



**pennsylvania**

DEPARTMENT OF HUMAN SERVICES

DIVISION OF PROCUREMENT & CONTRACT MANAGEMENT

March 1, 2016

**SUBJECT: Request for Proposals (RFP) No. 12-15 Community HealthChoices Services for all Zones Commonwealth-Wide**

Dear Prospective Offeror:

You are invited to submit a proposal for the above subject RFP for the Commonwealth of Pennsylvania, Department of Human Services in accordance with the attached RFP No. 12-15.

All proposals must be submitted as follows:

Hardcopy:

- Technical Submittal: One (1) original and nine (9) copies.
- Small Diverse Business Submittal (SDB): two (2) copies (sealed separately from the Technical Submittal).

CD-ROM/Flash Drive:

- Two (2) separate CD-ROMs or flash drives, each containing complete and exact copies of the entire proposal (Technical, and SDB Submittals, along with all supporting documentation); in Microsoft Office or Microsoft Office compatible format.
- One (1) CD-ROM or flash drive containing a copy of the Technical Submittal, with redacted Financial Capability information and Offeror identified confidential proprietary or trade secret information; in Microsoft Office or Microsoft Office compatible format.

Proposals must be submitted to the Pennsylvania Department of Human Services, Division of Procurement, Room 402, Health and Welfare Building, 625 Forster Street, Harrisburg, PA 17120. **Proposals must be received at the above address no later than two o'clock P.M. (2:00 P.M.) on Monday, May 2, 2016. Late proposals will not be considered regardless of the reason.**

All questions should be directed to Michelle Smith, Project Officer, Department of Human Services, Office of Administration, Bureau of Financial Operations via e-mail at [RA-PWRFPQUESTIONS@pa.gov](mailto:RA-PWRFPQUESTIONS@pa.gov) no later than **Wednesday, March 16, 2016**.

In addition, the Department of Human Services will hold a Pre-Proposal Conference on **Wednesday, March 16, 2016** from 9:00 AM to 12:00 PM at:

Pennsylvania Training and Technical Assistance Network (PaTTAN)  
Conference Room 2  
6340 Flank Drive, Suite 600  
Harrisburg, PA 17112



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DEPARTMENT OF HUMAN SERVICES

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Proposals **must** be signed by an official authorized to bind the Offeror to its provisions. Also, please include your Federal Identification Number, SAP Vendor Number and the Point of Contact's email address on the Proposal Cover Sheet of your proposal.

Sincerely,

A handwritten signature in black ink that reads "William M. Spiker".

William Spiker  
DHS Director of Procurement & Contract Management

Attachments

From:

RFP #: 12-15  
Due Date: May 2, 2016 2:00PM  
Department of Human Services  
Division of Procurement and  
Contract Management  
Room 402  
Health and Welfare Building  
625 Forster Street  
Harrisburg, PA 17120

**Technical Submittal**

From:

RFP #: 12-15  
Due Date: May 2, 2016 2:00PM  
Department of Human Services  
Division of Procurement and  
Contract Management  
Room 402  
Health and Welfare Building  
625 Forster Street  
Harrisburg, PA 17120

**SDB Submittal**

## Directions to PaTTAN Building

### **From North**

Via Route 22/322 East to I-81 North. Take Exit #72A (Paxtonia). As you exit you will be on Mountain Road. Get into the left lane and go to the traffic light. Turn left onto Allentown Blvd (Route 22). Go to the next light and turn left onto North Blue Ribbon Ave. Go one block and turn right onto Flank Drive. PaTTAN is the third building on the left.

### **From Northeast**

Take Route I-81S to Exit #72 (Linglestown/Paxtonia). At the end of the exit ramp, turn left on to Mountain Road. Get into the left lane and go to the traffic light. Turn left onto Allentown Blvd (Route 22). Go to the next light and turn left onto North Blue Ribbon Ave. Go one block and turn right onto Flank Drive. PaTTAN is the third building on the left.

### **From South**

Via I-83 North across the Susquehanna River. Proceed to the I-83/I-81 junction. Stay in the right lane and take I-81N. Drive approx. 2 miles to the Exit #72A (Paxtonia). As you exit you will be on Mountain Road. Get into the left lane and go to the traffic light. Turn left onto Allentown Blvd (Route 22). Go to the next light and turn left onto North Blue Ribbon Ave. Go one block and turn right onto Flank Drive. PaTTAN is the third building on the left.

### **From East**

From the Pennsylvania Turnpike, take the Harrisburg East, Exit #247. Take Route I-283 North. After approx. 2 miles, follow the sign for I-83/I-81 North (towards Allentown). Take I-83N until you reach the split for I-81. Stay in the right lane and take I-81N. Drive approx. 2 miles and take Exit #72A (Paxtonia). As you exit you will be on Mountain Road. Get into the left lane and go to the traffic light. Turn left onto Allentown Blvd (Route 22). Go to the next light and turn left onto North Blue Ribbon Ave. Go one block and turn right onto Flank Drive. PaTTAN is the third building on the left.

### **From West**

From the Pennsylvania Turnpike, take the Carlisle, Exit #226. Take Route I-81N. Follow approx. 20 miles and take Exit #72A (Paxtonia). As you exit you will be on Mountain Road. Get into the left lane and go to the traffic light. Turn left onto Allentown Blvd (Route 22). Go to the next light and turn left onto North Blue Ribbon Ave. Go one block and turn right onto Flank Drive. PaTTAN is the third building on the left.



**REQUEST FOR PROPOSALS FOR**

**MANAGED CARE ORGANIZATIONS  
TO PROVIDE COMMUNITY HEALTHCHOICES  
COVERED SERVICES IN THE  
COMMONWEALTH OF PENNSYLVANIA  
IN THE  
FIVE COMMUNITY HEALTHCHOICES ZONES:**

SOUTHWEST Zone  
SOUTHEAST Zone  
LEHIGH/CAPITAL Zone  
NORTHWEST Zone  
NORTHEAST Zone

**ISSUING OFFICE**

**Commonwealth of Pennsylvania  
Department of Human Services  
Bureau of Financial Operations  
Division of Procurement and Contract Management  
Room 402 Health and Welfare Building  
625 Forster Street  
Harrisburg, PA 17120**

**RFP NUMBER**

**No. 12-15**

**DATE OF ISSUANCE**

**March 1, 2016**

**REQUEST FOR PROPOSALS FOR**

**RFP No. 12-15**

**TABLE OF CONTENTS**

<b>CALENDAR OF EVENTS</b>	<b>ii</b>
<b>Part I—GENERAL INFORMATION</b>	<b>1</b>
<b>Part II—PROPOSAL REQUIREMENTS</b>	<b>14</b>
<b>Part III—CRITERIA FOR SELECTION</b>	<b>38</b>
<b>Part IV—WORK STATEMENT</b>	<b>42</b>
<b>APPENDIX A – DRAFT AGREEMENT</b>	
<b>APPENDIX B – PROPOSAL COVER SHEET</b>	
<b>APPENDIX C – TRADE SECRET/CONFIDENTIAL PROPRIETARY INFORMATION NOTICE</b>	
<b>APPENDIX D – MANAGED CARE &amp; MLTSS EXPERIENCE</b>	
<b>APPENDIX E – CORPORATE REFERENCE QUESTIONNAIRE</b>	
<b>APPENDIX F – EXECUTIVE STAFF &amp; PRINCIPAL ADMINISTRATIVE PERSONNEL CHECKLIST</b>	
<b>APPENDIX G – EXECUTIVE MANAGEMENT REFERENCE QUESTIONNAIRE</b>	
<b>APPENDIX H – DOMESTIC WORKFORCE UTILIZATION CERTIFICATION</b>	
<b>APPENDIX I – LOBBYING CERTIFICATION AND DISCLOSURE</b>	
<b>APPENDIX J – OWNERSHIP STRUCTURE AND RELATED INFORMATION</b>	
<b>APPENDIX K – SMALL DIVERSE LETTER OF INTENT</b>	
<b>APPENDIX L – PMPM SMALL DIVERSE BUSINESS ZONE CHART</b>	

## CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via email to: <a href="mailto:RA-PWRFPQUESTIONS@pa.gov">RA-PWRFPQUESTIONS@pa.gov</a>	Potential Offerors	March 16, 2016
Preproposal Conference—Location:  Pennsylvania Training and Technical Assistance Network (PaTTAN) 6340 Flank Drive, Suite 600 Conference Room 2 Harrisburg, PA 17112	DHS/ Potential Offerors	March 16, 2016 9:00 am
Answers to Potential Offeror questions posted to the DGS website: <b><u>(<a href="http://www.emarketplace.state.pa.us/Search.aspx">http://www.emarketplace.state.pa.us/Search.aspx</a>)</u></b> no later than this date.	DHS	March 31, 2016
Please monitor website for all communications regarding the RFP.	Potential Offerors	Ongoing
Sealed proposal must be received by the Issuing Office at: <b>Commonwealth of Pennsylvania Department of Human Services Bureau of Financial Operations Division of Procurement &amp; Contract Management Room 402 Health and Welfare Building 625 Forster Street Harrisburg, PA 17120</b>	Offerors	May 2, 2016 2:00 pm

## PART I

### GENERAL INFORMATION

**I-1. Purpose.** This request for proposals (RFP) provides to those interested in submitting proposals for the subject procurement (Offerors) sufficient information to enable them to prepare and submit proposals for the Department of Human Services' (Department or DHS) consideration on behalf of the Commonwealth of Pennsylvania (Commonwealth) to satisfy a need for Commonwealth-licensed Health Maintenance Organizations (HMO) to operate as Managed Care Organizations (MCO) in the Community HealthChoices (CHC) Program in the five (5) CHC zones. (Project)

**I-2. Issuing Office.** DHS, Bureau of Financial Operations, Division of Procurement and Contract Management (Issuing Office) has issued this RFP for the DHS Office of Long-Term Living (OLTL). The sole point of contact in the Commonwealth for this RFP shall be Mac Spiker, [RA-PWRFPQUESTIONS@PA.GOV](mailto:RA-PWRFPQUESTIONS@PA.GOV), the Project Officer for this RFP. Please refer all inquiries to the Project Officer.

**I-3. Scope.** This RFP contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the services to be provided; requirements which Offerors must meet to be eligible for consideration and general evaluation criteria; and other requirements specific to this RFP.

**I-4. Problem Statement.** Governor Wolf is committed to increasing opportunities for older Pennsylvanians and individuals with physical disabilities to remain in their homes. To do so, the Governor has directed the Departments of Human Services and Aging (PDA) to develop a plan to implement a Managed Long-Term Services and Supports (MLTSS) program for older Pennsylvanians and adults with physical disabilities called CHC.

The CHC Program is the Commonwealth's statewide mandatory managed care program through which Participants will receive Medical Assistance (MA) physical health services and Long Term Services and Supports (LTSS). CHC will serve the following Participants:

- Adults age 21 or older who require MA LTSS (whether in the community or in private or county nursing facilities) because they need the level of care provided by a nursing facility.
- Individuals eligible for MA and Medicare (Dual Eligibles) age 21 or older whether or not they need or receive LTSS.

This RFP is being issued to procure the services of MCOs to operate the CHC Program in the five CHC zones which cover all 67 counties of the Commonwealth. In issuing this RFP, the Department's objectives are as follows:

- Enhance opportunities for community-based living for Participants through improved person-centered service planning and potential performance incentives in future years.
- Strengthen coordination of LTSS and other types of healthcare, including Medicare and MA services for Dual Eligible individuals.



- Enhance quality and accountability.
- Advance program innovation.
- Increase efficiency and effectiveness of healthcare and LTSS.
- Promote achievement of Triple Aim (better health, better care, lower costs).
- Promote the expansion of team-based approaches to care delivery (i.e. patient centered medical homes).
- Promote community-based public health initiatives.
- Increase consumer access to needed services, especially in rural and underserved areas of the Commonwealth.

