifications, Section A. Corporate Background	Will the Department provide examples of “services or products” in the statement: “If an Applicant is proposing to use the <u>services or products</u> of a subsidiary or affiliated firm, the Applicant must describe the business arrangement with that entity and the scope of the services the entity will provide.”	The referenced services and products are what normally would be considered to be a service or product and may include, but are not limited to, Pharmacy Benefit Management, Dental Benefit Management, Vision Benefit Management, Call Center services, Claims Processing, and IT services.

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Q&A

	RFA Section	Question	Answer
178	RFA, II-4 Qualifications, Section A. Corporate Background	As to the request for “disclosure [of] any contract or agreement cancellations or terminations within the five (5) years preceding the issuance of this RFA, ...” and the “disclosure [of] any significant litigation or investigation related to the provision of managed care or health care services during the two (2) years preceding the issuance of this RFA, ...,” are answers limited to such instances related to the provision of managed care or health care services pursuant to government programs?	Please refer to the response to Questions 19, 20, 21, 103 and 117.
	RFA Section	Question	Answer
179	RFA III, Section III-5.B	Please confirm that the reference below should instead be <u>Part III</u> , Section III-5.B: If the Applicant plans to enter into a subcontract at a cost of at least fifty percent (50%) of anticipated Agreement revenues received from the Department, and if the subcontract provides for financial risk on the part of the subcontractor, provide items listed in <u>Part II</u> , Section III-5.B above, as they relate to the proposed subcontractor.	Correct, the reference in RFA Part III, Section III-5.D. should be Part III, Section III-5.B. Please refer to Addendum 6.
	RFA Section	Question	Answer
180	RFA, III-4-C-1	In the Personnel section, the “Director of Quality Management” is listed as an Executive Management role, requiring a resume to be included. However, on Appendix G (Personnel Checklist), this position is not listed as requiring a resume. Please clarify if a resume is required for this position?	Please refer to the responses to Questions 65, 66 and 108.
	RFA Section	Question	Answer
181	RFA, III-4 Qualifications, C. Personnel, Section 1. Executive Management (Section V.M of the draft Agreement)	Executive Staff and Key Administrative Personnel Checklist (Appendix G of the RFA) only requires resumes of Executive Management (Section V.M of the draft Agreement). However, this section provides: “ <u>For all management positions</u> specifically identified in your application, including the executive management positions listed above, provide: <ul style="list-style-type: none"> The resume of the individual who will be in the position. ...” 	Please refer to the responses to Questions 65 and 66. Resumes are not required for all Key Administrative Personnel.

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Q&A

	RFA Section	Question	Answer
		Does this section therefore also require the resumes of Key Administrative Personnel and/or others? If others, how is this category of management positions defined?	
182	RFA, III-4 Qualifications, C. Personnel, Section 4. Staffing Plans	Does the requirement that the Applicant “include a comprehensive statement of its proposed staffing plan, <u>including staffing plans for subcontractors, ...</u> ” relate only to subcontractors with staff filling Executive Staff and Key Administrative Personnel positions?	No. Staffing plans should include all subcontractors engaged to perform activities to address requirements found in the RFA and the draft HealthChoices Agreement in RFA Appendix A, regardless of whether these subcontractors have staff who will fill Executive Staff or Key Administrative Personnel positions. Please also refer to the response to Question 183.
	RFA Section	Question	Answer
183	RFA, III-4 Qualifications, C. Personnel, Section 5. Subcontracts	Can the Department clarify the definitions of the terms “provision of medical services (other than services provided by Network Providers),” “consumer services,” and “administrative support including, but not limited to, claims processing”? As an example specifically related to either “consumer services” or “administrative support,” does the Department include vendors such as printers of the Member Handbooks, etc.?	Such services would include, but are not limited to, Utilization Management, Quality Management, Provider Network Management, Case Management, Pharmacy Benefit Management, Dental Benefit Management, Vision Benefit Management, Call Center services, Claims Processing, Actuarial and Managerial Consulting Services and IT services. Services such as Printing or Office Supplies which do not require knowledge and experience specific to the delivery of Medical Assistance and healthcare services or the payment of MA and healthcare claims need not be included.
	RFA Section	Question	Answer
184	RFA, III-4 Qualifications, C.	Please confirm that the provision of a subcontracting plan under this section does not require the inclusion of all SDBs listed on SDB-3, but only those that	As part of its response to RFA Part III, Section III-4.C.5, the Applicant only needs to provide