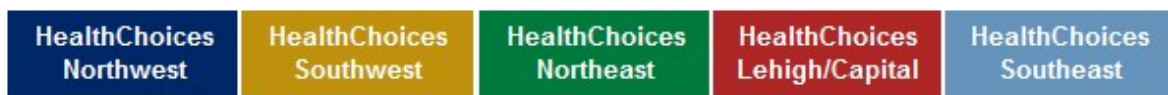
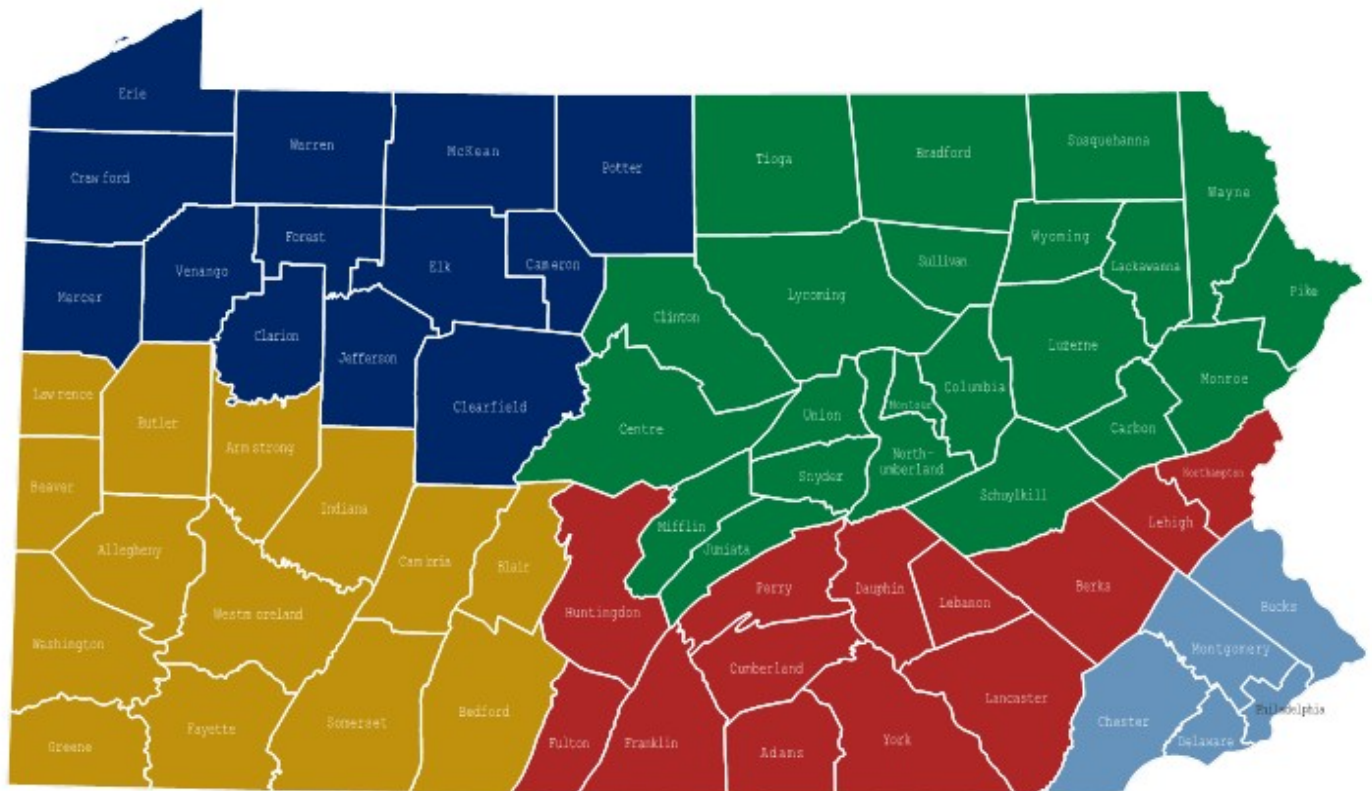
To achieve these goals, selected CHC-MCOs must be as flexible and adaptable as possible, and demonstrate the ability to coordinate services for multiple populations and across multiple programs, including programs whose focus is broader than the delivery of physical healthcare services and LTSS.

The Department may include additional populations to be served and modify benefit packages to be delivered. The general nature of the services to be provided by CHC-MCOs will remain consistent with the work statements and program descriptions set forth in this RFP and the draft CHC Agreement **Appendix A**, as well as with the primary objectives as listed in this section. The draft CHC Agreement in **Appendix A** is a draft and is subject to change.

The CHC Program will be operational in all 67 counties that are divided into five (5) geographic zones. CHC will be the sole MA program option for full Dual Eligibles and most Nursing Facility Clinically Eligible (NFCE) consumers residing in these five zones unless the individual is eligible for and chooses to participate in an available Living Independence for the Elderly (LIFE) program, which is a separate managed care program that is available in certain geographic areas of the Commonwealth.

#### 67 Counties in five (5) Zones

The CHC Program will operate statewide in the following five (5) geographic zones. Each zone is considered one combined service area, requiring that a selected CHC-MCO provide the services required under this RFP and the final CHC Agreement in all counties of a zone for which it is selected. The CHC Program will be implemented in three phases over the next three years. Phase one is anticipated to be implemented in January 2017 and will encompass the Southwest zone; phase two is anticipated to be implemented in January 2018 and will encompass the Southeast zone; and phase three is anticipated to be implemented in January 2019 and will encompass the Lehigh/Capital zone, the Northwest zone and the Northeast zone. As reflected in the following map, the CHC zones are consistent with the physical health HealthChoices zones.



- A. The Southwest zone (SW) includes Allegheny, Armstrong, Beaver, Bedford, Blair, Butler, Cambria, Fayette, Greene, Indiana, Lawrence, Somerset, Washington and Westmoreland Counties.
- B. The Southeast zone (SE) includes Bucks, Chester, Delaware, Montgomery and Philadelphia Counties.
- C. The Lehigh/Capital zone (L/C) includes Adams, Berks, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Lancaster, Lebanon, Lehigh, Northampton, Perry and York Counties.
- D. The Northwest zone (NW) includes Cameron, Clarion, Clearfield, Crawford, Elk, Erie, Forest, Jefferson, McKean, Mercer, Potter, Venango and Warren Counties.
- E. The Northeast zone (NE) includes Bradford, Carbon, Centre, Clinton, Columbia, Juniata, Lackawanna, Luzerne, Lycoming, Mifflin, Monroe, Montour, Northumberland, Pike, Schuylkill, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne and Wyoming Counties.

Population projections for the CHC Program can be uncertain and can be affected by

changes in the economy, law and regulations, and policies. The Department has published a historical data summary for the CHC Program along with other DHS reports at:

[http://dhs.pa.gov/citizens/communityhealthchoices/chhistoricaldatasummary/index.htm#.Vr9\\_SK3ruHt](http://dhs.pa.gov/citizens/communityhealthchoices/chhistoricaldatasummary/index.htm#.Vr9_SK3ruHt)

Note: If this link will not open the page from this document, please copy the link URL information and paste into a web browser.

### Eligible Population

This chart shows the historical information on those populations that will be included in the CHC Program.

State Fiscal Year	NFCE Dual Waiver Eligible	NFCE Dual NF Eligible	NFCE Non Dual Waiver Eligible	NFCE Non Dual NF Eligible	NFI Duals
2014/2015	49,759	77,610	15,821	7,314	270,114

State Fiscal Year	Health Choice Zone	Age Group	NFCE Dual Waiver Eligible	NFCE Dual NF Eligible	NFCE Non Dual Waiver Eligible	NFCE Non Dual NF Eligible	Community Well Duals	
2014/2015	Lehigh/Capital	Age < 60	1,861	995	1,165	650	28,606	
		Age >= 60	3,674	16,714	416	505	24,881	
	New East	Age < 60	1,477	723	893	585	21,002	
		Age >= 60	3,820	13,491	247	435	20,064	
	New West	Age < 60	1,198	408	766	356	13,290	
		Age >= 60	3,069	6,861	276	225	9,260	
	Southeast	Age < 60	5,648	1,345	6,738	1,476	36,270	
		Age >= 60	19,771	19,020	2,593	1,256	49,215	
	Southwest	Age < 60	2,791	1,111	1,871	1,052	35,232	
		Age >= 60	6,450	16,942	855	771	32,294	
				<b>49,759</b>	<b>77,610</b>	<b>15,820</b>	<b>7,311</b>	<b>270,114</b>

**The figures provided reflect Master Client Index (MCI) and Client Information Systems (CIS) Operational System records for the 2014/2015 SFY. Analysis was completed using data available in the DHS Data Warehouse as of October 2015.**

### Certificate of Authority and County Operational Authority

Participation in the CHC Program will be limited to Commonwealth-licensed HMOs. All CHC-MCOs awarded an agreement for the CHC Program for any zone will be required to have a Certificate of Authority to operate as an HMO in Pennsylvania, as well as Pennsylvania Department of Health (DOH) operating authority in each county in each zone for which they are selected, no later than three months prior to the anticipated implementation date of 1/01/2017 for the SW zone, and no later than three months prior to the anticipated implementation dates for the other zones. No later than these dates, all CHC-MCOs awarded an agreement for a CHC zone must provide to the Department a copy of their Certificate of Authority to operate as an HMO in Pennsylvania, as well as a copy of the correspondence from the Pennsylvania DOH granting operating authority in each county in the zone(s) for which

they were selected for award.

To provide increased Medicare and MA integration for the Dual Eligibles being served by CHC, the selected CHC-MCOs must have an aligned Dual Eligible Special Needs Plan (D-SNP) and current MIPPA Agreement with the Department. For the SW and SE zones, the aligned D-SNP must be operational by January 1, 2018. For the Lehigh-Capital, Northwest, and Northeast zones, the D-SNP must be operational by January 1, 2019.

**I-5. Type of Agreement.** If the Department enters into Agreements as a result of this RFP, they will be full risk, capitated agreements. Please see **Appendix A** for a draft agreement.

The Department anticipates awarding agreements to no fewer than two and no more than five Offerors depending upon the zone.

The Department may enter into additional agreements with additional qualified CHC-MCOs in future years.

The Department, in its sole discretion, may undertake negotiations with Offerors whose proposals, in the judgment of the Department, show them to be qualified, responsible, and capable of providing the services.

The Department will pay each selected CHC-MCO using a schedule of per member per month (PMPM) capitation rates. The Department may make other types of payments, as provided by the Agreement.

This RFP does not require a cost proposal. The Department's actuary will provide to the Department a set of actuarially sound rate ranges for the calendar year 2017 program for the SW zone in spring 2016. The Department will negotiate PMPMs within these actuarially sound rate ranges with those Offerors selected for negotiations. The historical data summary provides a detailed summary of the enrolled population including demographic information, service utilization information, and geographic information. This information can be found on the Department's website at the following link:

[http://dhs.pa.gov/citizens/communityhealthchoices/chchistoricaldatasummary/index.htm#.Vr9\\_SK3ruHt](http://dhs.pa.gov/citizens/communityhealthchoices/chchistoricaldatasummary/index.htm#.Vr9_SK3ruHt)

The Department anticipates that the initial Agreements will include:

- Capitation rates
- Risk Corridor
- High-cost Risk Pool

The Department will determine a date by which negotiations must be completed and an Agreement must be signed by selected Offerors. If the Offeror does not accept the Department's final rate offer for a zone, the Department may, in its sole discretion, reject the proposal for all or some of the zones for which Offeror was selected.

### Agreement pricing for 2018 and beyond

For 2018 and each subsequent program year, the Department plans to provide each CHC-MCO with capitation rates prior to annual negotiation of Agreement terms. The Department may change this process as needed to accommodate changes in Centers for Medicare & Medicaid Services (CMS) requirements and changes in the Department's objectives and practices.

### Risk Adjustment

Risk adjustment is a process in which capitation payments made to MCOs are adjusted based on the relative health risk of each MCO's Participants. Although the Department will not provide for risk adjustment during the initial year of the implementation of CHC in a zone, the Department may implement risk adjusted capitation rates in later years.

### Pay for Performance Incentives

The Department may implement a Pay for Performance Incentive to CHC-MCOs that helps Participants successfully complete the financial eligibility redetermination process with their local County Assistance Offices (CAOs). The Department may implement additional Pay for Performance Incentives in later years.

**I-6. Rejection of Proposals.** The Department may, in its sole and complete discretion, reject any proposal received as a result of this RFP.

**I-7. Incurring Costs.** The Department is not liable for any costs an Offeror incurs in preparation and submission of its proposal, in participating in the RFP and Readiness Review processes, or in anticipation of Agreement award.

**I-8. Preproposal Conference.** The Department will hold a preproposal conference as specified in the Calendar of Events. The purpose of this conference is to provide an opportunity for clarification of the RFP. Offerors should forward all questions to the Project Officer in accordance with **Part I, Section I-9** to ensure adequate time for analysis before the Department provides an answer. Offerors may also ask questions at the conference. The preproposal conference is for information only. Any answers furnished during the conference will not be official until they have been verified, in writing, by the Department. All questions and written answers will be posted on the Department of General Services' (DGS) website as an addendum to, and shall become part of, this RFP. Attendance at the preproposal conference is optional, but strongly encouraged.

**I-9. Questions & Answers.** If an Offeror has any questions regarding this RFP, the Offeror must submit the questions by email (with the subject line "**RFP No. 12-15 Question**") to the Project Officer named in **Part I, Section I-2** of the RFP. If Offerors have questions, they must be submitted via email no later than the date indicated in the Calendar of Events. An Offeror shall not attempt to contact the Project Officer by any other means.

The Department will post the answers to the questions on the DGS website by the date stated in the Calendar of Events. An Offeror who submits a question *after* the deadline date

for receipt of questions indicated in the Calendar of Events assumes the risk that its proposal will not be responsive or competitive because the Commonwealth is not able to respond before the proposal receipt date or in sufficient time for the Offeror to prepare a responsive or competitive proposal. When submitted after the deadline date for receipt of questions indicated in the Calendar of Events, the Project Officer *may* respond to questions of an administrative nature by directing the questioning Offeror to specific provisions in the RFP. To the extent that the Project Officer decides to respond to a non-administrative question *after* the deadline date for receipt of questions indicated in the Calendar of Events, the Department will provide the answer to all Offerors through an addendum.

All questions and responses as posted on the DGS website are an addendum to, and part of, this RFP in accordance with **RFP Part I, Section I-10**. Each Offeror is responsible for monitoring the DGS website for new or revised RFP information. The Department will not be bound by any verbal information or by any written information that is not either contained within the RFP or formally issued as an addendum.

**I-10. Addenda to the RFP.** If the Department deems it necessary to revise any part of this RFP before the proposal response date, the Issuing Office will post an addendum to the DGS website at <http://www.dgsweb.state.pa.us/RTA/Search.aspx>. The Offeror is responsible for periodically checking the website for any new information or addenda to the RFP.

**I-11. Response Date.** To be considered for selection, proposals must arrive at the Issuing Office on or before the time and date specified in the RFP Calendar of Events. The Department will not accept proposals via email or facsimile transmission. Offerors who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Department otherwise notifies Offerors. The hour for submission of proposals shall remain the same. The Department will reject unopened, any late proposals.

**I-12. Proposals.** Offerors may submit one proposal for multiple zones. To be considered, Offerors should submit a complete response to this RFP to the Issuing Office, using the format provided in Part II, providing **one (1) original and nine (9) paper copies of the Technical Submittal and two (2) paper copies of the Small Diverse Business Submittal**.

In addition to the paper copies of the proposal, Offerors shall submit **two (2) complete and exact** copies of the entire proposal (Technical and Small Diverse Business Submittals, along with all supporting documentation) on CD-ROMs or Flash drives in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. Additionally, on a CD-ROM or Flash drive, include separate folders which contain a complete and exact copy of the entire Technical Submittal (excluding financial capability) and SDB submittals in PDF (portable document format). To the extent that an Offeror designates information as confidential or proprietary or trade secret protected in accordance with **RFP Part I, Section I-19**, the Offeror must also include one (1) redacted version of the Technical Submittal, also excluding



Financial Capability on a CD-ROM or flash drive in Microsoft Office or Microsoft Office-compatible format. Offerors may not lock or protect any cells or tabs. The flash drives or CD-ROMs should clearly identify the Offeror and include the name and version number of the virus scanning software that was used to scan the flash drive before they were submitted.

Offerors should not include any costing information in the Technical Submittal. The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant. Offerors should number each proposal page for ease of reference. An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (**Appendix B** to this RFP) and the Proposal Cover Sheet is attached to the Offeror's proposal, the requirement will be met. For this RFP, the proposals must remain valid until agreements for a zone are fully executed. If the Department selects the Offeror's proposal for award, the contents of the selected Offeror's proposal will become, except to the extent the contents are changed through negotiations, obligations under the Agreement.

Each Offeror submitting a proposal specifically waives any right to withdraw or modify it, except that the Offeror may withdraw its proposal by written notice received at the Issuing Office's address for proposal delivery prior to the exact hour and date specified for proposal receipt. An Offeror or its authorized representative may withdraw its proposal in person prior to the exact hour and date set for proposal receipt, provided the withdrawing person provides appropriate identification and signs a receipt for the proposal. An Offeror may modify its submitted proposal prior to the exact hour and date set for proposal receipt only by submitting a new sealed proposal or sealed modification which complies with the RFP requirements.

**I-13. Small Diverse Business Information.** The Department encourages participation by small diverse businesses as prime providers, and encourages all MCOs to make a significant commitment to use small diverse businesses as subcontractors and suppliers.

A Small Diverse Business is a DGS-verified minority-owned business, woman-owned business, veteran-owned business, or service-disabled veteran-owned business.

A small business is a business in the United States which is independently owned, not dominant in its field of operation, employs no more than 100 full-time or full-time equivalent employees, and earns less than \$7 million in gross annual revenues for building design, \$20 million in gross annual revenues for sales and services and \$25 million in gross annual revenues for those businesses in the information technology sales or service business.

Questions regarding this Program can be directed to:

Department of General Services  
Bureau of Diversity, Inclusion, and Small Business Opportunities  
Room 611, North Office Building  
Harrisburg, PA 17125  
Phone: (717) 783-3119  
Fax: (717) 787-7052  
Email: [gs-bsbo@pa.gov](mailto:gs-bsbo@pa.gov)  
Website: [www.dgs.state.pa.us](http://www.dgs.state.pa.us)

The DGS directory of Bureau of Diversity, Inclusion, and Small Business Opportunities (BDISBO) - verified minority, women, veteran, and service disabled veteran-owned businesses can be accessed from: [Searching for Small Diverse Businesses](#).

#### **I-14. Contractor Partnership Program (CPP).**

**A. Overview.** The Contractor Partnership Program (CPP) was created by the Department to provide additional employment opportunities within the Commonwealth. The CPP is designed to leverage the economic resources of the Department to create jobs for individuals currently receiving Temporary Assistance to Needy Families (TANF) cash assistance by maximizing the recruitment, hiring, and retention of those individuals by Commonwealth contractors, subcontractors, providers, and grantees. The CPP utilizes its partnerships with the local Workforce Investment Agencies (WIAs), County Assistance Offices (CAOs), service delivery providers and other community action agencies to advance this goal.

The CPP requires entities entering into Agreements with the Department make a commitment to fill vacancies and new positions with individuals currently receiving TANF cash assistance. The CPP will work cooperatively with entities to assist in these efforts by coordinating the resources of local service providers to assist in the identification of qualified individuals for employment opportunities. While the CPP will provide assistance, the selected CHC-MCO is ultimately responsible for meeting its goal.

Through CPP, the Department expects not only to increase the employment rate for individuals receiving TANF cash assistance, but to continue to contribute to the economic growth of the Commonwealth.

**B. Eligibility Requirements.** In order for a CHC-MCO to get credit for meeting its CPP commitment, it must hire individuals currently receiving TANF cash assistance, including but not limited to individuals currently participating in any of the Department's employment and training programs such as Employment, Advancement, and Retention Network (EARN), Supported Work, Supported Engagement, Industry Specific Initiatives, Keystone Education Yields Success (KEYS), as well as, those individuals in self-initiated activities at the CAO. Individuals receiving medical assistance or foods stamps only **are not** eligible.

For more information about the CPP, please contact:

PA Department of Human Services  
Health & Welfare Building  
2nd Floor West  
7<sup>th</sup> & Forster Streets  
Harrisburg PA 17105  
Attn: Brian Holler  
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**I-15. Economy of Preparation.** Offerors should prepare proposals in a manner that provides a straightforward, thorough and concise description of the Offeror's ability to meet the requirements of the RFP and the Agreement.



**I-16. Alternate Proposals.** The Department has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Department will not accept alternate proposals.

**I-17. Discussions for Clarification.** The Department may require Offerors to make an oral or written clarification of their proposals to ensure thorough mutual understanding and Offeror responsiveness to the solicitation requirements. The Project Officer will initiate requests for clarification.

**I-18. Prime Responsibilities.** The Department will require the selected Offerors to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontracts or sub-agreements. The Department will consider the selected Offeror to be the sole point of contact with regard to Agreement matters.

**I-19. Proposal Contents.**

**A. Confidential Information.** The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Offerors' submissions in order to evaluate proposals submitted in response to this RFP. Accordingly, except as provided herein, Offerors should not label proposal submissions as confidential, proprietary or trade secret protected. Any Offeror who determines that it must divulge such information as part of its proposal must submit the signed written statement described in Subsection C. below and must additionally provide a redacted version of its proposal, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

**B. Commonwealth Use.** All material submitted with the proposal shall be considered the property of the Commonwealth and may be returned only at the Department's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of an Agreement. Notwithstanding any Offeror copyright designations contained on proposals, the Commonwealth shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.

**C. Public Disclosure.** After the award of Agreements pursuant to this RFP, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a proposal submission contains confidential proprietary information or trade secrets, the Offeror must include a signed written statement to this effect with its proposal in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. Refer to **Appendix C** of the RFP for a Trade Secret Confidential Proprietary Information Notice form that may be used as the signed written statement, if applicable. Financial capability information submitted in response to **Part II** of this RFP is exempt from public records disclosure under 65 P.S. §

67.708(b)(26).

**I-20. News Releases.** Offerors shall not issue news releases, internet postings, advertisements, or any other public communications pertaining to this Project without prior written approval of the Department and then only in coordination with the Department.

**I-21. Restriction of Contact.** From the issue date of this RFP until the Department selects proposals for award; the Project Officer is the sole point of contact concerning this RFP. Any violation of this condition may be cause for the Department to reject the offending Offeror's proposal. If the Department later discovers that an Offeror has engaged in a violation of this condition, the Department may reject the offending Offeror's proposal or rescind its award. Offerors must not distribute any part of their proposals beyond the Department. An Offeror who shares information contained in its proposal with other Commonwealth personnel or competing Offeror personnel may be disqualified.

**I-22. Debriefing Conferences.** Offerors whose proposals are not selected will be notified of the name of the selected Offerors and be given the opportunity to be debriefed. The Project Officer will schedule the time and location of the debriefing. The Department will not compare the Offeror with other Offerors during the debriefing, other than the position of the Offeror's proposal in relation to all other Offerors' proposals.

**I-23. Department Participation.** The selected Offerors shall provide all services, supplies, facilities, and other support necessary to complete the identified work, except as otherwise provided in this **Part I, Section I-23.**

Prior to the selected MCO being able to provide CHC services to Participants, the Department will conduct a Readiness Review. CHC Participants will not be able to enroll with a selected Offeror until the Department determines that the Offeror has satisfied the readiness review requirements. The Department will monitor selected Offerors for compliance with the requirements of the CHC Program Agreement. The Department will designate staff to coordinate the Project, provide or arrange for technical assistance, and monitor for Readiness Review, compliance with Agreement requirements, the CHC waiver as may be approved, and program policies and procedures. At its discretion, the Department may commence monitoring before the effective or operational dates of the Agreement, and before the formal Readiness Review period.

**I-24. Term of Agreement.** The operational term of the SW zone Agreements will commence on 1/1/17 or a later date selected by the Department and will have a five (5) year term. The Department may, at its discretion, choose to extend the term of the Agreements for one additional period of two (2) years.

The operational term of the SE zone Agreements will commence on 1/1/18 or a later date selected by the Department and will have a four (4) year term. The Department may, at its discretion, choose to extend the term of the Agreements for one additional period of two (2) years.

The operational term of the L/C, NW, and NE zone Agreements will commence on 1/1/19 or a

later date selected by the Department and will have a three (3) year term. The Department may, at its discretion, choose to extend the term of the Agreements for one additional period of two (2) years.

For CHC-MCOs approved to operate in multiple zones, the Department and the CHC-MCO will execute a separate Agreement for each zone in which the CHC-MCO is approved.

**I-25. Offeror's Representations and Authorizations.** By submitting its proposal, Offeror understands, represents, and acknowledges that:

- A. The Offeror's information and representations in the proposal are material and important, and the Department may rely upon the contents of the proposal in awarding an Agreement. The Commonwealth shall treat a misstatement, omission or misrepresentation as a fraudulent concealment of the true facts relating to the proposal submission, punishable pursuant to 18 Pa.C.S. § 4904.
- B. The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal to this RFP, or to submit a noncompetitive proposal or other form of complementary proposal.
- C. The Offeror makes its proposal in good faith and not pursuant to any Agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- D. To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract or agreement, or have been excluded from participating in any federally funded healthcare programs, except as disclosed in its proposal. Further, to the best knowledge of the person signing the proposal for the Offeror, the Offeror has no relationships which are prohibited under 42 CFR §438.610 Prohibited Affiliations with individuals debarred by Federal agencies.
- E. To the best of the knowledge of the person signing the proposal for the Offeror and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.
- F. The Offeror is not currently under suspension or debarment and has not been excluded from participation in any federally funded healthcare program by the Commonwealth, any other state or the federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.

- G. The Offeror has not made, under separate agreement with the Department, any recommendations to the Department concerning the need for the services described in its proposal or the specifications for the services described in its proposal.
- H. Each Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror's Pennsylvania taxes, unemployment compensation, and workers' compensation liabilities.
- I. Until the selected Offeror receives a fully executed and approved written agreement from the Department, there is no legal and valid agreement, in law or inequity.