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Q&A

	Personnel, Section 5. Subcontracts	qualify as suppliers of covered services and core administrative functions, and not otherwise classified as Providers.	information about those SDBs that will be providing services to consumers, medical related administrative services and other administrative support. See response to Question 183.
	RFA Section	Question	Answer
185	RFA, III-4 Qualifications, C Personnel, 5 Subcontracts, letter j.	Please verify that a subcontractor resume is only required if the MCO is engaging a subcontractor to fill a Key Personnel position/Executive Management as defined in Executive Staff and Key Administrative Personnel Checklist (Appendix G of the RFA) and Executive Management (Section V.M of the draft Agreement).	Correct.
	RFA Section	Question	Answer
186	RFA, III-6 Work Statement Questionnaire, Utilization Management; #5	Is there a page count restriction for question 5? If so, please provide the page count restriction.	Please refer to the response to Question 16.
	RFA Section	Question	Answer
187	RFA, III.5 Financial Capability Appendix A – Section VII.A.2	11.5.E.1 and 11.5.F.1 both say \$25.00 million; Appendix A - Section VII.A.2 Equity Requirements says \$20.00 million. Which is correct for purposes of the RFA response?	See response to Question 79.
	RFA Section	Question	Answer
188	RFA, III-5 Financial Capability, Section I	Please confirm that the requirement to “[l]ist any ownership interest in proposed subcontractors. Copies of proposed subcontract arrangements are to be included as an appendix. ...” relates only to subcontractors at to which the Applicant has an ownership interest.	See response to Question 93.

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Q&A

	RFA Section	Question	Answer
189	RFA, III-6 Work Statement Questionnaire, Care Management, #4.	<p>This question has four parts, 1) Describe any specific programs that focus on consumers with disabilities or with high acuity levels, 2) Provide outcomes of these programs, 3) Describe how you connect members with available social and community support services, and 4) Describe the programs that will be used and how these programs will improve performance in this area for the HealthChoices PH Program.</p> <p>Is the term “programs” used in part 4 of the question referring back to part 3 and thus asking about programs that connect members to social and community supports?</p>	The fourth part of Care Management question 4 requires the Applicant to specifically address how it proposes to use, adapt and apply the programs and activities described in parts one and three, whose outcomes are addressed in part two, to the PA HealthChoices Physical Health program, and how it will improve its performance for consumers with disabilities or high acuity levels.
	RFA Section	Question	Answer
190	III-6 Work Statement Questionnaire, Value Based Purchasing, Question 7, Appendix A, Section VII.E.8.f	Can the Department please clarify the intent of this question [<i>and the</i>] requirement in the Model Contract [<i>Appendix A</i>], Section VII.E.8.f?	See Addendum 6 for revised language of RFA Part III, Section III-6, Value Based Purchasing Question 7. RFA Appendix A, Draft HealthChoices Agreement Section VII.E.8.f requires the Applicant’s holding/parent company to extend VBP targets in Section VII.E.8 to affiliated lines of fully-insured business operating in Pennsylvania. The revised RFA Part III Section III-6 VBP Question 7 in Addendum 6 requires the Applicant to provide detail regarding how it proposes to do so for each affiliated line of fully-insured business in PA, including current expenditures for VBP and current and proposed future strategies.
	RFA Section	Question	Answer
191	RFA, III-6 Work Statement Questionnaire, Value-	The RFA question appears to be asking for the percent of value based dollars as compared to total spend, but Appendix A appears to be measuring VBP penetration as a percent of revenue. Can the Department confirm if it is	See Addendum #6. Revised Section III-6 VBP Question #1 replaces the prior question and is asking for a percentage of revenue.

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	RFA Section	Question	Answer
	Based Purchasing #1; Appendix A – Section VII.E.8	looking for value based penetration as a percent of total spend, or value based penetration as a percent of revenue?	
192	RFA, III-7. Requirements	Please clarify if the Disaster Recovery plan (Part D) is expected to be submitted under this tab or if it is to be provided upon selection of an Applicant.	The Disaster Recovery Plan should be submitted under the Requirements tab. See response to Question 59.
193	RFA, IV-2 SDB Participation Goal	Please confirm that Small Businesses (SB) may not be submitted toward the SDB Participation Goal.	See response to Question 124.
194	RFA, IV-2 SDB Participation Goal; Appendix J; Appendix K, SDB-1.II.3. SDB Requirements	Please confirm that Veteran Business Enterprises (VBE) and Service Disabled Veteran Business Enterprises (SDVBE) may not be submitted toward the SDB Participation Goal, and that we should only submit MBE, WBE, LGBTBE and DOBE certified SDBs toward the SDB Participation Goal.	Only <u>DGS-verified</u> SDBs possessing MBE, WBE, LGBTBE, and DOBE certification can be used toward meeting the SDB participation goal. DGS-verified SDBs possessing only VBE or SDVBE certifications cannot be used toward meeting the SDB participation goal. See also response to Question 3.
195	RFA, IV-3.B.1. Required Agreement Terms; Appendix K SDB-3 SDB Utilization Schedule	<p>If in the second and subsequent years additional SDBs are added to meet the total percentage commitment, may the individual commitments with listed SDBs be adjusted up or down in the second and subsequent years?</p> <p>If additional SDBs are added in the second or subsequent years, must these additional SDBs also continue to be used in all subsequent years after they are added?</p>	<p>Yes. Please refer to the response to Question 140.</p> <p>Yes, SDBs that are added in the second or subsequent year must continue to be used throughout the remainder of the agreement.</p>
196	RFA, IV-3.D. Utilization Reports	SDB utilization reporting has historically been required/submitted on a quarterly basis. Please confirm this will shift to monthly reporting.	SDB reporting must be completed monthly. See RFA Part IV, Section IV-3.D.

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	RFA Section	Question	Answer
197	RFA, V-3. CPP RFA Requirements	Does Section 5-III subsection g require the listing of only services applicable to TANF, or all services provided under the Agreement?	All services provided under the agreement.
	RFA Section	Question	Answer
198	RFA, V-3. CPP RFA Requirements, letter i	What is included under "organization's Pennsylvania offices" for purposes of determining hiring rates? Does this relate only to new hires supporting the HealthChoices program? Does this include new hires of wholly-owned subcontractors supporting the HealthChoices program?	The positions do not have to be related to the services being provided under the agreement. Sub-contractor hiring of TANF participants does count towards meeting the hiring goal.
	RFA Section	Question	Answer
199	RFA, Appendix F	Can the Department provide additional clarifying information as to the "Contract Year" duration? For example, if a contract started in February of 2015 and continues to present, what would be included in "Contract Year 2015-2016," "Contract Year 2016-2017," etc.?	See revised Appendix F, provided with Addendum #6. In the rows entitled "CONTRACT YEAR," Applicants should place an "x" in the table cell for every "CONTRACT YEAR" with a beginning and ending year that both fall within the period encompassed by the start and end dates of the State Agency Contract in question. For the example given of a contract that started in February 2015 and continues to the present, the Applicant should check all four boxes (CY2015-2016, CY 2016-2017, CY2017-2018, CY2018-2019). For a contract that started in February 2016 and ended in December 2018, the Applicant should place an "x" in the first three boxes (CY2015-2016, CY2016-2017, CY2017-2018).
	RFA Section	Question	Answer
200	Appendix J; Appendix K, SDB-1.I. SDB	Calculation of the SDB commitment as a percentage of the Administrative PMPM requires the amount of the commitment, the estimated number of	Please see response to Question 136.

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Q&A

	Participation Goal; Appendix K, SDB-1.V.1.a.	members, and the estimated Administrative PMPM ($\frac{(\$ \text{ amount of annual spend/estimated membership})}{12\text{months}}/\$ \text{ Administrative PMPM}) * 100$). For example, if an Applicant plans to purchase \$1 million of network servers from an SDB, and there is an estimated 400,000 members and an estimated Administrative PMPM of \$35, the calculation is $\frac{((\frac{\$1,000,000}{400,000})}{12})}{\$35} * 100$, and equals 0.5952%.	
		Please identify the estimated Administrative PMPM and membership, by zone that applicants should use to calculate the percentage commitment made to each SDB.	
	RFA Section	Question	Answer
201	Appendix K, SDB-3	When identifying the “Type of SDB,” do we need to identify all Classifications/Certification Types listed on the SDB’s Verification, or is a singular type acceptable? Or is a combined designation (e.g. MWBE for Minority Woman Business Enterprise) acceptable?	Yes. Check all classifications that are listed on the DGS-issued SDB certificate or within the DGS supplier database for each SDB.
	RFA Section	Question	Answer
202	Appendix K, SDB-4; SDB-5; SDB-6	Please confirm that the references to “administrative services,” “administrative work,” and “administrative subcontracting opportunities” are not intended to restrict the types of services that may be purchased from particular SDBs, and that we may include the purchase of any goods or services from available SDBs, including In-Plan Services. If this is correct, on SDB-4, is the term “administrative services” in the “Services and Time Frame section” not intended to be restrictive?	The Applicant should not include direct medical services provided to program beneficiaries but may include all other types of services.
	RFA Section	Question	Answer
203	RFA, IV Small Diverse Business Participating Information and Appendix K	If an Applicant intends to use an Affiliate subcontractor to perform a majority of key functions under the Agreement, can the Affiliate subcontractor’s commitments to/contracts with SDBs be used by the Applicant to satisfy the SDB commitments required by the RFA?	Only commitments to those SDBs having a direct contractual relationship with the Applicant can be used towards meeting the SDB participation goal.