**I-26. Notification of Selection.** The Department will notify the selected Offerors in writing of their selection for negotiation after the Department has determined, taking into consideration all of the evaluation factors, the proposals that are the most advantageous to the Department.

**I-27. Use of Electronic Versions of this RFP.** This RFP is being made available by electronic means. If an Offeror electronically accepts the RFP, the Offeror acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of a conflict between a version of the RFP in the Offeror's possession and the Issuing Office's version of the RFP, the Issuing Office's version shall govern.

**I-28. Information Technology Policies.** To the extent applicable, services provided as a result of this RFP are subject to the Information Technology Policies (ITPs) issued by the Office of Administration, Office for Information Technology (OA-OIT); and the DHS Business and Technical Standards created and published by DHS. ITPs may be found at <http://www.oa.pa.gov/Policies/Pages/itp.aspxe=2>.

The DHS Business and Technical Standards may be found at <http://www.dhs.pa.gov/provider/busandtechstandards/index.htm>

Offerors must submit proposals on the basis that all ITPs and DHS Business and Technical Standards are applicable to this procurement. The Offeror is responsible to read and be familiar with the ITPs and DHS Business and Technical Standards. Notwithstanding the foregoing, if the Offeror believes that any ITP or DHS Business and Technical Standard is not applicable, it must list all such ITPs and DHS Business and Technical Standards in its Technical Submittal, and explain why it believes the ITP or DHS Business and Technical Standard is not applicable. DHS may, in its sole discretion, accept or reject any request that an ITP and/or DHS Business and Technical Standard not be considered to be applicable to the procurement. Offeror's failure to list an ITP or DHS Business and Technical Standard will result in its waiving its right to do so later, unless DHS, in its sole discretion, determines that it would be in the best interest of the Commonwealth to waive the pertinent ITP or Business and Technical Standard.

## PART II

### PROPOSAL REQUIREMENTS

Offerors must submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the proposal. Small Diverse Business cost data relating to the proposal should be kept separate from and not included in the Technical Submittal. Each proposal shall consist of the following two **(2)** separately sealed submittals:

**A. Technical Submittal**, which shall be a response to RFP Part II, **Sections II-1 through II-7 and Sections II-9 through II-11**. Offerors must submit their technical response using the following guide:

- Tab 1 Table of Contents
- Tab 2 Zones of Operation
- Tab 3 Management Summary
- Tab 4 Prior Experience (including **Appendices D and J**)
- Tab 5 Personnel (including **Appendix F**)
- Tab 6 Work Statement and Work Statement Questionnaire
- Tab 7 Financial Capability
- Tab 8 Objections to Standard Terms and Conditions
- Tab 9 Corporate Reference Questionnaire (**Appendix E**)
- Tab 10 Executive Management Reference Questionnaire (**Appendix G**)
- Tab 11 Domestic Workforce Utilization Certification (**Appendix H**)
- Tab 12 Lobbying Certification and Disclosure (**Appendix I**)
- Tab 13 Contractor Partnership Program
- Tab 14 Emergency Preparedness

**B. Small Diverse Business Submittal**, in response to RFP **Part II, Section II-8**.

Offerors may submit one proposal for multiple zones, however; if an Offeror is proposing on multiple zones, **all** portions of the proposal that describe different, separate, or additional components specifically designed to address RFP requirements for a particular zone must be provided under separately tabbed sections of the Offeror's response, and clearly labeled as "Section [***insert number and name of relevant section***] CHC [zone name] **zone**," and Section [***insert number and name of relevant section***] CHC [zone name] **zone**," respectively. For example, in response to RFP Part II Section II-4, "Personnel," an Offeror must provide any such different, separate, or additional organizational structures or personnel under separately tabbed sections of the Offeror's proposal, and clearly labeled as "Section II-4 CHC [zone name] Personnel," and Section II-4 CHC [zone name] Personnel," respectively.

Offerors must submit proposals in the following format:

- a. Pages must be 8.5 by 11 inches with right and left margins of one (1) inch; and be double-sided. For page limitations, a double-sided page counts as two pages.

- b. Must use Arial or Times New Roman font with a size of twelve (12).
- c. Tab and section headings must be used.
- d. Each page must include a page number and identification of the Offeror in the page footer.
- e. Materials provided in any appendix must be specifically referenced by page number in the body of the proposal.
- f. Exceptions for paper and font size are permissible for project schedule (Microsoft Project) or for graphical exhibits and material in appendices which may be printed on white paper with dimensions of 11 by 17 inches.

The Department may request additional information which, in the Department's opinion, is necessary to determine if the Offeror's competence, number of qualified employees, business organization, and financial resources are adequate to perform the tasks according to the RFP and the Agreement requirements.

The Department may make investigations as deemed necessary to determine the ability of the Offeror to perform as a CHC-MCO, and the Offeror shall furnish to the Department all requested information and data. The Department may reject any proposal if the evidence submitted by, or investigation of, such Offeror fails to satisfy the Department that such Offeror is properly qualified to carry out the obligations of the RFP and the Agreement.

**II-1. Tab 2 - Zone(s) of Operation.** Indicate the zone or zones of operation in which the Offeror wishes to participate. See RFP **Part I, Section I-4** Problem Statement for a description of the zones.

**II-2. Tab 3 - Management Summary.** Include a narrative description of the proposed effort and a list of the Program services to be provided. The summary will condense and highlight the contents of the Technical Submittal in a manner that allows a broad understanding of the Technical Submittal.

**II-3. Tab 4 - Prior Experience.**

**A. Corporate Background.** This section must detail information on the ownership of the company (names and percentage of ownership), the date the company was established, the date the company began operations, the physical location of the company, and the current size of the company; as well as the information requested in **Appendix J – Ownership Structure and Related Information.**

The Offeror must submit, as an appendix, its organization's Articles of Incorporation.

Offerors must identify any current contracting, subcontracting or other relationships that may result in a conflict of interest with the requirements of this RFP, including 42 C.F.R. §438.58. Offerors must abide by the Department's conflict of interest standards identified in **Appendix A, Draft Agreement,** and the RFP.

**B. Corporate Experience.** The Offeror must describe its experience providing the same or similar services as those required by the CHC Program, including the name, address, and

telephone number of the responsible official of the customer, company, or agency who may be contacted. In addition to the relevant prior experience of the Offeror, experience shown should include relevant work done by specific individuals who will be assigned to the zone(s) for which the Offeror is submitting a proposal. This section of the proposal must include a description of the Offeror's:

1. Qualifications and experience with Medicaid managed care systems.
2. Qualifications and experience with LTSS.
3. Qualifications and experience operating a managed care program.
4. Qualifications and experience coordinating behavioral health (BH) services including the ability to read, incorporate, and interpret BH data.
5. Experience with other Commonwealth agencies.

The Offeror must also complete and include **Appendix D, Offeror's Managed Care Experience** as part of its response to this section. If the Offeror has no prior experience, explain what qualifications or past experiences may serve as a substitute.

**C. References.** The Offeror must provide a list of at least three (3) relevant contracts or agreements within the past three (3) years to serve as corporate references. These references may not be DHS contracts or agreements. This list shall include the following for each reference:

1. Name of contract or agreement.
2. Type of contract or agreement.
3. Contract or agreement description, including type of services provided.
4. Total contract or agreement value.
5. Contracting officer's name and telephone number.
6. Role of subcontractor(s) (if any).
7. Time period in which services were provided.

The Offeror must submit **Appendix E, Corporate Reference Questionnaire**, directly to the contacts listed. The references should return completed questionnaires in sealed envelopes to the Offeror. The reference individuals should sign their name over the seal. The Offeror must include these sealed references in **Tab 9** of its Technical Submittal.

**II-4. Tab 5 - Personnel.** The Offeror must submit a description of its overall organizational structure and its proposed organizational structure for the operation in each CHC zone for which it is submitting a proposal. As part of the organizational structure, Offerors should

include a description of the positions and staffing as well as the proposed reporting lines. The Offeror should demonstrate that all of the requirements set forth in this RFP and in the draft Agreement (**Appendix A**) are sufficiently addressed in the Offeror's proposed organizational structure and personnel. If the Offeror is proposing on multiple zones, and if the Offeror is proposing to employ different, separate, or additional organizational structures or personnel to address RFP requirements in different zones, the Offeror must provide descriptions of the different, separate, or additional organizational structures or personnel under separately tabbed sections of the Offeror's Technical Submittal clearly labeled as "Section II-4 CHC [zone name] Personnel," and Section II-4 CHC [zone name] Personnel."

If the Offeror is proposing on multiple zones and its response is the same for all zones on which Offeror is proposing, it need not duplicate its response for each zone.

For those functions described in this section, an Offeror may propose to combine functions or split the responsibility across multiple CHC zones, unless otherwise indicated, as long as it can demonstrate that the duties of the function will be carried out. If an Offeror proposes to combine or split responsibility, its response to this section must clearly indicate which individuals and offices will be responsible for each duty and function, and demonstrate that such duties and functions will be effectively performed and coordinated in each zone. If an Offeror is proposing to combine functions or split responsibilities across multiple zones, the Offeror also should describe how it will structure these functions and responsibilities if it is not awarded all zones for which it submits a proposal.

Similarly, a selected Offeror may contract with a third party to perform functions, subject to the subcontractor conditions set forth in the draft Agreement. If an Offeror proposes to engage a subcontractor to perform any of the functions discussed in this section of the RFP, Offerors may cross-reference the descriptions of such subcontractors requested below in **Part II, Section II-4.D** of this RFP, Subcontracts. Selected Offerors must inform the Department at all times of the management individuals whose duties include each of the responsibilities outlined in this section.

For the following functions, provide the individual's name and, through resume or similar document, the individual's qualifications, including education and experience as well as other requested information. Offerors should not include personal information on submitted resumes that will, or will be likely to, require redaction prior to release of the proposal under the Right to Know Law, including but not limited to information such as home addresses, phone numbers, Social Security Numbers, Drivers' License numbers or numbers from state identification cards issued in lieu of a Drivers' License, and financial account numbers. If DHS requires this information, it will request it separately and as necessary.

**A. Executive Management (Section V.V. of the Draft Agreement).** Full time positions for executive management mean full time positions dedicated to the HealthChoices Program in Pennsylvania.

Executive management consists of the following functions: Administrator, Chief Financial Officer, Medical Director, Pharmacy Director, CHC Program Manager, Director of LTSS, Director of Quality Management and Utilization Management, and the Information



Systems Coordinator. Executive management may be a member of the Offeror's organization, or any subcontractor included in the Offeror's proposal. Please provide the following information for each position:

1. Describe the executive's role in the organization.
2. Describe the level of effort he/she provides related to each of the major program areas of program management, financial management, quality management, utilization management, data management, consumer services, and provider utilization.

For all management positions specifically identified in your proposal, including the executive management positions listed above, provide:

1. Résumés of the management personnel for the position.
2. A job description for each management position for the proposed organizational structure for the CHC Program.
3. Physical location of the management personnel.

A minimum of three (3) client references for Executive Management must be identified. All client references for Executive Management must be outside clients (non-DHS) who can give information on the individual's experience and competence to perform project tasks similar to those requested in this RFP. .

The Offeror must submit **Appendix G, Executive Management Reference Questionnaire**, directly to the contacts listed. The references should return completed questionnaires in sealed envelopes to the Offeror. The Offeror must include these sealed references with its proposal under **Tab 10**

**B. Principal Administrative Positions (Section V.W of the Draft Agreement).** In this section, the Offeror must identify the name and position of the person authorized to finalize an agreement with the Department. Offerors who do not currently employ individuals responsible for a function described in this section, may instead provide job descriptions, including the minimum required education and experience. Specify where these personnel will be physically located during the time they are engaged to work. Such Offerors, however, must take care that their responses to the work statement in **Part II, Section II-5** of this RFP establish that qualified individuals will be employed, and their names and résumés provided to the Department, as part of the Readiness Review process.

Principal Administrative Positions/Functions:

- Quality Management/Quality Improvement Coordinator
- Behavioral Health Coordinator
- Director of Network Management
- Utilization Management Coordinator
- Director of Service Coordination
- Government Liaison
  
- Participant Services Manager
- Provider Claims Educator

- Provider Services Manager
- Complaint, Grievance and DHS Fair Hearing Coordinator
- Claims Administrator
- Contract Compliance Officer
- Other principal personnel identified by Offeror

For ease of reference, Offerors may use the chart in **Appendix F, Executive Staff and Principal Administrative Personnel Checklist**, to ensure that their response provides all the documents and information pertaining to the executive management and principal administrative positions and functions discussed in this section.

Board Members:

The Offeror must describe the role of board members in governance and policy making and specify the manner in which Participants will be represented in an advisory and decision making capacity for the CHC zones. One-third of the board's membership must be "subscribers" of the CHC-MCO.

**C. Staffing Plans.** The Offeror must include a comprehensive statement of its proposed staffing plan demonstrating how it will provide adequate staffing to address all requirements found in the RFP and the Agreement. Include comprehensive organizational charts that detail the number of staff and positions for each existing or proposed department within the CHC-MCO as well as reporting relationships. The organizational chart must illustrate the lines of authority, designate the staff responsible and accountable for the completion of each component in the RFP, indicate the names of the personnel or job title that will be assigned to each role, and the number of hours per week each person is projected to work on the Project. The organizational chart must clearly indicate any functions that are subcontracted along with the name of the subcontracting entities and the services they will perform.

**D. Subcontractors.** Provide a description of each subcontractor that will be employed in lieu of staff to help staff and implement the obligations under the Agreement, excluding subcontracts with providers that are providing direct care services to Participants. Examples include subcontractors hired for administrative support functions such as claims processing. Provide an organizational synopsis of services to be provided by each of these subcontractors. Provide a separate response for each subcontract. (Limit to 2 pages for each subcontract)

Note that, if the subcontract provides for any financial risk, a selected Offeror will be required to comply with the subcontracting requirements set forth in Section XII of the Agreement.

**II-5. Tab 6 - Work Statement and Work Statement Questionnaire: Soundness of Approach.** In this section, the Offeror will respond to the following questionnaire, taking care to be as concise as possible. In responding, the Offeror should repeat each question and then follow each question with the specific response. Please note that page limits have been established for the response to each category of questions. While the Department will take

note of an Offeror’s adherence to these limits, they represent the maximum permissible length of a response. Offerors are not required to and should not expand their responses to the maximum length if a question may be fully answered in fewer pages. All page limits apply to response text only; not to any requested documents.

**Offerors currently participating in HealthChoices or Managed Care LTSS** are encouraged to describe their current practices and changes or improvements to their current operations and to use examples from their HealthChoices or LTSS line of business when explaining their future plans related to a question. They should also describe how they would adapt their current lines of business to the CHC Program.

**Offerors new to MA managed care in Pennsylvania or new to Managed Care LTSS** should provide responses on lines of business deemed to be most relevant. They should also describe how they would adapt their current line(s) of business to the CHC Program.

<b>WORK STATEMENT QUESTIONNAIRE</b>	
<b>PLANNED APPROACH (Maximum 25 Pages for Section)</b>	
1.	Describe in detail how you will develop your network and set up operations capable of supporting the Participant population and meeting requirements of the Agreement, no later than three months prior to the anticipated implementation dates for each zone. Describe your approach for meeting all requirements and include: <ul style="list-style-type: none"> <li>• A detailed description of your Project management methodology. The methodology should address, at a minimum the following: <ul style="list-style-type: none"> <li>○ Issue identification, assessment, alternatives and resolution.</li> <li>○ Resource allocation and deployment.</li> <li>○ Reporting of status and other regular communications with the Department, including a description of your proposed method for providing adequate and timely reporting of data to Department personnel.</li> </ul> </li> </ul>
2.	Provide a work plan for implementation. At a minimum, you should include: <ul style="list-style-type: none"> <li>• A description of all activities necessary to obtain required contracts or agreements for your provider network.</li> <li>• An itemization of activities that you will undertake during the period between notification of selection to proceed to Readiness Review and the anticipated implementation date for each zone. Include established deadlines and timeframes for the activities.</li> </ul>
<b>PARTICIPANT SERVICE COORDINATION AND CARE MANAGEMENT (Maximum 30 Pages for Section)</b>	

1.	<p>Describe how you will employ the following through service coordination and care management:</p> <ul style="list-style-type: none"> <li>• Person-centered approaches.</li> <li>• Self-direction.</li> <li>• Incentives for health and wellness.</li> <li>• Approaches for sustaining family and personal connections and community involvement.</li> </ul> <p>Include how the approaches were/will be measured and reported and the results of your past experience.</p>
2.	<p>Describe how your CHC-MCO will work with each CHC population and their different needs with particular emphasis on the different strategies for the nursing facility clinically eligible population and nursing facility ineligible population.</p>
3.	<p>Describe your experience and your approach for CHC screening for needs, conducting assessments and reassessments, and using existing or developing new tools and systems to support these processes.</p>
4.	<p>Describe your process for providing that individuals with a brain injury receive an assessment by a professional with the appropriate training and experience in brain injury who is able to recognize and assess the impact of cognitive and behavioral impairments on functioning.</p>
5.	<p>Describe your approach for identifying people with cognitive impairment, acquired or developed. Describe your approach to meeting the needs of this population.</p>
6.	<p>Describe your experience and your planned approach to Participant service coordination, including care management.</p>
7.	<p>Describe your experience with and your planned approach to using a Person-Centered planning team for service planning.</p>
8.	<p>Describe your process for service planning that is person centered, is conducted in a cognitively accessible manner and has a Participant's goals and preferences at the center of the process. Include the communication process with the Participant and how he or she will be supported in the most integrated setting with preference and priority for supporting the Participant in their own home.</p>
9.	<p>Describe your plans for delivering comprehensive services that:</p> <ul style="list-style-type: none"> <li>• Increase access to affordable, accessible housing.</li> <li>• Expand access to community-based integrated employment.</li> <li>• Develop the LTSS direct service workforce.</li> <li>• Expand use of technology among LTSS providers.</li> </ul>
10.	<p>Describe your organization's experience and your plan for using technology such as assistive technology, telehealth, telecare, social media, electronic visit verification, and other methods to deliver services to the CHC Participants.</p>

11.	<p>Describe the techniques, policies, procedures or initiatives you have in place and those that will be used for CHC to:</p> <ul style="list-style-type: none"> <li>• Provide Participants with adequate in-home services to divert them from entering or returning to acute or long-term care facilities.</li> <li>• Use community resources, such as community health workers, and natural supports to improve wellness, education on health options, and to improve community involvement.</li> <li>• Effectively and appropriately control avoidable nursing facility, hospital, and emergency department admissions and other high-cost services and to increase the use of health promotion, primary care, and Home and Community Based Services (HCBS).</li> </ul> <p>Describe how you will determine the level of full time equivalent licensed and non-licensed telephonic and community based personnel that will be involved in these activities. Include the plan of care monitoring, and the documentation and sharing of background checks, licensures, and necessary trainings credentials.</p>
12.	<p>Describe the techniques, policies, procedures, or initiatives you have in place to effectively and appropriately manage the Transition of Care (TOC) for Participants being discharged from inpatient care and how these techniques control hospital and nursing facility admissions and readmissions. Describe the strategy to be used if selected for award.</p>
13.	<p>Describe how you encourage provider usage and exchange of interoperable health information, electronic service plans, and how you will develop and implement innovations to use these records to promote better coordination and overall health.</p>
14.	<p>Describe your approach to utilization management for CHC, including:</p> <ul style="list-style-type: none"> <li>• Lines of accountability for utilization policies and procedures and for individual medical necessity determinations.</li> <li>• Processes for determining medically necessary services, including but not limited to the use of professionals with the appropriate expertise and experience and integration of an understanding of the impact of cognition, behavior and brain injury issues on functioning for LTSS and for approving and authorizing service plans.</li> <li>• Data sources and processes to determine which services require prior authorization and how often these requirements will be re-evaluated.</li> <li>• Process and resources to develop utilization review criteria, especially the monitoring of authorized vs. delivered services.</li> <li>• Review and authorization of Person-Centered Service Plans.</li> <li>• Prior authorization processes for Participants requiring services from non-participating providers or for Participants who require expedited prior authorization review and determination.</li> <li>• Processes to provide for the consistent application of criteria by clinical reviewers.</li> <li>• Processes for distinguishing between initial authorizations and reauthorizations.</li> <li>• Processes for the assessment of medical necessity.</li> </ul>
15.	<p>Describe your plan's approach to prioritizing HCBS and providing the most integrated setting for service delivery.</p>

16.	Describe your experience and approach to Participant Services and call center management. Describe your performance measures and how you determine staffing levels.
17.	Describe how you will consider feedback from your Participant Advisory Committee (PAC) in relation to your operations and policies.
18.	Describe the disease and population management programs your organization has in place now, indicating what disease categories they target and how you have or will integrate into LTSS programs. Describe how you have determined their success, including how Participants are educated about the programs. Specify how you will coordinate your service coordination and your care management programs to establish a person-centered approach is taken for chronic conditions and disease management activities for all Participant populations, including the use of any technology to stratify and track Participants most in need of disease management. Identify and describe the programs that will be used if selected for award.
19.	Describe your approach for training staff and providers in the submission and review of Letters of Medical Necessity for physical health services and person-centered service plans. Describe the steps to minimize the number of denials for services that are issued, especially for LTSS, due to a lack of all information being submitted at the initial request.
20.	Describe your policies and processes which will be used by staff and service coordinators to communicate with Participants with disabilities, limited English proficiency, or have low literacy levels.
21.	Describe your approach to assisting Participants through the MA financial redetermination process.
22.	Describe your approach for authorizing LTSS services in accordance with the requirements of 1915(c) Waivers.
23.	Describe the procedures and processes you will have in place for coordination of care for a smooth transition of CHC Participants who transfer between care settings. Specifically, describe the support efforts you will use to transition Participants from institutional to community based settings.
24.	Describe the procedures and processes you have in place to provide continuity of care for smooth transitions of Participants transitioning between service delivery systems and within CHC from one plan to another.
25.	Describe how your person-centered service planning process will support family caregivers.
26.	Describe what methods you will use to verify or evaluate the quality of care delivered by out- of-network providers. Describe any potential barriers and the resolution process.
27.	Describe your process for establishing caseloads for service coordinators and what caseloads you will target for the CHC population.
28.	Describe the data that will be necessary for you to coordinate care as required for the CHC and how you intend to obtain this necessary data.

29.	Describe your approach to meeting the physical health needs of Participants who are frail or homebound.
<b>SERVICE INTEGRATION (Maximum 15 Pages for Section)</b>	
1.	Describe the approaches you will use to coordinate MA and Medicare services, including primary, acute and LTSS, including how you will do this for Participants in aligned or unaligned D-SNPs, other Medicare Advantage Products, and Medicare fee-for-service.
2.	Describe the procedures and processes you will have in place for coordination of care with Medicare providers and how you will provide access to Medicare services. Include how providers will have secure access to all data needed to coordinate care.
3.	Describe your plan to create, maintain, and continuously improve collaboration with HealthChoices Behavioral Health Managed Care Organizations (BH-MCOs). Include a description of methods you will use to exchange information relevant to providing coordination of services, including behavioral health utilization data provided by the Department.
4.	Describe your plan to create, maintain, and continuously improve collaboration across all Participants' providers including those that are not part of the CHC-MCO network. Include a description of methods you will use to exchange information relevant to providing services coordination and care management amongst Participants, providers, and service coordinators.
5.	Describe how your plan will coordinate with each Participant's Medicare Part D coverage.
6.	Describe how your plan will ensure that eligible individuals have Medicare Part D coverage.
7.	Provide your model of care and an explanation as to how it aligns with your D-SNP model of care. Please attach your D-SNP model of care.
8.	Describe the approaches you will use to coordinate with veterans' health services or veterans' health coverages for Participants
9.	Describe your experience and approach in coordinating services with your D-SNP and other D-SNPs.
10.	Describe your experience and approach in coordination among physical health, behavioral health, and LTSS.
<b>QUALITY IMPROVEMENT AND PERFORMANCE MEASURES (Maximum 20 Pages for Section)</b>	
1.	Describe your strategy for achieving quality performance and outcomes for the delivery of services.