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	RFA Section	Question	Answer
204	RFA, IV Small Diverse Business Participating Information and Appendix K	If an Applicant intends to use an Affiliate subcontractor solely for the purpose of managing other SDB supplier engagements and payments to such suppliers, can the Affiliate subcontractor's commitments to/contracts with SDBs be used by the Applicant to satisfy the SDB commitments required by the RFA?	Only commitments to those SDBs having a direct contractual relationship with the Applicant can be used towards meeting the SDB participation goal.
	RFA Section	Question	Answer
205	RFA, IV Small Diverse Business Participating Information and Appendix K	If an Applicant intends to contract with an SDB for the purpose of managing other SDB supplier engagements and payments to such suppliers, how will the Commonwealth validate that pass-through SDB spend will not be in excess of 50% of the work?	Pass-through spend will not be credited towards SDB participation and BDISBO will monitor monthly utilization reports for irregularities. Only commitments to those SDBs having a direct contractual relationship with the Applicant can be used towards meeting the SDB participation goal.
	RFA Section	Question	Answer
206	Appendix 'K' SDB-4 Letter of Commitment	If we have a mutual agreement to work with an SDB on a one-time project that will not continue in subsequent years may we include those extra expenditures toward meeting the goal in year one as long as we replace them with other SDB expenditures in subsequent years? Requiring that we only have LOCs with vendors for multi-year commitments discourages the use of SDB contractors for one-time implementation projects and start-up work.	Yes. The selected Applicants can request that the Department and BDISBO approve a change to the SDB commitments for subsequent agreement years as suggested and for good cause. See, RFA Part IV Section IV-3.B.3.
	RFA Section	Question	Answer
207	RFA - Work Statement Questionnaire , Section III-6; Page 39	Describe how you will extend the VBP targets in Section VII.E to all affiliated lines of business operating in Pennsylvania. Provide detail for each affiliated line of business to include current expenditures for VBP and what strategies have been and will be used. (Limit 5 pages) Please confirm that " affiliated line of business" falls under the definition of "Affiliates" as defined in Appendix A Draft Agreement.	Confirmed.

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	RFA Section	Question	Answer
208	Appendix K; SDB-3 and SDB-1	Appendix J only references, and the SDB Utilization Schedule (SDB-3) in Appendix K only lists, four options to check for type of SDB which would appear to exclude veterans and service disabled veteran businesses, although paragraph II.3 (SDB Eligibility) of SDB-1 clearly permits the utilization of “other small business as approved by DGS” which includes veterans and service disabled veteran small diverse businesses. If an Applicant intends to utilize an “other small business as approved by DGS …,” i.e., a “veteran-owned” or “service-disabled veteran-owned” business, as provided for in paragraph II.3 (SDB Eligibility) of SDB-1, how would that be entered onto SDB-3?	DGS-verified SDBs possessing only VBE or SDVBE certifications cannot be used toward meeting the SDB participation goal for this RFA. DGS has not approved VBEs or SDVBEs as an other small business as provided for in RFA Appendix K, SDB-1 and therefore, they cannot be counted towards the SDB participation goal for this RFA.
	RFA Section	Question	Answer
209	Work Statement Questionnaire; III-6; Care Management Q#4, Page 34	How is the Commonwealth defining “disabilities” for the purposes of this question? Is this specific to covered SSI population or broader interpretation of disabilities for entire eligible population?	For the purposes of this question, “disabilities” is broadly defined to apply to the entire eligible population, and is not specific or limited to the covered SSI population.
	RFA Section	Question	Answer
210	Work Statement Questionnaire; Section III-6; Pharmacy Q#4, Page 40	For an Applicant using a PBM for the delivery of services under Exhibit BBB according to Question 5 with no other subcontractor arrangement, what information are you requesting in Question 6 that would not be covered in Question 5?	The Applicant should describe any and all subcontractor relationships for management of the outpatient drug benefit. Some MCOs utilize separate contractors for rebates, claims processing, pharmacy network management or other services. All subcontractor relationships need to be described.
	RFA Section	Question	Answer
211	RFA - Application Requirements and Economy of Preparation; Section I-11. And I-12, Pages 7 and 11	Would it be acceptable to DHS if Applicants provide large attachments (anything that exceeds 10 printed pages) in a digital-only format?	Please refer to the response to Question 8.