2.	Describe all physical health and HCBS quality and performance measures that you currently track and your performance in these measures. Specifically detail any LTSS quality measures and your performance. Address how you measure utilization, timeliness of service delivery and rebalancing (HCBS vs Nursing Facility). Describe, out of all of the measures you collect, which three would be most meaningful in measuring HCBS quality and performance and why.
3.	Describe your strategy for controlling chronic conditions such as high cholesterol, high blood pressure, and diabetes.
4.	Describe your strategy for addressing the needs of Participants with dementia in community settings.
5.	Describe your strategy for addressing the needs of Participants with acquired brain injuries in community settings, including but not limited to identifying appropriate quality metrics for brain injury specific services.
6.	Describe your strategy for approaching service delivery in rural and urban areas of a zone including LTSS, preventive, and acute care.
7.	Describe your plans to measure preventive care services and their impact on improvement in disease management.
8.	Provide an example of an HCBS or similar type quality improvement initiative in which you have participated, including the measures used, your results, key success factors and barriers to success. Describe how this experience will be used for CHC.
9.	Describe how you will engage your Participant Advisory Committee in quality improvement.
10.	Describe the role your service coordinators will play in HCBS quality assurance and improvement. Describe the relationship between care management of chronic conditions and disease management and service coordination as it relates to quality assurance.
11.	<p>Provide HEDIS® rates for the following measures:</p> <ol style="list-style-type: none"> <li>1. Controlling High Blood Pressure</li> <li>2. Comprehensive Diabetes Care: HbA1c Poorly Controlled</li> <li>3. Comprehensive Diabetes Care: LDL Control &lt;100</li> <li>4. Prenatal Care in the First Trimester</li> <li>5. Breast Cancer Screening (Ages 42-69 years)</li> <li>6. Cervical Cancer Screening (Ages 24 to 64 years)</li> <li>7. Cholesterol Management for patients with Cardiovascular Conditions: LDL-C Controlled&lt;100</li> <li>8. Emergency Department Utilization</li> </ol> <ul style="list-style-type: none"> <li>• Offerors currently participating in the HealthChoices Program should provide the three most recent completed years of HealthChoices HEDIS® rates. If an Offeror does not have three completed years of information, it should submit the HealthChoices HEDIS rates for those completed years which it does have.</li> <li>• Offerors, who operate as a Commercial Pennsylvania HMO, must provide the three most recent completed years of HEDIS® rates for the HEDIS® performance measures for a Commercial line of business as an HMO in Pennsylvania.</li> </ul>



Offerors who do not participate in the HealthChoices Program and who do not operate as a Commercial HMO in Pennsylvania must provide the three most recent years of HEDIS® performance measures for a one Commercial HMO line of business they operate in another state. A Commercial HMO line is the commercial product line for the following: the Offeror, a related party possessing at least 50% common ownership, or any parent company of either the Offeror or the related party. If the commercial product lines are operated by a related party or a parent company, the Offeror must provide information on the extent of overlap between key managers and organizational units whose work affects the HEDIS scores.

**PROGRAM INTEGRITY (Maximum 20 Pages for Section)**

1. Describe the controls you will implement and enforce around program integrity.
2. Describe the controls you will implement around third party liability.
3. Describe the types of fraud, waste, and abuse detection methods you will use to detect and prevent potential provider and Participant fraud, waste, and abuse.
4. Describe how you monitor and how you will monitor the performance of your subcontractors for compliance with all Agreement responsibilities. Provide sample reports showing actions taken to improve performance and achieve positive results. Describe any sanctions or penalties that apply if a subcontractor fails to perform. Provide as an attachment sample performance monitoring reports.
5. Describe your method and process for capturing third party resource and payment information from your claims system for use in reporting cost-avoided dollars and provider-reported savings to the Department. Explain how you will use such information. Describe the process you use for retrospective post-payment recoveries of health-related insurance as well as your process for adjudicating a claim involving an accident or estate recovery.

**PHARMACY (Maximum 15 Pages for Section)**

1. Describe your approach to medication therapy management, polypharmacy, and medication interactions. Describe your approach to control pharmacy costs while maintaining access to MA covered outpatient drugs. Describe programs or initiatives that have been successful at monitoring and ensuring appropriate utilization.
2. Describe your policies, procedures, and processes for identifying opportunities and conducting both retrospective (RetroDUR) and prospective drug utilization review (ProDUR) within the MA program’s Drug Utilization Review guidelines. Provide examples of RetroDUR and ProDUR initiatives, interventions and outcomes. Describe innovative practices or future enhancements to be used for drug utilization review.
3.
  - Describe how your formulary or preferred drug list will be developed and maintained.
  - Describe other outpatient drug utilization strategies.
  - Describe the Pharmacy and Therapeutics Committee, including the membership and function.

4.	<p>Describe your pharmacy prior authorization policies, procedures, and process, including the following:</p> <ul style="list-style-type: none"> <li>• How is prior authorization criteria developed?</li> <li>• How are requests for prior authorization made?</li> <li>• How are temporary supplies obtained for drugs requiring prior authorization for new and ongoing medication?</li> <li>• How do providers (pharmacies and prescribers) and Participants learn about the authorization process and criteria?</li> <li>• Who makes medical necessity decisions?</li> <li>• What is the timeline for processing prior authorization requests?</li> <li>• How are the continuity of care requirements for adults incorporated into the prior authorization process?</li> <li>• Provide example of denial language for an outpatient drug denial notice.</li> <li>• If you will make payment for designated outpatient drugs under both the pharmacy and medical benefits depending on place of service, describe the prior authorization process for those drugs.</li> <li>• If you will make payment for designated outpatient drugs under the pharmacy or medical benefit only, describe the prior authorization process for those drugs.</li> </ul>
5.	<p>With regard to outpatient drug claims, explain:</p> <ul style="list-style-type: none"> <li>• How do you provide access to all MA covered outpatient drugs?</li> <li>• How do you prevent payment for coverage exclusions?</li> <li>• How does the payment methodology for outpatient drugs results in access and how consistent is it with other private third-party payers in the Commonwealth?</li> <li>• Who will adjudicate your outpatient drug claims?</li> <li>• How do you achieve adequate oversight and monitoring of the drug claims processor, including fraud and abuse and encounter data?</li> <li>• Will all outpatient drugs be processed through NCPDP pharmacy point of sale? If not, what other method of claims processing will be used (e.g., professional claim with HCPCS codes)?</li> <li>• How will you require that all paid outpatient drug claims include the accurate 11 digit National Drug Code (NDC) and corresponding NDC units for the product dispensed?</li> <li>• How will you determine that NDC and units for physician-administered drugs are appropriate for the HCPCS code billed by the provider?</li> <li>• Describe the process by which you will audit outpatient drug claims for accuracy.</li> </ul>

6.	Describe your specialty pharmacy program and include the following: <ul style="list-style-type: none"> <li>Your definition of a specialty drug.</li> <li>How you will comply with the requirement to contract on an equal basis with willing and qualified pharmacies under 62 P.S. §449 of the Human Services Code.</li> <li>The clinical supports and programs to be provided by specialty pharmacies.</li> <li>How the service coordination and care management coordination of care will work for Participants using specialty drugs.</li> <li>Clinical and financial outcomes associated with the specialty pharmacy program.</li> <li>Describe any innovative or future plans for your specialty pharmacy program, including plans to purchase and effectively manage specialty drugs.</li> </ul>
7.	Describe how your outpatient drug claim information is and will be coordinated with medical claim data such as hospitalizations, emergency department visits, diagnosis codes, etc. to provide service coordination and care management.
8.	Describe how your organization will coordinate outpatient covered drugs with the BH-MCOs.
<b>MANAGEMENT INFORMATION SYSTEMS (Maximum 20 Pages for Section)</b>	
1.	Provide a general systems description, including: <ul style="list-style-type: none"> <li>A systems diagram that describes each component of the management information system and all other systems that interface with or support it.</li> <li>How each component will support the major functional areas of CHC (In-Plan Services; Coordination of Care; Participant Services; Complaint, Incident Management, Grievance and Fair Hearings; Pharmacy; Provider Network; Provider Services; Service Access; Quality Management/Utilization Management (QM/UM); Claims Payment and Processing; and Encounter Data Reporting).</li> <li>Describe the capacity and security of your systems and their ability to handle the CHC population.</li> </ul>
2.	Describe the Management Information System and other tools that service coordinators will use to coordinate Medicare and MA Services
3.	Describe any modifications or updates to your Management Information System (MIS) that will be necessary to meet the requirements of the Agreement, and your plan for their completion, including timeframes.
4.	Describe the current capacity of your MIS/claims processing. Explain your process to readily expand your MIS/claims processing should the capacity of either be exceeded.
5.	Explain how you will require your subcontractors to meet the same MIS requirements for which you are responsible, including any incentives or assessments that will be utilized
6.	Describe the capability to access a database of service information to create ad hoc reports for both MCO management and the Department. Include a description of the system and software, an overview of the data that will be held, and the resources and the capability you will have to use large amounts of data to create standard hard-coded and ad hoc reports.
7.	Describe the capability and amount of access you will have to your subcontractor's information to create ad hoc reports or retrieve standard hard-coded reports.

8.	Describe how you will verify that providers and subcontractors submit timely, accurate, complete, and required encounter data elements for subsequent transmission to the Department, including the frequency of verification.
9.	Describe how you will manage the non-submission of encounter data by a provider or subcontractor, including any corrective actions or assessments that may be imposed.
10.	Describe in detail your process for utilizing the Department's daily and monthly 834 membership files to manage your Participant enrollments. Include the process for resolving discrepancies and your process for resolving errors if a Participant record does not process correctly.
11.	Explain in detail your process for reconciling your membership using the Department's 820 Premium Payment File. Include your process for resolving errors if an 820 record does not process correctly.
12.	Explain in detail your process for providing Participant enrollment information to each of your subcontractors (dental, vision, etc.). Include the subcontractor's name, their purpose, and how often membership data is submitted.
13.	Explain your process for maintaining your provider file with sufficient information on each provider to support provider payment and also meet the Department's reporting and encounter data requirements. Include how you will cross-reference your internal provider ID number with the PROMISe™ provider ID and service location and the provider's NPI number with taxonomy and zip code.
14.	Explain your processes for verifying that providers are enrolled in MA and have a valid PROMISe™ provider ID number/service location and NPI/taxonomy/zip code. Include how you will require and monitor your subcontractors to have their providers enrolled in MA program and have a valid PROMISe™ Provider ID number/service location and NPI/taxonomy/zip code.
15.	Describe your plan to comply with the standards for claims timeliness and the timely and correct payment of providers. Specifically, note how these will be measured and what dates will be used.
16.	Describe your approach for achieving the accurate and timely submission of complete HIPAA Compliant 837 encounter data consistent with required formats.
17.	Describe how you will comply with the data completeness monitoring program requirements, including the submission of a plan (See Section VIII.B.1 of Appendix A, Agreement).
18.	What is your plan to communicate outcome measures to Network and Out-of- Network Providers?
19.	Describe your current system for providing access to all network providers to enrollment, service coordinator contact, and service plan information.
20.	Describe your approach to addressing significant data breaches and detail any examples of past data breaches within your organization and how you addressed them.

21.	Describe the process you currently have and what you will use for clinical data sharing from MCO to MCO when members move from a service area or elect to change their MCO.
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**PROVIDER NETWORK COMPOSITION AND NETWORK MANAGEMENT (Maximum 25 Pages for Section)**

1.	<p>Explain your plan to create a provider network that meets the network and access requirements. Specifically, include:</p> <ul style="list-style-type: none"> <li>• The method you plan to use on an ongoing basis to assess, meet, and maintain network standards for all provider types.</li> <li>• Describe your process for continuous improvement in your network.</li> <li>• Describe how you will include in your network any current willing and qualified HCBS, nursing facility, and LTSS providers that are enrolled MA providers at the time of implementation.</li> <li>• Describe how you will achieve appointment access standards, including when Participants cannot access care within your provider network and must go to an Out-of-Network provider.</li> <li>• Describe how you will provide access to necessary covered services when Participants cannot access services within your provider network.</li> <li>• Describe how you will provide choice of medical, LTSS, and service coordination network providers for Participants.</li> <li>• Describe how you will collect and address the language, communication, and Participant-specific needs.</li> <li>• Describe how you will educate your provider network about Participants' communication needs and coordinate interpreter services.</li> <li>• Describe how you will meet accessibility standards within your provider network for Participants who require reasonable accommodations. Specifically address physical accessibility and cognitive accessibility.</li> </ul>
2.	<p>Describe the processes you have used and will use to correct deficiencies and make improvements in provider network access and accessibility.</p> <ul style="list-style-type: none"> <li>• Describe provider incentives or programs used to encourage greater access throughout the network.</li> <li>• Describe how provider network adequacy and access monitoring is integrated in your overall quality improvement programs.</li> <li>• Describe the plan to recruit providers, and correct deficiencies should they occur.</li> <li>• Describe the methods your provider network support staff will utilize to engage and educate providers.</li> <li>• Explain the circumstances that will result in providers not being approved to participate in your network.</li> </ul>

3.	Describe how your organization will establish a dental provider network to meet or exceed compliance levels for dental needs of Participants through the use of incentives or other provider attraction techniques. Provide recent examples of dental network improvements made by your organization. Specifically describe how your network will meet the dental needs of Participants in nursing facilities or require accommodations to access dental services.
4.	Describe your organization's oversight process for subcontractors that manage provider networks-such as dental, vision, and other benefits managers, including <ul style="list-style-type: none"> <li>• Describe actions taken in the past as well as those that will be taken to correct identified network deficiencies or problems with accurate and timely provider reimbursement.</li> <li>• Describe incentives, quality improvement processes, or assessments pursued to increase network access and accessibility of subcontractor provider networks as well as those that will be used if selected for award.</li> </ul>
5.	Describe how you will use Geo Access mapping to achieve network adequacy.
6.	Explain your plan to manage contracted nursing facility health providers, non-skilled home care providers, and other LTSS providers to meet Participants' needs for access to HCBS and innovative housing options.
7.	Describe risk adjustment strategies and/or provider incentives you will employ in Primary Care Physician (PCP) contracting to provide Participants with complex medical needs with adequate access to primary care services. Describe how you measure the adequacy of access and what programs you will have in place to measure the quality outcomes of services.
8.	Describe how you monitor and evaluate PCPs and other provider compliance with availability and scheduling requirements outlined in the Agreement. Describe your plan to achieve and maintain PCP-to-Participant ratio requirements.
9.	Describe how you provide Participants with access to medical care for needs that arise after hours and for urgent, non-emergency situations. Describe how you monitor providers to ensure that follow-up is done with the Participant and the Participant's PCP to facilitate transfer of information from the after-hours provider. Describe any incentive programs you have in place to improve access to care for providers who provide extended or after hours care.
10.	Describe your policies and procedures for responding to network provider terminations or loss of a large-scale provider group or health system. Please develop the response taking the following areas into consideration: <ul style="list-style-type: none"> <li>• System utilized for identification and notification of Participants affected by the provider loss.</li> <li>• The automated systems and membership supports utilized in assisting Participants with provider transitions.</li> <li>• Systems and policies utilized for continuity of care for Participants.</li> <li>• Outcomes experienced in coverage of the membership with existing network resources following the terminations.</li> </ul>

11.	Explain how you will provide Participants with access to in-home services if scheduled services become unavailable.
12.	Describe how you will educate the provider network about particular services and administrative issues associated with Full Dual Eligibles. What are the major issues that require education?
13.	Describe how you will help coordinate the administration of Financial Management Services for Participants.
14.	Describe how you will approach nursing home transition (NHT) service delivery, including but not limited to how you will approach NHT for populations with barriers to housing.
15.	Describe by major service category the size and market share of any provider and provider organization that is related or affiliated with your MCO.

**II-6. Tab 7 - Financial Condition.** The Offeror must submit information about the financial condition of the company in this section. For ease in assembling the proposal, the Offeror may append its financial documentation rather than including it in the main body of the Submittal. The Offeror must provide the following information:

- A. The identity of each entity that owns at least five percent (5%) of the Offeror.
- B. For the Offeror and for each entity that owns at least five percent (5%) of the Offeror:
  - 1. Audited financial statements for the two (2) most recent fiscal years for which statements are available. The statements must include a balance sheet, statement of revenue and expense, and a statement of cash flow. Statements must include the auditor's opinion and the notes to the financial statements submitted by the auditor to the Offeror. If audited financial statements are not available, explain why and submit unaudited financial statements.
  - 2. Unaudited financial statements for the period between the last date covered by the audited statements through the quarter before the submission of the proposal.
  - 3. Documentation about available lines of credit, including maximum credit amount and amount available thirty (30) business days prior to the submission of the proposal.
  - 4. The most recent sets of quarterly and annual financial statements filed with the Pennsylvania Insurance Department (PID).
  - 5. State of incorporation.
  - 6. Type of incorporation, as profit or non-profit.

7. Bond rating.
8. A.M. Best rating for life/health.
9. Standard & Poor rating and Dunn & Bradstreet rating.
10. Weiss rating.
11. Risk Based Capital Ratio for the year filed most recently with PID.

If any information requested is not applicable or not available, provide an explanation. Offerors may submit appropriate documentation to support the information provided.

The Offeror may also include information for other affiliates as long as it provides the requested information for each entity that owns at least five percent (5%).

- C. Describe your financial stability and economic capacity to perform the CHC Program Requirements.
- D. If the Offeror plans to enter into a subcontract at a cost of at least eighty percent (80%) of anticipated agreement revenues from the Department, and if the subcontract provides for financial risk on the part of the subcontractor, provide items listed in RFP **Part II, Section II-6.B** above, as they relate to the proposed subcontractor.
- E. Identify any proposed subcontractor in which the Offeror has five percent (5%) or more ownership interest.
- F. The Offeror or entity(ies), identified in II.6.A above, who is a HMO or licensed Insurer, must have Statutory Accounting Principles (SAP) basis equity, as of September 30, 2015 or a subsequent date prior to submission of the proposal, equal to the highest of the amounts determined by the following "Three (3) Part Test:"
  1. \$20.00 million;
  2. 5.5 percent of revenue earned by the Offeror or entity(ies) during the most recent four (4) calendar quarters; or
  3. 5.5 percent of revenue earned by the Offeror or entity(ies) during the current quarter multiplied by three (3).

If the Offeror (not a related party) does not have the required SAP-basis equity, explain why and provide Generally Accepted Accounting Principles (GAAP) basis equity. An assertion of equity must be supported by a copy of a filing with PID. If the PID filing is not available, explain why and provide a balance sheet that is attested to by an independent public accounting firm.

Failure to comply with the equity requirement, or with the requirement to provide



documentation satisfactory to the Department, may result in rejection of the proposal.

- G. The Department will not permit a selected Offeror to implement CHC unless it has SAP-basis equity, as of the last day of the second quarter prior to the zone program implementation date, or a subsequent date as determined by the Department, equal to the highest of the amounts determined by the following "Three (3) Part Test":
1. \$20.00 million;
  2. 5.5 percent of revenue earned by the Offeror during the most recent four (4) calendar quarters; or
  3. 5.5 percent of revenue earned by the Offeror during the current quarter multiplied by three (3). The equity of an entity identified in II.6.A above may not be relied upon to satisfy this requirement.
- H. The Offeror will explain how it will fund development and start-up costs, including the source of funds. The Offeror shall also provide information and documentation to enable the Department to conclude whether sources have and are committed to providing the expected funds.
- I. The Offeror will list any ownership interest in proposed subcontractors. Copies of proposed subcontract arrangements are to be included as an appendix. The selected Offeror must obtain Department approval of all subcontracts used.
- J. The Offeror will state whether it has changed its independent actuary or independent auditor in the last two years. If it has, it must provide the date and explain why.

**II-7. Tab 8 - Objections and Additions to Standard Contract Terms and Conditions.** The Offeror will identify which, if any, of the terms and conditions (contained in **Agreement Exhibits D and E(1) to Appendix A Draft Agreement**) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the Agreement. The Offeror's failure to make a submission will result in its waiving its right to do so later, but the Department may consider late objections and requests for additions if to do so, in the Department's discretion, would be in the best interest of the Commonwealth. The Department may, in its sole discretion, accept or reject any requested changes to the standard terms and conditions. The Offeror shall not request changes to the other provisions of the RFP, nor shall the Offeror request to completely substitute its own terms and conditions. All terms and conditions must appear in one integrated Agreement. The Department will not accept references to the Offeror's, or any other, online guides, or online terms and conditions contained in any proposal.

Regardless of any objections set out in its proposal, the Offeror must submit its proposal on the basis of the terms and conditions set out in **Appendix A, Draft Agreement Exhibits D and E(1)**. The Department will reject any proposal that is conditioned on the negotiation of the terms and conditions.

**II-8. Small Diverse Business Submittal.**

- A. To receive credit for being a Small Diverse Business (SDB) or for subcontracting with a SDB (including purchasing supplies and/or services through a purchase agreement), an Offeror must include proof of SDB qualification in the SDB Submittal of the proposal, by providing:
1. A photocopy of its DGS issued certificate entitled "Notice of Small Business Self-Certification and Small Diverse Business Verification" indicating the diverse status.
  2. If the Offeror is proposing on multiple zones, it must submit separate SDB commitments for each zone under separately tabbed section of the Offeror's SDB Submittal. Offerors must clearly label the SDB commitment for each zone as "Section II-8 Small Diverse Business Submittal CHC [zone name] zone," and "Section II-8 Small Diverse Business Submittal CHC [zone name] zone," respectively.

- B. In addition to the above verification letter, the Offeror must include in the SDB Submittal of the proposal the following information:
1. Since this RFP does not require a cost submittal, Offerors will propose an Administrative Per-Member-Per-Month (PMPM) SDB commitment expressed as a percentage of its estimated Administrative PMPM and a dollar amount for each consumer enrolled in the Offeror's program each month. Offerors must use RFP **Appendix L** as part of the SDB submission to satisfy this requirement.

Offerors must indicate the following for each commitment in each zone on **Appendix L PMPM Small Diverse Business Zone Chart**:

- a. The percentage of each Administrative SDB commitment as to its estimated Administrative PMPM, its estimated Administrative PMPM and dollar amount of each Administrative PMPM commitment to a SDB.
- b. The name of each SDB. The Offeror will not receive credit for stating that after the contract is awarded it will find an SDB.

In addition, for each zone, Offerors must provide the following information:

- a. The services or supplies each SDB will provide, including the timeframe for providing the services or supplies.
- b. The location where each SDB will perform services.
- c. The timeframe for each SDB to provide or deliver the goods or services.
- d. A subcontract or letter of intent signed by the Offeror and the SDB for each SDB identified in the SDB Submittal. The subcontract or letter of intent must identify the specific work, goods or services the SDB will perform, how the work, goods or services relates to the project and the specific timeframe during the term of the contract and any option/renewal periods when the work, goods or services will be performed or provided. In addition, the subcontract or letter of intent must identify the fixed percentage and PMPM dollar amount commitment that each SDB will receive. Attached is a letter of intent template (**Appendix K**) which may be used to satisfy these requirements.
- e. The name, address, and telephone number of the primary contact person for each

SDB.

2. For each zone in which the Offeror is selected, the percentage of Administrative SDB PMPM commitment and each SDB subcontractor commitment will become agreement obligations once the final Agreement is fully executed.
  3. The name and telephone number of the Offeror's project (contact) person for the SDB information.
- C. The Offeror is required to submit **two** copies of its SDB Submittal. The Submittal shall be clearly identified as SDB information and sealed in its own envelope, separate from the remainder of the proposal.
- D. A SDB can be included as a subcontractor in as many proposals as it chooses.
- E. An Offeror that qualifies as a SDB and submits a proposal is not prohibited from being included as a subcontractor in separate proposals submitted by other Offerors.

**II-9. Tab 11 - Domestic Workforce Utilization Certification.** The Offeror is to complete and sign the Domestic Workforce Utilization Certification contained in **Appendix H** of this RFP. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal as **Tab 11**.

**II-10. Tab 13 - Contractor Partnership Program.** As part of the Technical Submittal, the Offeror should provide the following information for each zone for which it is submitting a proposal:

- A. County where the Offeror's headquarters is located if in Pennsylvania.
- B. The name, title, telephone number, mailing, and email address of the contact person for the CPP.
- C. Mailing address for all satellite offices located in Pennsylvania, including the county.
- D. Type of business entity. (i.e. not for profit, government entity, public corporation, university).
- E. If a subcontractor will provide the primary services, list the company name and mailing address for offices located in Pennsylvania, including the county.
- F. Type of positions needed for this Project. Please specify management or non-management positions.

In addition to the above requested information, Offerors should provide a written statement in the CPP **Tab 13**. The narrative that addresses the follow statements pertain to the hiring of individuals that are receiving TANF cash assistance.

- A. Identify the anticipated number of employees that will be assigned to the zone including vacancies.
- B. Identify the number of management and non-management employees.
- C. State the number of TANF cash assistance consumers that will be hired. Please

**do not** include percentages.

- D. Describe the strategy that will be employed to identify and recruit individuals that meet the eligibility requirements for the CPP.
- E. Describe the methods that will be used to retain TANF consumers once they are employed.
- F. Provide a brief explanation of the efforts that will be made to meet TANF hiring commitments and remain in effect throughout the existence of the Agreement.

**II-11. Tab 12 - Lobbying Certification and Disclosure.** The Agreement will be funded in part, with federal monies. Public Law 101-121, Section 319, prohibits federal funds from being expended by the recipient or any lower tier sub- recipients of a federal contract, grant, loan, or a cooperative Agreement to pay any person for influencing, or attempting to influence a federal agency or Congress in connection with awarding of any federal contract, the making of any federal grant or loan, or entering into any cooperative agreement. Offerors who submit proposals in response to this RFP must sign the “Lobbying Certification Form” (attached as **Appendix I**) and, if applicable, complete the “Disclosure of Lobbying Activities” form available at: <http://www.whitehouse.gov/omb/assets/omb/grants/sflllin.pdf>.

## PART III

### CRITERIA FOR SELECTION

**III-1. Mandatory Responsiveness Requirements.** To be eligible for selection, a proposal must be:

- A. Timely received from an Offeror.
- B. Properly signed by the Offeror.

**III-2. Technical Nonconforming Proposals.** The two Mandatory Responsiveness Requirements set forth in RFP **Part III, Section III-1** are the only RFP requirements that the Commonwealth considers to be non-waivable. The Department, in its sole discretion; may (1) waive technical or immaterial nonconformities in an Offeror's proposal, (2) allow the Offeror to cure the nonconformity, or (3) consider the nonconformity in the scoring of Offeror's proposal.

**III-3. Evaluation.** The Department has selected a committee of qualified personnel to review and evaluate timely submitted proposals. Independent of the committee, BDISBO will review the SDB submittals and provide the Department with a rating for this component of each proposal. The Department will notify in writing of its selection for negotiation the responsible Offerors whose proposals are determined to be the most advantageous to the Commonwealth as determined by the Department after taking into consideration all of the evaluation factors.

**III-4. Evaluation Criteria.** The following criteria will be used in evaluating each zone included in each proposal.

**A. Technical:** The Department has established the weight for the Technical criterion for this RFP as 80% of the total points. Evaluation will be based upon the following:

1. **Soundness of Approach.** For each zone included in a proposal, the Department's evaluation of the soundness of approach will include but is not limited to review of:
  - a. Whether the Offeror has fully and appropriately accounted for the particular and unique healthcare and LTSS resources available to and the healthcare and LTSS challenges faced by MA consumers in the zone(s).
  - b. Content that demonstrates how the Offeror's approach has been specifically crafted to address the particular and unique demographic, cultural, economic, geographic, or other relevant characteristics of the regions, counties, and municipalities comprising the zone(s).

2. **Financial Conditions**

3. **Personnel Qualifications**

4. **Prior Experience**

**B. Small Diverse Business Participation.** BDISBO has established the weight for the SDB

participation criterion for this RFP as 20% of the total points. Each SDB Submittal will be rated for its approach to enhancing the utilization of SDBs in accordance with the below-listed priority ranking and subject to the following requirements:

1. To receive credit for an SDB subcontracting commitment, the SDB subcontractor must perform at least fifty percent (50%) of the work subcontracted to it.
2. A significant commitment is a minimum of five percent (5%) of the estimated average Administrative PMPM described in RFP Part II, Section II-8.
3. A commitment less than five percent (5%) of the estimated Administrative PMPM revenue amount available is considered nominal and will receive reduced or no additional SDB points depending on the priority ranking.

**Priority Rank 1:** Proposals submitted by SDBs as prime offerors will receive 15% percent of total available points. In addition, SDB Offerors that have significant subcontracting commitments to additional SDBs may receive up to an additional 5% of total available points (200 points total available).

Additional subcontracting commitments to SDBs are evaluated based on the proposal offering the highest total percentage SDB subcontracting commitment. All other Offerors will be scored in proportion to the highest total percentage SDB subcontracting commitment within this ranking. *See formula below.*

**Priority Rank 2:** Proposals submitted by SDBs as prime contractors, with no or nominal subcontracting commitments to additional SDBs, will receive 15% of total available points.

**Priority Rank 3:** Proposals submitted by non-small diverse businesses, with significant subcontracting commitments to SDBs, will receive up to 10% of total available points. Proposals submitted with nominal subcontracting commitments to SDBs will receive points equal to the percentage level of their total SDB subcontracting commitment.

SDB subcontracting commitments are evaluated based on the proposal offering the highest total percentage SDB subcontracting commitment. All other Offerors will be scored in proportion to the highest total percentage SDB subcontracting commitment within this ranking. *See formula below.*

**Priority Rank 4:** Proposals by non-small diverse businesses with no SDB subcontracting commitments shall receive no points under this criterion.

To the extent that there are multiple SDB Submittals in Priority Rank 1 and/or Priority Rank 3 that offer significant subcontracting commitments to SDBs, the proposal offering the highest total percentage SDB subcontracting commitment shall receive the highest score (or additional points) available in that Priority Rank category and the other proposal(s) in that category shall be scored in proportion to the highest total percentage SDB subcontracting commitment. Proportional scoring is determined by applying the following formula:

$$\frac{\text{SDB \% Being Scored}}{\text{Highest \% SDB Commitment}} \times \frac{\text{Points/Additional}}{\text{Points Available}^*} = \text{Awarded/Additional SDB Points}$$

Please refer to the following webpage for an illustrative chart which shows SDB scoring based on a hypothetical situation in which the Commonwealth receives proposals for each Priority Rank:

[http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Procurement-Resources/Pages/RFP\\_SCORING\\_FORMULA.aspx](http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Procurement-Resources/Pages/RFP_SCORING_FORMULA.aspx)

**C. Domestic Workforce Utilization:** Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFP. The maximum bonus points for this criterion are 3% of the total points for this RFP. To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use domestic workforce in the fulfillment of the Agreement. Maximum consideration will be given to those Offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form under **Tab 10** in the same sealed envelope with the Technical Submittal. The certification will be included as an obligation when an Agreement is executed.

**III-5. Offeror Responsibility.** To be responsible, an Offeror must submit a responsive proposal and possess the capability to fully perform the Agreement requirements in all respects and the integrity and reliability to assure good faith performance of the Agreement.

In order for an Offeror to be considered responsible for this RFP and, therefore, eligible for selection for Agreement negotiations:

- A.** The total score for the technical submittal of the Offeror’s proposal must be greater than or equal to **70 percent** of the **available technical points**; and
- B.** The Offeror’s financial information must demonstrate that the Offeror possesses the financial capability to ensure the good faith performance of the Agreement. The Department will review the Offeror’s financial information, any additional information received from the Offeror, and any other publicly-available financial information concerning the Offeror, and assess each Offeror’s financial capacity based on calculating and analyzing various financial ratios, and comparison with industry standards and trends.

Further, the Issuing Office will award an agreement only to those Offerors determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, Contractor Responsibility Program.

### **III-6. Final Ranking and Award.**

- A.** After the evaluation process is completed, the Issuing Office will combine the evaluation committee's final technical scores, BDISBO's final SDB scores, and (when applicable) the domestic workforce utilization scores, in accordance with the relative weights assigned to these areas.
- B.** The Issuing Office will rank responsible offerors according to the total overall score assigned to each, in descending order.
- C.** For one, all or some of the zones, the Issuing Office has the discretion to reject all proposals or cancel the request for proposals, at any time prior to the time an Agreement is fully executed, when it is in the best interests of the Commonwealth. The reasons for the rejection or cancellation shall be made part of the file.



## PART IV

### WORK STATEMENT

**IV-1. Objectives.** The Commonwealth plans to coordinate physical health services and LTSS through CHC-MCOs. Participants will have a choice of between two and five CHC-MCOs depending upon the zone.

CHC will serve an estimated 420,000 individuals statewide, including 150,000 older persons and adults with physical disabilities who are currently receiving LTSS in the community and in nursing facilities. CHC-MCOs will be accountable for most MA-covered services, including preventive services, primary and acute care, LTSS (home and community-based services and nursing facilities), prescription drugs, and dental services. Participants who have MA and Medicare coverage (Dual Eligible Participants) will have the option to have their MA and Medicare services coordinated by the same MCO.

The vision for CHC is an integrated system of physical health and long-term Medicare and MA services that supports older adults and adults with physical disabilities to live safe and healthy lives with as much independence and in the most integrated settings possible.

The goals of CHC are as follows:

- A.** Enhance opportunities for community-based living. There will be improved person-centered service planning and, as more community-based living options become available, the ability to honor Participant preferences to live and work in the community will expand. Performance incentives built into the program's quality oversight and payment policies will stimulate a wider and deeper array of HCBS options.
- B.** Strengthen coordination of LTSS and other types of healthcare, including all Medicare and MA services for Dual Eligibles. Better coordination of Medicare and MA health services and LTSS will make the system easier to use and will result in better quality of life, health, safety, and well-being.
- C.** Enhance quality and accountability. CHC-MCOs will be accountable for outcomes for the target population, responsible for the overall health and long-term support for the whole person. Quality of life and quality of care will be measured and published by DHS, giving Participants the information they need to make informed decisions.
- D.** Advance program innovation. Greater creativity and innovation afforded in the program will help to increase community housing options, enhance the LTSS direct care workforce, expand the use of technology, and expand employment among Participants who have employment goals.
- E.** Increase efficiency and effectiveness. The CHC Program will increase the efficiency of healthcare and LTSS by reducing preventable admissions to hospitals, emergency departments, nursing facilities and other high-cost services, and by increasing the use of health promotion, primary care, and HCBS.

**IV-2. Nature and Scope of the Project.** Selected Offerors will be responsible to operate the CHC Program in all of the counties in the zone(s) for which they are selected to participate; and to improve the accessibility, continuity and quality of healthcare services for Participants in the CHC Program.

**IV-3. Requirements.**

**A. Covered Services.** A full description of the draft requirements for the provision of Covered Services for the CHC Program is set forth in the draft Agreement (**Appendix A**). The provisions of this RFP and its appendices, except as may be modified, will become a part of the CHC operational Agreement.

**B. Emergency Preparedness.** To support continuity of operations during an emergency, including a pandemic, the Commonwealth needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that entities providing critical services to MA beneficiaries have planned for such an emergency and put contingencies in place to provide services.

1. Describe how you anticipate such a crisis or an emergency disaster will impact your operations.
2. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or at a minimum, summarize how your plan addresses the following aspects of emergency preparedness:
  - a. Employee training, including the frequency of training.
  - b. Identified essential business functions and key employees necessary to carry them out.
  - c. Contingency plans for:
    - How your organization will provide Participant access to services and supports.
    - How your organization will handle staffing issues when a portion of key employees are incapacitated.
    - How employees in your organization will carry out the essential functions if prevented from coming to the primary workplace.
    - How your organization will recover systems and data.
    - How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
    - How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

Please use **Tab 14** to describe in narrative format your technical plan for accomplishing the requirements set forth above.

**IV-4. Agreement Requirements—Small Diverse Business Participation.** All agreements containing SDB participation must also include a provision requiring the selected Offeror meet and maintain those commitments made to SDBs at the time of proposal submittal or negotiations, unless a change in the commitment is approved by the BDISBO. All agreements containing SDB participation must include a provision requiring SDB subcontractors to perform at least 50 percent of the subcontracted work.

The selected Offeror’s commitments to SDBs made at the time of proposal submittal or agreement negotiation shall, the extent so provided in the commitment, be maintained throughout the term of the Agreement and through any renewal or extension of the Agreement. Any proposed change must be submitted to BDISBO, which will make a recommendation to the Project Officer regarding a course of action.

If an agreement is assigned to another CHC-MCO, the new CHC-MCO must maintain the Small Diverse Business participation of the original Agreement.

The selected Offeror shall complete the Quarterly Utilization Report (or similar type document containing the same information) and submit it to the DHS Project Officer and BDISBO within ten (10) workdays at the end of each quarter the Agreement is in force. This information will be used to determine the actual dollar amount paid to SDB subcontractors and suppliers. Also, this information will serve as a record of fulfillment of the commitment the selected Offeror made and for which it received SDB points. If there was no activity during the quarter then the form must be completed by stating “No activity in this quarter.”

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF SMALL DIVERSE BUSINESS STATUS OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR SMALL DIVERSE BUSINESS UTILIZATION.

**IV-5. CPP Reporting Requirements.** The approved hiring commitment will become an obligation included in the Agreement. Hiring commitments shall be maintained throughout the term of the Agreement, including any renewal or extensions. Any proposed change must be submitted to the CPP, which will make a recommendation to the Project Officer regarding course of action. Upon approval of the Department, this updated plan will become part of the Agreement. If an agreement is assigned to another MCO, the new MCO must maintain the CPP recruiting and hiring plan of the original Agreement.

The selected Offeror is required to complete and submit the PA 1540 Quarterly Employment Report Form on a quarterly basis to document the number of TANF cash assistance consumers hired for that quarter. The form must be completed in its entirety and forwarded to the CPP, with a copy sent to the DHS Project Officer, by the fifteenth (15<sup>th</sup>) day of the following month after the quarter ends. If the 15<sup>th</sup> falls on a weekend or state holiday the report is due the next business day. The quarters are based on the DHS’ fiscal year and are as follows:

Quarters	Begin Date	End Date	Reports Due
1 – First	July 1	September 30	October 15

2 – Second	October 1	December 31	January 15
3 – Third	January 1	March 31	April 15
4 – Fourth	April 1	June 30	July 15

The selected Offeror, regardless of its Agreement Effective Date, must submit the PA 1540 based on the schedule above. If an Agreement begins in the middle of a quarter the information reported will be based on activity that occurred from the Agreement Effective Date through the end of the quarter. If no activity occurred the form must be completed by stating “No Activity in this Quarter” with the Contractor’s comments. This report must be signed by the entity that holds the Agreement with the Department; it may not be signed by a subcontractor.

The information submitted on this report will be audited for its accuracy and the findings will be utilized to determine if the selected Offeror is meeting its hiring requirements.

Verification

The CPP will review the PA 1540 Form\* for accuracy and completeness. In addition, the individuals reported on the 1540 Form as TANF cash assistance consumers will be verified through the Department’s Client Information System (CIS). The Department will take a statistical sample of all public assistance hires reported to determine if the selected Offeror will receive credit. The results of the sample will determine if additional verification measures are needed.

\*Please note that the PA 1540 Form will be mailed after the Agreement is executed.